

**READING MUNICIPAL  
LIGHT DEPARTMENT**

**BOARD  
OF  
COMMISSIONERS**

**REGULAR SESSION**

**OCTOBER 26, 2011**



READING MUNICIPAL LIGHT DEPARTMENT  
BOARD OF COMMISSIONERS MEETING

230 Ash Street  
Reading, MA 01867  
October 26, 2011  
7:30 p.m.

- 7:30 p.m. 1. Opening Remarks/Approval of Meeting Agenda
- 7:35 p.m. 2. Introductions
- 7:40 p.m. 3. Presentation - Ron D'Addario – Cities for Climate Protection Program Committee Activities Update (Tab A)
- 7:50 p.m. 4. Approval of September 28, 2011 Board Minutes (Tab B) ACTION ITEM  
a. Suggested Motion:  
Move that the RMLD Board of Commissioners approve the Regular Session meeting minutes of September 28, 2011 as presented.
- 7:55 p.m. 5. Report from Board Committees  
a. Power & Rate Committee – Report of October 24, 2011 Meeting – Chairman Hahn  
Note: The Power & Rate Committee met jointly with the Citizens' Advisory Board.
- 8:05 p.m. 6. General Manager's Report – Mr. Cameron
- 8:15 p.m. 7. Financial Report – September, 2011 – Mr. Fournier (Tab C)
- 8:25 p.m. 8. Power Supply Report – September, 2011 – Ms. Parenteau (Tab D)
- 8:35 p.m. 9. Engineering and Operations Report – September, 2011 - Mr. Sullivan (Tab E)  
Gaw Update  
a. NSTAR Outage – Wednesday, October 5, 2011
- 8:45 p.m. 10. General Discussion
- 8:50 p.m. BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED  
Rate Comparisons, October 2011  
E-Mail responses to Account Payable/Payroll Questions
- 8:55 p.m. RMLD Board Meetings  
Wednesday, November 30, 2011, Wednesday December 28, 2011  
Thursday, January 5, 2012, T-Shirt Award Ceremony  
Wednesday, January 25, 2012  
  
RMLD Board Committee Meeting  
RMLD General Manager Committee, Tuesday, November 8, 2011
- 9:00 p.m. 11. Executive Session ACTION ITEM  
Suggested Motion:  
Move that the Board go into Executive Session to discuss MMWEC Arbitration and NSTAR Radial Line Payment and return to Regular Session for adjournment.
- 9:20 p.m. 12. Adjournment ACTION ITEM  
Suggested Motion:  
Move to adjourn the Regular Session.



PRESENTATION  
BOARD REFERENCE TAB A



## Home energy report

Account number: 4564211110

Report period: 02/12/10 - 03/11/10

We are pleased to provide this personalized report to you as part of a pilot program. The purpose of the report is to:

**Provide information** This report is an educational tool to help you understand your home's natural gas use in the context of other homes.

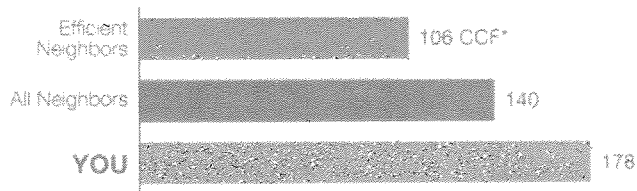
**Track progress** We will help you learn about how your home's usage changes over time and where you likely have opportunities to save.

**Share energy efficiency tips** On the back of the report, we provide ideas for saving energy and money.

Find more: [www.nationalgridus.com/energyreports](http://www.nationalgridus.com/energyreports)

### Last Month Neighbor Comparison

You used **27% MORE** natural gas than your neighbors.



How you're doing:

**You used more than average**

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Turn over for ways to save

→

\* CCF: Standard unit of measuring natural gas volume, also called one hundred cubic feet.

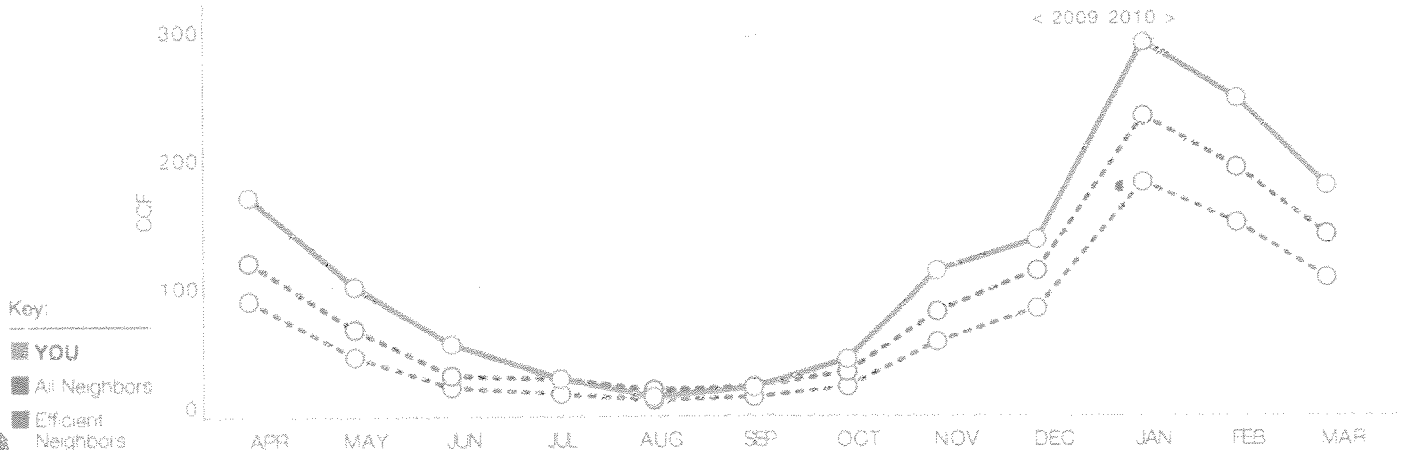
### Who are your Neighbors?

**All Neighbors**  
Approximately 100 occupied, nearby homes (avg 0.19 miles away) that have gas heat

**Efficient Neighbors**  
The most efficient 20 percent from the "All Neighbors" group

### Last 12 Months Neighbor Comparison

You used **29% MORE** natural gas than your neighbors.

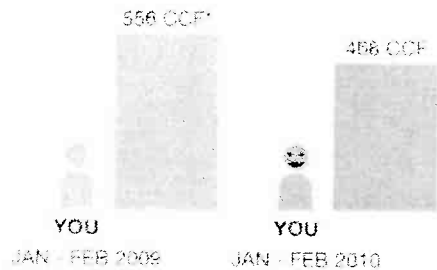


Track your progress and find ways to save at

[www.nationalgridus.com/energyreports](http://www.nationalgridus.com/energyreports)

## Personal Comparison

How you're doing compared to last year:



\* CCF: Standard unit of measuring natural gas volume, also called one hundred cubic feet.

So far this year, you used **16% LESS** natural gas than last year.

★ You're on pace to use less in 2010.

Looking for ways to save even more? Visit [www.nationalgridus.com/energyreports](http://www.nationalgridus.com/energyreports)

## Action Steps | Personalized tips chosen for you based on your energy use and housing profile

### Smart Purchase

Save a lot by spending a little

**Install a programmable thermostat**

Programmable thermostats make it easy to save energy while keeping your home at a comfortable temperature.

A programmable thermostat can automatically change your home temperature to an energy saving level when you are away from home or sleeping.

**Rebates:** National Grid offers **\$25** rebates on purchases of qualifying programmable thermostats. Visit the website below for details.

### Smart Purchase

Save a lot by spending a little

**Clean or replace filters regularly**

You can improve the energy efficiency of your heating and cooling systems and improve your indoor air quality by checking your filters monthly.

First, remove the filter—it usually slides right out. Next, hold the filter up to a light to see if it is clogged.

You can find a replacement for a clogged disposable filter at your local hardware store for about \$2. Check your manual for cleaning instructions if you have a permanent filter.

### Smart Purchase

Save a lot by spending a little

**Weather strip windows and doors**

Windows and doors can be responsible for up to 25% of heat loss from a typical home. If you are comfortable doing the task yourself, you can weatherize your home in a few hours.

Seal windows with rope caulk at a cost of \$1 each or install more permanent weather stripping at a cost of \$8-\$10 per window. Also install sweeps at the bottom of exterior doors.

A professional can help you with this work if you prefer.

SAVE UP TO  
**\$275** PER YEAR

SAVE UP TO  
**\$180** PER YEAR

SAVE UP TO  
**\$340** PER YEAR



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REGULAR SESSION MEETING  
MINUTES  
BOARD REFERENCE TAB B



**Reading Municipal Light Board of Commissioners**  
**Regular Session**  
**230 Ash Street**  
**Reading, MA 01867**  
**September 28, 2011**

**Start Time of Regular Session: 7:40 p.m.**

**End Time of Regular Session: 9:50 p.m.**

**Attendees:**

**Commissioners:**

**Richard Hahn, Chairman**

**Mary Ellen O'Neill, Commissioner**

**Gina Snyder, Secretary**

**Philip B. Pacino, Vice Chair**

**Robert Soli, Commissioner**

**Staff:**

**Vinnie Cameron, General Manager**

**Jeanne Foti, Executive Assistant**

**Jane Parenteau, Energy Services Manager**

**Jared Carpenter, Energy Efficiency Engineer**

**Robert Fournier, Accounting/Business Manager**

**Kevin Sullivan, E&O Manager**

**Citizens' Advisory Board**

**Arthur Carakatsane, Chair**

**Guest:**

**Frank Biron, President; Melanson Heath & Company, PC**

**Karen Snow, Supervisor; Melanson Heath & Company, PC**

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

**Opening Remarks/Approval of Meeting Agenda**

There were no suggested changes to the agenda.

**Introductions**

There were no members of the public present. CAB representative, Chair Arthur Carakatsane had nothing to report, however, there will be a Citizens' Advisory Board meeting on Tuesday, October 4, 2011 at the RMLD.

**Presentation of Fiscal Year 2011 Audit**

**Melanson Heath & Company, PC Audit Review – Mr. Frank Biron**

Mr. Fournier introduced Mr. Biron and Ms. Snow from Melanson Heath & Company to present the audited financials for fiscal year (FY) 2011. Mr. Biron stated that he is the President and Ms. Snow has been the supervisor of the audit for the past few years.

Mr. Biron explained that the report is in draft form until it is officially accepted by the Board; however, there is the potential that there may be a couple of adjustments. The audit was completed in the last month and the financial statements will not be ready for a couple of weeks. Mr. Biron reported that there was a recent development that occurred which is found in a new Footnote 20 which appears on page twenty-eight and deals with an NSTAR situation. Mr. Biron said that the Footnote was drafted late yesterday and revised today and, as a result, there may be adjustments made to the financial statements.

Mr. Biron reported that if not for the NSTAR situation, the rest of the audit went pretty smoothly. The books were closed and reconciled. The financial statement reflects that the Department had a very good year which is reflected in the cash balances being strong, balances have been where they have been in the past, and there is neither debt nor bonds payable on the books. Mr. Biron pointed out that the Department started to fund the Other Post Employment Benefits (OPEB) liability which is an unusual thing to fund because most municipalities have not funded this; however it is a practice recommended by the Government Accounting Standards Board #45. It was a good bottom line for the year with a profit of \$2.7 to \$2.8 million which is consistent with the prior year.

### **Presentation of Fiscal Year 2011 Audit**

#### **Melanson Heath & Company, PC Audit Review – Mr. Frank Biron**

Mr. Soli asked about the bottom line numbers. Mr. Biron reported that this is found on page seven. In FY11 the profit is \$2,783,718 and in FY10 it was \$2,780,148. Mr. Biron said that the revenues are up because more kilowatt hours were sold during the year by 3.5% and the revenue is up 3.5%. The cost of power was down during the year which contributed to the profit however, an additional \$800,000 was paid into the retirement system. The reason behind this payment is due to the poor investment results based on the economy over the past few years that impacted the retirement system. The actuaries performed a valuation and determined that more money had to be paid into the retirement system. The Department took \$1 million of its current year's revenue and put it into the retirement system. A year earlier it was only \$200,000. The depreciation expense for the year was \$3,452,000, a 3% rate in FY11 where in FY10, it was \$2,240,000 a 2% depreciation rate.

Chairman Hahn asked on the depreciation rate in FY08 and FY09 it was at 3%, in FY10 down to 2%, back up to 3% in FY11. Ms. Snow replied that it was a one year decrease for the depreciation.

Mr. Biron explained the new Footnote, number 20 on page twenty-eight. Mr. Biron stated that in 1979, the Department entered into an agreement with Boston Edison (BECo, now known as NSTAR) for the transmission of power coming into the system. At that time, it was called the radial transmission lines. Part of that agreement was for the Department to pay a \$12,000 monthly bill for operating and maintenance expenses relating to those lines. In 2003, this line was reclassified from a radial transmission line to a looped transmission line, where a looped transmission line's costs should have been shared with all utilities in New England. When that happened in 2003, apparently the Department was not made aware of that. The bills continued to come in from NSTAR and were be paid monthly. This came to light this year, in May when the Department discovered what had happened, looked into it and concluded that they should have not been billed on a monthly basis from NSTAR. Our understanding is that the agreement effective in 1979 was terminated on June 1, 2011, and the payments stopped at that point. The original contract with BECo had a clause that the Department could not go back further than twelve months to contest a bill. However, these bills go back to 2003. Under the ISO-NE for Regional Network Service the Department was able to obtain eighteen months of rebates for the Radial Line Support bills. ISO-NE would credit the Department's transmission costs to make up for that eighteen month period over the next two years, which equates to approximately \$220,000 of credits. However, what is lost is the rest of those months from 2003 to 2009 for \$1,072,000. This issue is included in the Footnote and they may have to book a receivable for \$220,000, but Melanson Heath will look into this in more detail.

Chairman Hahn asked Mr. Cameron if he wanted to add anything. Mr. Cameron stated that Melanson & Heath did a good job of summarizing this and spent a lot of time understanding the issue, which was not easy to understand.

Chairman Hahn asked if the statute of limitations is part of the rate schedule that ISO files with the FERC. Mr. Biron replied that the original contract was from 1979. Chairman Hahn asked if the Department signed this. Mr. Biron responded that he has been told it is signed, but has not seen it.

Mr. Biron explained that this issue came to light this week. It may require a couple more revisions. Ms. Snyder said that based on the prior discussion it seemed that this has been thoroughly vetted by the attorneys for any other recourse. Mr. Biron responded that he has copies of documentation that went back and forth however; he was not part of that process.

#### **Audit Committee – Vice Chair Pacino**

Mr. Pacino reported that the RMLD Board and the Town of Reading Audit Committee with representation from the following Town of Reading committees: Chairman of the Finance Committee, representative of the School Department, the Selectmen's representative and the Vice Chairman of the Finance Committee met prior to the Board meeting.

Mr. Pacino stated that there was much discussion about Footnote 20. The Town of Reading Audit Committee in the motion to accept felt that Footnote 20 is required to be part of the final audit in the financial statements.

Mr. Pacino said that there was also discussion on the decrease in the return on investment to the town; the question about the CPI decreasing during the year and whether there should have been a corresponding decrease in the payment to the town. The Department will look into this.

Mr. Pacino added there was a lot of discussion about the \$1,072,000 overpayments and he is unsure if this should be addressed under the General Manager's Report and the root causes because he would like to know more about this.

**Audit Committee – Vice Chair Pacino**

Mr. Pacino reported that the Town of Reading Audit Committee voted that the audit be accepted with the proviso that Footnote 20 is in there and that the issue on the return to the investment to the town be resolved. On the return on investment, there is a committee that exists consisting of two members of the Citizens' Advisory Board, two members of the RMLD Board and one member of the Reading Board of Selectmen.

Mr. Pacino said that the Vice Chairman of the Finance Committee said that this is something that should be looked at. Mr. Pacino believes the last time this was put in place was 1997 and there may be information they will be looking for from the Department. Mr. Pacino said that he and Mr. Soli voted to accept the audit with the same provisos that the Town of Reading Audit Committee had to recommend the audit to the RMLD Board.

Chairman Hahn clarified that the CPI went negative. Mr. Pacino replied, yes. Mr. Cameron said that the CPI for the period 2009 to 2010 went negative. At a Board meeting in 1997, it was voted that the payment to the Town of Reading would be based on the 1997 Town Payment and it would be adjusted by the Boston- Brockton- Nashua CPI. Mr. Cameron does not remember anything in the motion stating that the Town Payment could not decrease. In that year (2009 to 2010) it went negative, the town's payment decreased by \$16,000.

Mr. Pacino commented that his recollection is that the payment was not to go down, however, Mr. Cameron is going to check the documentation. Mr. Cameron said that he will get that information to the town. Chairman Hahn asked for clarification on this issue.

On another matter, Ms. O'Neill asked when the Retirement Trust is going to be discussed next and would like to know when the quarterly update will be provided. Mr. Fournier responded that the Retirement Trust will be discussed at the October RMLD Board meeting.

Mr. Pacino made a motion seconded by Ms. Snyder that the RMLD Board of Commissioners accept the audited financial statements presented by Melanson Heath and Company for the fiscal year ending June 30, 2011 with the provision that Footnote 20 be included; revised as needed, and that the issue with regard to the payment to the town be clarified.

Ms. O'Neill asked in terms of the town do they want clarification or reevaluation of the town payment. Mr. Pacino responded that it could be a \$16,000 liability not picked up in the financial statements. Chairman Hahn stressed that he would prefer to see the document that definitively shows the CPI calculation. Ms. O'Neill clarified that in terms of the CPI the RMLD has been working on that since 1997 do they want it to be reevaluated. Mr. Pacino commented that the issue is whether more money should have been paid out and whether there is a liability out there for that difference. Chairman Hahn said that he is unsure why the CPI issue could not have been resolved before this evening. Ms. O'Neill pointed out that the town was aware of the decrease last January or February; she does not understand why that is an issue now and does not agree that there is any liability. Ms. O'Neill said that she is open to looking into a reevaluation of the formula; however, we need to play by the rules unless they are changed.

Mr. Soli asked if there would be a hardship if there is a \$16,000 liability change for Melanson Heath to include. Mr. Biron replied, no. Mr. Biron said that they would need to see the original document, and it would be a simple adjustment or if it remains the same no adjustment is required. Chairman Hahn said that this evening is the first time he has heard of this issue and is surprised it is surfacing at the last minute because the adjustment is always based on the CPI. Chairman Hahn commented that it should not affect the statements. Mr. Cameron said that the town was informed in April.

Ms. O'Neill asked if the town's representative is going to send a letter requesting this. Mr. Pacino responded that the only request that was made was for the documentation on how the return on investment is calculated. Mr. Cameron said that Marsie West asked that this information be sent to Bob LeLacheur and he would send it to the appropriate people. Chairman Hahn said that this may raise discussion going forward on the CPI. Mr. Pacino added that it may and the Town of Reading Audit Committee mentioned that they may hire a consultant on their side because of it being based on the CPI.

Ms. O'Neill made a motion seconded by Ms. Snyder that the RMLD Board of Commissioners amends the main motion to delete "and that the issue with regard to the payment to the town be clarified."

**Motion carried 3:1:1. Vice Chair Pacino voted against, Mr. Soli abstained.**

Mr. Pacino made a motion seconded by Ms. Snyder that the RMLD Board of Commissioners accept the financial statements presented by Melanson Heath and Company for the fiscal year ending June 30, 2011 with the provision that Footnote 20 be included with revised as needed in language.

**Motion carried 5:0:0.**

Chairman Hahn thanked Mr. Biron and Ms. Snow for their hard work, service, and patience.

#### **Quarterly Conservation Program Update – Mr. Carpenter**

Mr. Carpenter presented his quarterly Energy Conservation Program update. Mr. Carpenter addressed the following: Residential Time of Use Growth, New Project Update, Demand Response Update and Energy Saved from Energy Efficiency programs.

Mr. Carpenter reported that the Residential Time of Use program was in the April-May edition of the *In Brief*. In 2009, there were 30 new customers, 33 in 2010 and 50 in 2011 on a calendar year basis. The red customer cards that were secured through the RMLD's mass mailing are being used to set up e-mails on energy savings tips.

Mr. Carpenter stated that on the new project updates, the residential vegetable oil generator for 10kW is up and running which puts out 6.0 to 6.5 kW. The 75kW solar array in North Reading should be completed by October 18. There have been multiple 50kW peak reduction projects completed. There are more L.E.D. and induction lighting projects. Mr. Soli asked about the induction lighting. Mr. Carpenter responded that they have received induction lighting for this building. Mr. Carpenter explained that induction lighting costs a bit less than L.E.D. lighting and lasts twice as long for 50,000 hours whereas induction can last for 100,000 hours. Their energy use is very similar as well as their efficiency.

Mr. Carpenter reported on the Demand Response in that they were able to predict the annual peak day and time to call an event without technology to do it for an event. They have identified customers who are willing to partake in the demand response program. There was monitoring equipment installed at the RMLD as a test. Currently, there are customers that have contracts for demand response with ISO New England for 5 megawatts. The RMLD has to decide by 2013 if they want to replace third parties with something else.

Mr. Carpenter said that kW saved is estimated on the energy efficiency programs at 5,000 going back to 2005. The RMLD has rebated \$1.54 million to commercial and residential customers. The net present value of savings through 2027 is \$13.5 million.

Ms. O'Neill commented on the Time of Use rate what is the total number of residential customers. Mr. Carpenter responded that the total number is about one hundred ninety. Ms. O'Neill asked besides the *In Brief* what else has been done to promote this program. Mr. Carpenter said that the e-mails to RMLD's customers who provided them were one of the mechanisms to draw interest in this program; however, it was not easy to implement. Ms. O'Neill suggested going forward the approach to take is consumer education on both the residential and commercial side, including utilizing RCTV which has an advertising loop as a public service announcement, presenting a half hour energy program for all the community televisions the RMLD serves on energy conservation, rebates and Time of Use rate. Such programs can be timely based on the time of year.

Discussion followed.

Mr. Soli said that when the year Time of Use rates were changed it was agreed that a report on the new rates would be made to the Board in six months. Mr. Cameron said that he will provide the residential and commercial customer information at the November or December meeting. Mr. Carakatsane stated that the CAB expected to get a report on the Time of Use rates at the end of the year.

#### **Approval of August 31, 2011 Board Minutes**

Ms. Snyder made a motion seconded by Mr. Pacino to approve the Regular Session meeting minutes of August 31, 2011 with the changes presented by Mr. Soli, on page two, two paragraphs above Reading Fall Fair in the second line, trouble reporting, put in a hyphen between them, last sentence in the paragraph add 'only' before one, page three delete, 'by an additional one half mill' and page five the first paragraph first sentence after 'Hot', put hyphen in.

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

#### **Report of Board Committee - General Manager Committee – Chairman Hahn General Manager's Evaluation July 1, 2010 to June 30, 2011**

Chairman Hahn reported that the General Manager Committee is charged with the task of reviewing the General Manager's performance during the fiscal year for which a performance plan has been set as well as making a salary recommendation based on that performance to the Board.

Chairman Hahn stated that also, a performance plan has been proposed for the next fiscal year. In fiscal year 2011, there were seven categories that the General Manager was rated on which cover all aspects of the operations of the RMLD. Chairman Hahn stated that each commission member was asked to fill out the evaluation form which was assembled into a rating summary. Chairman Hahn stated that the scores assigned the General Manager's performance plan ranged from 85% to 96% with the average at 93.6%. According to the formula utilized, in the 2011 performance plan a score of 90% or greater with the CPI of that year plus the CPI of 2% translates into a 5.1% increase.

**Report of Board Committee - General Manager Committee – Chairman Hahn  
General Manager's Evaluation July 1, 2010 to June 30, 2011**

Chairman Hahn pointed out that this comes after a year when the General Manager was awarded no increase largely due to the economic conditions that the RMLD faced (done on the General Manager's recommendation). It was not performance-based because performance was excellent. The 5.1% represents an increase over two years of 2.5%. Chairman Hahn said that the performance plan for FY12 has red line changes in it. Chairman Hahn said that changes have been made such as a comment section under the rating categories, per Mr. Pacino's request; and we are seeking guidance on what an appropriate score may be. Mr. Soli had suggested a study on making the system hurricane proof and it was something the committee did not want to add now.

Ms. Snyder made a motion seconded by Ms. O'Neill that the RMLD Board of Commissioners approve that the General Manager's salary be increased by 5.1% retroactive to July 1, 2011, based on the General Manager's performance review for the period 7/1/10 through 6/30/11.

**Motion carried 4:0:1. Mr. Pacino abstained.**

Mr. Soli said that there are two items: the first is the rating and the second is that there is no motion for the performance plan for the next fiscal year. Chairman Hahn replied that is correct.

Ms. Snyder made a motion seconded by Ms. O'Neill that the RMLD Board of Commissioners approve the FY12 performance plan for the General Manager.

**Motion carried 5:0:0.**

Mr. Soli made a suggestion to have a twenty-five year plan to make the system more resistant to hurricanes and ice storms.

Discussion followed.

Mr. Soli made a motion seconded by Ms. Snyder to add to Section III of the FY12 performance plan for the General Manager. The Reliability of the RMLD System, a new item, number 8: To propose a budget for funding a twenty five year plan for increasing the RMLD's resistance to hurricanes and ice storms.

**Motion carried 4:0:1. Chairman Hahn abstained.**

Ms. O'Neill made a motion seconded by Mr. Snyder that Section IV. Manage Employees, Item 5; be amended to read "Submit a report to the Board on the safety incidents at the RMLD by December 31st."

**Motion carried 5:0:0.**

Mr. Soli made a motion seconded by Ms. O'Neill that Section II. Energy Efficiency and Load Management, add Item 7. Propose budget funding to decrease the RMLD energy use at the 230 Ash Street complex by at least 5% in FY13.

**Motion carried 5:0:0.**

**General Manager's Report – Mr. Cameron**

Mr. Cameron stated that he wanted to mention to the Board that a of transfer of \$500,000 from the Operating Fund to the Rate Stabilization Fund was made and is found on page nine. This transfer was executed in response to one of his performance items in that the Rate Stabilization Fund needs to be at a level of \$6.0 to \$7.0 million. That leaves \$6.5 million in the Operating Fund, which is adequate to pay the bills on a monthly basis.

**Reading Fall Fair**

RMLD employees Mr. Carpenter and Mses. Gottwald and Hanifan were at this event. There was a great turnout and interest at RMLD's table. There were questions on billing, conservation, and the operations at the RMLD. Attendees at this event were very complimentary about the RMLD.

**RMLD Calendars**

The RMLD calendars will be out within the next month. The RMLD will communicate the date the calendars are available.

**RMLD Annual Report**

The RMLD Annual Report is currently being worked on and will be available at the Subsequent Town Meeting. Mr. Cameron explained that in the past the Chair of the RMLD Board has presented the report to Subsequent Town Meeting which will be held on Monday, November 14. Chairman Hahn is not available to make the presentation; Vice Chair Pacino will make the presentation.

**General Manager's Report – Mr. Cameron**

Mr. Pacino said that he understands why Footnote 20 came about, however he would like an explanation. This is the first time they have seen this, and it has not been seen by the Board before. He would like an explanation why, there were legal costs that went on here, there was no discussion with the Board in advance, and he is concerned that the Department left \$1 million on the table that is gone, which negatively impacted the ratepayers and what steps will the Department take going forward to ensure this does not happen. Mr. Pacino pointed out that in the General Manager's Performance items it states that minimum task is to maintain comprehensive coverage on new information related to governmental regulations, financial conditions, technological changes, energy and resource developments as they relate to public utilities. Mr. Pacino stated that in Item 1, under 5A Leadership, the General Manager failed on this one to address this. Mr. Pacino asked if there is any other situation that is similar to this within the Department, and if it applies to other situations he wants this addressed as well.

Ms. O'Neill suggested this issue not be addressed this evening; it needs to be treated like a case study, what went wrong, where do the responsibilities lie. Mr. Pacino replied that this situation needs to be addressed, it should not occur again, and going forward, to be assured that there are no other situations.

Ms. Snyder said that she is in agreement with Ms. O'Neill.

Chairman Hahn said that he wants to see - a write up with a detailed summary to be brought to the General Manager Committee within two weeks. There will be input at the committee level on this at the General Manager's Committee. All members of the Board should receive a copy of the report.

Mr. Pacino asked if there are any other situations this may apply to. Mr. Cameron replied, no. Mr. Cameron said that the Department looked at its contracts; there are no other contracts with respect to transmission; and the power supply is straight forward with regard to who is responsible. There are power supply agreements that are firm with other bilaterals or heat rate fuel index contracts.

Mr. Cameron reported that there are agreements on the PSA's with MMWEC however, the RMLD is in a dispute relative to the amount of the back up that accompanies the PSA's. Mr. Cameron said that there is nothing out there on the power supply in which this would occur. It has been fully vetted. Mr. Soli commented whether the MMWEC dispute is something the auditors should have been made aware of. Mr. Cameron replied that the auditors are aware of the MMWEC issue and a Footnote is found in the financials.

**Financial Report – August, 2011 – Mr. Fournier (Attachment 1)**

Mr. Fournier reported on the Financial Report for August 2011. Mr. Fournier apologized for the tardiness of the Financial Report and noted that until FY11 numbers are final, there won't be a full balance sheet.

Mr. Fournier stated that for the first two months of the fiscal year 2012 the Net Income was \$769,000 bringing the year to date Net Income to \$1,467,000 and the budgeted amount was \$1,892,000 with the difference under budget being \$425,000 or 22.5%. Year to date Fuel Expenses exceeded year to date Fuel Revenue by \$84,000. The Base Revenues are under budget by \$449,000 or 4.75%. Actual Base Revenues were \$9 million compared to the budgeted amount of \$9.4 million.

Mr. Fournier said that the Purchase Power Base Expense was under budget by \$291,000 or 5.82%. The actual Purchase Power Base cost was \$4.7 million compared to the budgeted amount of \$5.0 million. The Operating and Maintenance Expense were over budget by \$14,000 or .72%. The actual Operating and Maintenance Expense \$1.940 compared to the budgeted amount of \$1.926 million. The Depreciation Expense and Voluntary Payment to the Towns is on budget. Kilowatt hour sales are 138,858,000 kWh which is 1.1 million or less than 1% behind last year's. Cumulatively, the five divisions are over budget by a little less than \$4,000 or .12%.

Mr. Fournier stated that next month he will be reporting on the quarterly Pension Trust and will present the balance sheet on time.

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

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

Ms. Parenteau reported that RMLD's load for August was 69.6 million kilowatt hours, about a 2.8% decrease compared to August 2010. Energy costs were \$3.8 million, which is equivalent to \$.0545 per kilowatt hour. The August Fuel Charge was set at \$.055/kWh. RMLD overcollected on fuel by \$76,000 resulting in a Deferred Fuel Cash Reserve balance of \$2.97 million.



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

The Fuel Charge Adjustment was decreased less than \$.05 per kilowatt hour in September, and is currently expected to remain at that level until the end of December. The Deferred Fuel is forecasted to go a little higher then go down in November and December. Rather than fluctuate it up and down it was decided to keep it level to maintain consistency, expecting that the Deferred Fuel will be at \$2.5 million by December.

Ms. Parenteau reported that the RMLD purchased approximately 11.3% of its energy requirement from the ISO Spot Market at an average cost of \$41.50 per megawatt hour. The RMLD hit a peak of 144 megawatts at 2:00 p.m. on August 1, 2011 with a temperature of 90 degrees as compared to a demand of 159.6 megawatts, which occurred on August 31 2010 at 5:00 p.m. with a temperature 92 degrees. This August was considerably less mild than last year. The RMLD's capacity requirement which is based on last year's peak was set at 199.8 megawatts. For capacity, the RMLD paid \$1.4 million which is equivalent to \$7.08 per kilowatt month.

Ms. Parenteau reported that transmission costs for August were \$960,000 an 11% increase from July 2011.

Ms. O'Neill asked on the energy chart is the amount on this from Swift River what the RMLD anticipated. Ms. Parenteau responded, yes, that it is a run of the river project so they tend to go higher in the spring and fall whereas in the summer months it is anticipated to come in lower.

Ms. O'Neill asked on the transmission costs going up 11% for one month. Ms. Parenteau replied that with transmission the billings are a month behind compared to August last year it tends to come in high because it is based on July's peak.

**Engineering and Operations Report – August, 2011 - Mr. Sullivan (Attachment 3)  
Gaw Update**

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

Mr. Sullivan reported that there were no changes from July for the Gaw transformer upgrade project. Mr. Sullivan stated that the RMLD is in a close out phase and it is anticipated that completion will be in the next couple of months.

Mr. Sullivan stated that the soil remediation expense remains at \$2.482 million.

Mr. Sullivan stated that the meter upgrade project to date is 9,200 meters are installed.

Mr. Sullivan said that the variance report projects worked on for the month are: Project 1 – 5W9 Reconductoring Ballardvale Street – this has begun this month and all ten poles have been put in by Verizon, and Project 2 – High Capacity Tie 4W18 and 3W8 Franklin Street continues. There were no new commercial services and 25 new residential services were installed. Under routine construction there is a line for storm trouble for the August 2 thunderstorm and Hurricane Irene. A total of 44 new cutouts were installed for a running total of 65.

Mr. Sullivan reported on the Reliability Report that the CAIDI number is up significantly due to the violent thunderstorm of August 2. The CAIDI rolling average is up for the same reason at five minutes for the year due to this occurrence.

The System Average Interruption Frequency Index (SAIFI) is down marginally where the rolling average is up marginally. For the month, there were 2,018 customers out, however these figures do not include Hurricane Irene. During hurricane Irene over 15% of the territory was out of service, and the service industry standard is when 15% of the service territory is affected in one incident, this is not included in the stats. The Months between Interruptions (MBTI) increased to 26 months.

Mr. Sullivan reported on the outages based on the August 2 and August 28 storms with the number of calls more than 3,500. Incidents for the month were 39, number of customers affected 2,018 with the outage types being feeder outages 2, area outages 34, service outages 2. Feeder outages based on Hurricane Irene were 14 and 7 incidents of lightning damage.

Ms. O'Neill asked for clarification that the standard is if an event occurs when over 15% or more of the territory is affected, those stats are not included. Mr. Sullivan replied that is correct. Ms. O'Neill asked on the variance report in terms of routine construction we have gone through half of the budget in two months and why are we not working on other projects. Mr. Sullivan responded that a large amount of this is due to a carry over on one project in routine construction.

Ms. Snyder asked about the GIS GAP analysis report, it mentioned the concept of identifying transformers and poles by customers when outages occur because it fosters a better response. Ms. Snyder wanted to know when the RMLD will be moving forward with some of the recommendations in the report. Mr. Sullivan said that with the new meters that are being installed it will allow for that type of data gathering for outages.

**M.G.L. Chapter 30B Bid – Mr. Sullivan (Attachment 4)**

**2012-10 Disconnect Switches**

Mr. Sullivan reported that the bid was sent to nine bidders and seven responded. This bid is for the four remaining disconnect transformers at Gaw which is in the Capital Budget.

Mr. Soli asked are the other 13 switches the same. Mr. Sullivan replied, yes that is why the option of factory rep was not utilized.

Ms. O'Neill commented that six out of the seven bidders were non responsive. It seems counterproductive. Mr. Sullivan pointed out that when you open the bids you can never be sure what you get. Ms. O'Neill asked if the RMLD's material was not accessible and clear. Chairman Hahn stated that if they manufacture a switch with cast parts and the specs state no cast parts, there's no way to ask why did they bid, but that cannot be changed.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-10 for 115KV, 2000 Amp Horizontal Disconnect Switches be awarded to EMSPEC Electro Mechanical Systems Inc. for a total cost of \$44,000.00 as the lowest qualified bidder on the recommendation of the General Manager.

**Motion carried 5:0:0.**

**2012-11 Three Phase Pad Mounted Dead Front Feed Transformer**

Mr. Sullivan stated that the bid was sent to 17 bidders with four responding. The bid is for three phase pad mounted dead front loop feed transformers. There is no line item in the capital budget for these transformers because they are "assigned as required" one in Reading Woods and 10 to Burlington Avenue Condo Project in Wilmington.

Mr. Soli asked about Stuart Irby 2, which was thrown out and is it a show stopper? Mr. Cameron responded that in the rules for award you must supply the material specified. Mr. Soli asked if you can seek minor clarification. Mr. Cameron pointed out that bidder must follow the engineering specs.

Ms. Snyder made a motion seconded by Mr. Pacino that bid 2012-11 for Three Phase Pad Mounted Dead Front Loop Feed Transformers be awarded to: Power Sales for a total cost of \$157,352.00 as the lowest qualified bidder on the recommendation of the General Manager.

**Motion carried 5:0:0.**

**General Discussion**

There was no discussion.

**BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED**

**Rate Comparisons, September 2011**

**E-Mail responses to Account Payable/Payroll Questions**

**Upcoming Meetings**

**RMLD Board Meetings**

**Wednesday, October 26, 2011, Chairman Hahn will not be present.**

**Wednesday, November 30, 2011**

**RMLD Board Committee Meeting**

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

**Citizens' Advisory Board Meeting**

**Tuesday, October 4, 2011 at the RMLD**

**Approval of August 31, 2011 Executive Session Minutes (Executive Minute Tab)**

Ms. Snyder made a motion seconded by Ms. O'Neill that the RMLD Board of Commissioners approve Executive Session meeting minutes of August 31, 2011 as presented.

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

**Adjournment**

At 9:50 p.m. Ms. Snyder made a motion seconded by Ms. O'Neill to adjourn the Regular Session.

**Motion carried 5:0:0.**

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

Gina Snyder, Secretary  
RMLD Board of Commissioners



FINANCIAL REPORT  
BOARD REFERENCE TAB C



Dt: October 21, 2011

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

Fr: Bob Fournier



**Sj: September 30, 2011 Report**

The results for the first quarter ending September 30, 2011, for the fiscal year 2012 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 \$466,878, bringing the year to date net income to \$1,934,050. The year to date budgeted net income was \$3,461,014, the difference being \$1,526,963 or 44.12% under budget. Year to date fuel revenues exceeded fuel expenses by \$108,613.

**2) Revenues: (Page 11B)**

Year to date base revenues were under budget by \$855,202 or 6.12%. Actual base revenues were \$13.1 million compared to the budgeted amount of \$13.9 million.

**3) Expenses: (Page 12A)**

\*Year to date purchased power base expense was \$270,092 or 3.6% under budget. Actual purchased power base costs were \$7.2 million compared to the budgeted amount of \$7.5 million.

\*Year to date operating and maintenance (O&M) expenses combined were under budget by \$62,745 or 2.14%. Actual O&M expenses were \$2.8 million compared to the budgeted amount of \$2.9 million.

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

**4) General Information:**

Year to date kwh sales (Page 5) were 202,193,253, which is 5.6 million kwh or 2.7%, behind last year's figure. First quarter results for the Energy Conservation Program shows that \$139,000 were collected and \$170,863 were spent leaving a remaining balance of \$139,384. GAW revenues collected in Q1 were \$202,220 bringing the total collected to date to \$809,395.

**6) Budget Variance:**

Cumulatively, the five divisions were under budget by \$171,598 or 3.6%.





**FINANCIAL REPORT**

**SEPTEMBER 30, 2011**

**ISSUE DATE: OCTOBER 21, 2011**



TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUSINESS-TYPE PROPRIETARY FUND  
STATEMENT OF NET ASSETS  
9/30/11

	PREVIOUS YEAR	CURRENT YEAR
<b>ASSETS</b>		
<b>CURRENT</b>		
UNRESTRICTED CASH (SCH A P.9)	4,879,701.60	7,727,337.64
RESTRICTED CASH (SCH A P.9)	15,197,199.73	17,432,801.95
RESTRICTED INVESTMENTS (SCH A P.9)	2,200,000.00	2,200,000.00
RECEIVABLES, NET (SCH B P.10)	9,358,167.27	8,618,731.67
PREPAID EXPENSES (SCH B P.10)	1,577,313.43	1,184,582.49
INVENTORY	1,598,313.60	1,589,568.46
<b>TOTAL CURRENT ASSETS</b>	<b>34,810,695.63</b>	<b>38,753,022.21</b>
<b>NONCURRENT</b>		
INVESTMENT IN ASSOCIATED CO (SCH C P.2)	97,690.11	73,765.66
CAPITAL ASSETS, NET (SCH C P.2)	66,888,739.15	67,544,552.06
<b>TOTAL NONCURRENT ASSETS</b>	<b>66,986,429.26</b>	<b>67,618,317.72</b>
<b>TOTAL ASSETS</b>	<b>101,797,124.89</b>	<b>106,371,339.93</b>
 <b>LIABILITIES</b>		
<b>CURRENT</b>		
ACCOUNTS PAYABLE	5,425,029.01	5,797,210.38
CUSTOMER DEPOSITS	500,259.67	575,304.34
CUSTOMER ADVANCES FOR CONSTRUCTION	349,729.00	307,309.94
ACCRUED LIABILITIES	907,691.05	1,219,183.70
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,182,708.73</b>	<b>7,899,008.36</b>
<b>NONCURRENT</b>		
ACCRUED EMPLOYEE COMPENSATED ABSENCES	3,020,032.75	2,934,698.58
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>3,020,032.75</b>	<b>2,934,698.58</b>
<b>TOTAL LIABILITIES</b>	<b>10,202,741.48</b>	<b>10,833,706.94</b>
 <b>NET ASSETS</b>		
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	66,888,739.15	67,544,552.06
RESTRICTED FOR DEPRECIATION FUND (P.9)	4,887,487.58	4,316,536.39
UNRESTRICTED	19,818,156.68	23,676,544.54
<b>TOTAL NET ASSETS (P.3)</b>	<b>91,594,383.41</b>	<b>95,537,632.99</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>101,797,124.89</b>	<b>106,371,339.93</b>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
NONCURRENT ASSET SCHEDULE  
9/30/11

SCHEDULE C

	PREVIOUS YEAR	CURRENT YEAR
SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES		
NEW ENGLAND HYDRO ELECTRIC	36,244.74	15,747.64
NEW ENGLAND HYDRO TRANSMISSION	61,445.37	58,018.02
	<u>97,690.11</u>	<u>73,765.66</u>
TOTAL INVESTMENTS IN ASSOCIATED COMPANIES		
SCHEDULE OF CAPITAL ASSETS		
LAND	1,265,842.23	1,265,842.23
STRUCTURES AND IMPROVEMENTS	6,748,734.96	6,537,440.54
EQUIPMENT AND FURNISHINGS	12,738,853.40	12,875,856.15
INFRASTRUCTURE	46,135,308.56	46,865,413.14
	<u>66,888,739.15</u>	<u>67,544,552.06</u>
TOTAL CAPITAL ASSETS, NET		
TOTAL NONCURRENT ASSETS	<u>66,986,429.26</u>	<u>67,618,317.72</u>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUSINESS-TYPE PROPRIETARY FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
9/30/11

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
OPERATING REVENUES: (SCH D P.11)					
BASE REVENUE	4,401,254.43	4,101,465.06	12,425,647.55	13,108,940.18	5.50%
FUEL REVENUE	4,007,231.89	3,166,562.64	11,202,572.27	11,140,849.89	-0.55%
PURCHASED POWER CAPACITY	56,917.20	(12,035.17)	1,003,982.02	(38,418.36)	-103.83%
FORFEITED DISCOUNTS	82,047.97	90,305.27	279,827.29	258,929.20	-7.47%
ENERGY CONSERVATION REVENUE	54,420.78	43,651.05	163,545.87	139,459.33	-14.73%
GAW REVENUE	67,915.44	63,342.28	67,915.44	202,220.72	100.00%
NYPA CREDIT	(52,662.99)	(58,869.90)	(201,098.69)	(190,362.29)	-5.34%
<b>TOTAL OPERATING REVENUES</b>	<b>8,617,124.72</b>	<b>7,394,421.23</b>	<b>24,942,395.75</b>	<b>24,621,618.67</b>	<b>-1.29%</b>
OPERATING EXPENSES: (SCH E P.12)					
PURCHASED POWER BASE	2,427,569.76	2,522,109.25	7,394,319.87	7,242,073.39	-2.06%
PURCHASED POWER FUEL	3,437,081.39	2,914,869.40	12,144,061.42	10,841,874.20	-10.72%
OPERATING	603,997.60	687,339.16	1,943,861.81	2,187,560.56	12.54%
MAINTENANCE	260,722.75	242,756.88	1,034,870.51	683,341.53	-33.97%
DEPRECIATION	287,729.05	296,027.47	863,187.15	888,082.41	2.88%
VOLUNTARY PAYMENTS TO TOWNS	110,000.00	113,000.00	330,000.00	339,000.00	2.73%
<b>TOTAL OPERATING EXPENSES</b>	<b>7,127,100.55</b>	<b>6,776,102.16</b>	<b>23,710,300.76</b>	<b>22,181,932.09</b>	<b>-6.45%</b>
<b>OPERATING INCOME</b>	<b>1,490,024.17</b>	<b>618,319.07</b>	<b>1,232,094.99</b>	<b>2,439,686.58</b>	<b>98.01%</b>
NONOPERATING REVENUES (EXPENSES)					
CONTRIBUTIONS IN AID OF CONST	5,085.86	0.00	14,987.06	3,686.00	-75.41%
RETURN ON INVESTMENT TO READING	(180,990.00)	(183,829.75)	(542,970.00)	(551,489.25)	1.57%
INTEREST INCOME	4,119.01	30,315.40	47,596.57	35,306.56	-25.82%
INTEREST EXPENSE	(1,017.96)	(511.83)	(3,054.27)	(1,522.37)	-50.16%
OTHER (MDSE AND AMORT)	14,455.77	2,585.00	25,864.45	8,383.00	-67.59%
<b>TOTAL NONOPERATING REV (EXP)</b>	<b>(158,347.32)</b>	<b>(151,441.18)</b>	<b>(457,576.19)</b>	<b>(505,636.06)</b>	<b>10.50%</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,331,676.85</b>	<b>466,877.89</b>	<b>774,518.80</b>	<b>1,934,050.52</b>	<b>149.71%</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>			<b>90,819,864.61</b>	<b>93,603,582.47</b>	<b>3.07%</b>
<b>NET ASSETS AT END OF SEPTEMBER</b>			<b>91,594,383.41</b>	<b>95,537,632.99</b>	<b>4.31%</b>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUSINESS-TYPE PROPRIETARY FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
9/30/11

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE*	% CHANGE
OPERATING REVENUES: (SCH F P.11B)				
BASE REVENUE	13,108,940.18	13,964,143.00	(855,202.82)	-6.12%
FUEL REVENUE	11,140,849.89	12,094,120.00	(953,270.11)	-7.88%
PURCHASED POWER CAPACITY	(38,418.36)	(39,966.00)	1,547.64	-3.87%
FORFEITED DISCOUNTS	258,929.20	307,211.00	(48,281.80)	-15.72%
ENERGY CONSERVATION REVENUE	139,459.33	155,884.00	(16,424.67)	-10.54%
GAW REVENUE	202,220.72	173,439.00	28,781.72	16.59%
NYPA CREDIT	(190,362.29)	(150,000.00)	(40,362.29)	26.91%
<b>TOTAL OPERATING REVENUES</b>	<b>24,621,618.67</b>	<b>26,504,831.00</b>	<b>(1,883,212.33)</b>	<b>-7.11%</b>
OPERATING EXPENSES: (SCH G P.12A)				
PURCHASED POWER BASE	7,242,073.39	7,512,166.00	(270,092.61)	-3.60%
PURCHASED POWER FUEL	10,841,874.20	10,977,503.00	(135,628.80)	-1.24%
OPERATING MAINTENANCE	2,187,560.56	2,246,240.00	(58,679.44)	-2.61%
DEPRECIATION	683,341.53	687,408.00	(4,066.47)	-0.59%
VOLUNTARY PAYMENTS TO TOWNS	888,082.41	900,000.00	(11,917.59)	-1.32%
	339,000.00	339,000.00	0.00	0.00%
<b>TOTAL OPERATING EXPENSES</b>	<b>22,181,932.09</b>	<b>22,662,317.00</b>	<b>(480,384.91)</b>	<b>-2.12%</b>
<b>OPERATING INCOME</b>	<b>2,439,686.58</b>	<b>3,842,514.00</b>	<b>(1,402,827.42)</b>	<b>-36.51%</b>
NONOPERATING REVENUES (EXPENSES)				
CONTRIBUTIONS IN AID OF CONST	3,686.00	100,000.00	(96,314.00)	-96.31%
RETURN ON INVESTMENT TO READING	(551,489.25)	(555,000.00)	3,510.75	-0.63%
INTEREST INCOME	35,306.56	45,000.00	(9,693.44)	-21.54%
INTEREST EXPENSE	(1,522.37)	(1,500.00)	(22.37)	1.49%
OTHER (MDSE AND AMORT)	8,383.00	30,000.00	(21,617.00)	-72.06%
<b>TOTAL NONOPERATING REV (EXP)</b>	<b>(505,636.06)</b>	<b>(381,500.00)</b>	<b>(124,136.06)</b>	<b>32.54%</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,934,050.52</b>	<b>3,461,014.00</b>	<b>(1,526,963.48)</b>	<b>-44.12%</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>93,603,582.47</b>	<b>88,039,716.12</b>	<b>5,563,866.35</b>	<b>6.32%</b>
<b>NET ASSETS AT END OF SEPTEMBER</b>	<b>95,537,632.99</b>	<b>91,500,730.12</b>	<b>4,036,902.87</b>	<b>4.41%</b>

\* ( ) = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
RECONCILIATION OF CAPITAL FUNDS  
9/30/11

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 7/1/11	4,297,944.13
CONSTRUCTION FUND BALANCE 7/1/11	0.00
INTEREST ON DEPRECIATION FUND FY 12	2,634.73
DEPRECIATION TRANSFER FY 12	888,082.41
FORCED ACCOUNTS REIMBURSEMENT	0.00
GAW SUBSTATION (FY 12)	0.00
TOTAL SOURCE OF CAPITAL FUNDS	5,188,661.27

USE OF CAPITAL FUNDS:

PAID ADDITIONS TO PLANT THRU SEPTEMBER	872,124.88	
PAID ADDITIONS TO GAW THRU SEPTEMBER	0.00	
TOTAL USE OF CAPITAL FUNDS	872,124.88	

GENERAL LEDGER CAPITAL FUNDS BALANCE 9/30/11	4,316,536.39
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PAID ADDITIONS TO GAW FROM FY 12	0.00
PAID ADDITIONS TO GAW FROM FY 11	531,784.00
PAID ADDITIONS TO GAW FROM FY 10	1,372,876.00
PAID ADDITIONS TO GAW FROM FY 09	3,136,764.00
PAID ADDITIONS TO GAW FROM FY 08	1,895,975.00
TOTAL	6,937,399.00

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SALES OF KILOWATT HOURS  
9/30/11

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
SALES OF ELECTRICITY:					
RESIDENTIAL SALES	25,067,355	23,653,277	82,803,011	77,935,215	-5.88%
COMM. AND INDUSTRIAL SALES	40,227,709	37,199,621	117,498,656	116,673,493	-0.70%
PRIVATE STREET LIGHTING	71,070	73,370	213,302	218,948	2.65%
TOTAL PRIVATE CONSUMERS	<u>65,366,134</u>	<u>60,926,268</u>	<u>200,514,969</u>	<u>194,827,656</u>	-2.84%
MUNICIPAL SALES:					
STREET LIGHTING	238,701	239,052	716,256	717,156	0.13%
MUNICIPAL BUILDINGS	857,818	812,997	2,526,632	2,599,996	2.90%
TOTAL MUNICIPAL CONSUMERS	<u>1,096,519</u>	<u>1,052,049</u>	<u>3,242,887</u>	<u>3,317,152</u>	2.29%
SALES FOR RESALE	366,494	347,858	1,133,176	1,097,144	-3.18%
SCHOOL	1,083,347	1,008,589	2,953,375	2,951,301	-0.07%
TOTAL KILOWATT HOURS SOLD	<u>67,912,494</u>	<u>63,334,764</u>	<u>207,844,407</u>	<u>202,193,253</u>	-2.72%



TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
KILOWATT HOURS SOLD BY TOWN  
9/30/11

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	23,653,277	7,647,759	3,144,444	5,910,269	6,950,805
COMM & IND	37,199,621	4,820,647	297,841	5,906,873	26,174,260
PVT ST LIGHTS	73,370	14,385	1,360	21,116	36,509
PUB ST LIGHTS	239,052	80,436	32,437	39,880	86,299
MUNI BLDGS	812,997	189,724	135,892	164,149	323,232
SALES/RESALE	347,858	347,858	0	0	0
SCHOOL	1,008,589	361,107	227,863	116,120	303,499
<b>TOTAL</b>	<b>63,334,764</b>	<b>13,461,916</b>	<b>3,839,837</b>	<b>12,158,407</b>	<b>33,874,604</b>

YEAR TO DATE

RESIDENTIAL	77,935,215	24,223,703	11,478,165	18,008,378	24,224,969
COMM & IND	116,673,493	14,794,516	943,005	18,295,005	82,640,967
PVT ST LIGHTS	218,948	42,547	4,080	63,672	108,649
PUB ST LIGHTS	717,156	241,308	97,311	119,640	258,897
MUNI BLDGS	2,599,996	584,231	447,921	549,066	1,018,778
SALES/RESALE	1,097,144	1,097,144	0	0	0
SCHOOL	2,951,301	1,067,095	686,203	350,400	847,603
<b>TOTAL</b>	<b>202,193,253</b>	<b>42,050,544</b>	<b>13,656,685</b>	<b>37,386,161</b>	<b>109,099,863</b>

LAST YEAR  
TO DATE

RESIDENTIAL	82,803,011	25,854,825	12,199,843	19,190,120	25,558,223
COMM & IND	117,498,656	14,499,225	973,826	17,899,106	84,126,499
PVT ST LIGHTS	213,302	41,753	4,080	62,654	104,815
PUB ST LIGHTS	716,255	241,308	97,463	118,971	258,513
MUNI BLDGS	2,526,632	614,921	464,673	560,907	886,131
SALES/RESALE	1,133,176	1,133,176	0	0	0
SCHOOL	2,953,375	1,093,142	663,908	374,600	821,725
<b>TOTAL</b>	<b>207,844,407</b>	<b>43,478,350</b>	<b>14,403,793</b>	<b>38,206,358</b>	<b>111,755,906</b>

KILOWATT HOURS SOLD TO TOTAL

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	37.35%	12.08%	4.96%	9.33%	10.98%
COMM & IND	58.73%	7.61%	0.47%	9.33%	41.32%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.03%	0.07%
PUB ST LIGHTS	0.38%	0.13%	0.05%	0.06%	0.14%
MUNI BLDGS	1.28%	0.30%	0.21%	0.26%	0.51%
SALES/RESALE	0.55%	0.55%	0.00%	0.00%	0.00%
SCHOOL	1.59%	0.57%	0.36%	0.18%	0.48%
<b>TOTAL</b>	<b>100.00%</b>	<b>21.26%</b>	<b>6.05%</b>	<b>19.19%</b>	<b>53.50%</b>

YEAR TO DATE

RESIDENTIAL	38.55%	11.98%	5.68%	8.91%	11.98%
COMM & IND	57.70%	7.32%	0.47%	9.05%	40.86%
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	1.29%	0.29%	0.22%	0.27%	0.51%
SALES/RESALE	0.54%	0.54%	0.00%	0.00%	0.00%
SCHOOL	1.46%	0.53%	0.34%	0.17%	0.42%
<b>TOTAL</b>	<b>100.00%</b>	<b>20.80%</b>	<b>6.76%</b>	<b>18.49%</b>	<b>53.95%</b>

LAST YEAR  
TO DATE

RESIDENTIAL	39.84%	12.44%	5.87%	9.23%	12.30%
COMM & IND	56.53%	6.98%	0.47%	8.61%	40.47%
PVT ST LIGHTS	0.10%	0.02%	0.00%	0.03%	0.05%
PUB ST LIGHTS	0.34%	0.12%	0.05%	0.06%	0.11%
MUNI BLDGS	1.22%	0.30%	0.22%	0.27%	0.43%
SALES/RESALE	0.55%	0.55%	0.00%	0.00%	0.00%
SCHOOL	1.42%	0.53%	0.32%	0.18%	0.39%
<b>TOTAL</b>	<b>100.00%</b>	<b>20.94%</b>	<b>6.93%</b>	<b>18.38%</b>	<b>53.75%</b>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
FORMULA INCOME  
9/30/11

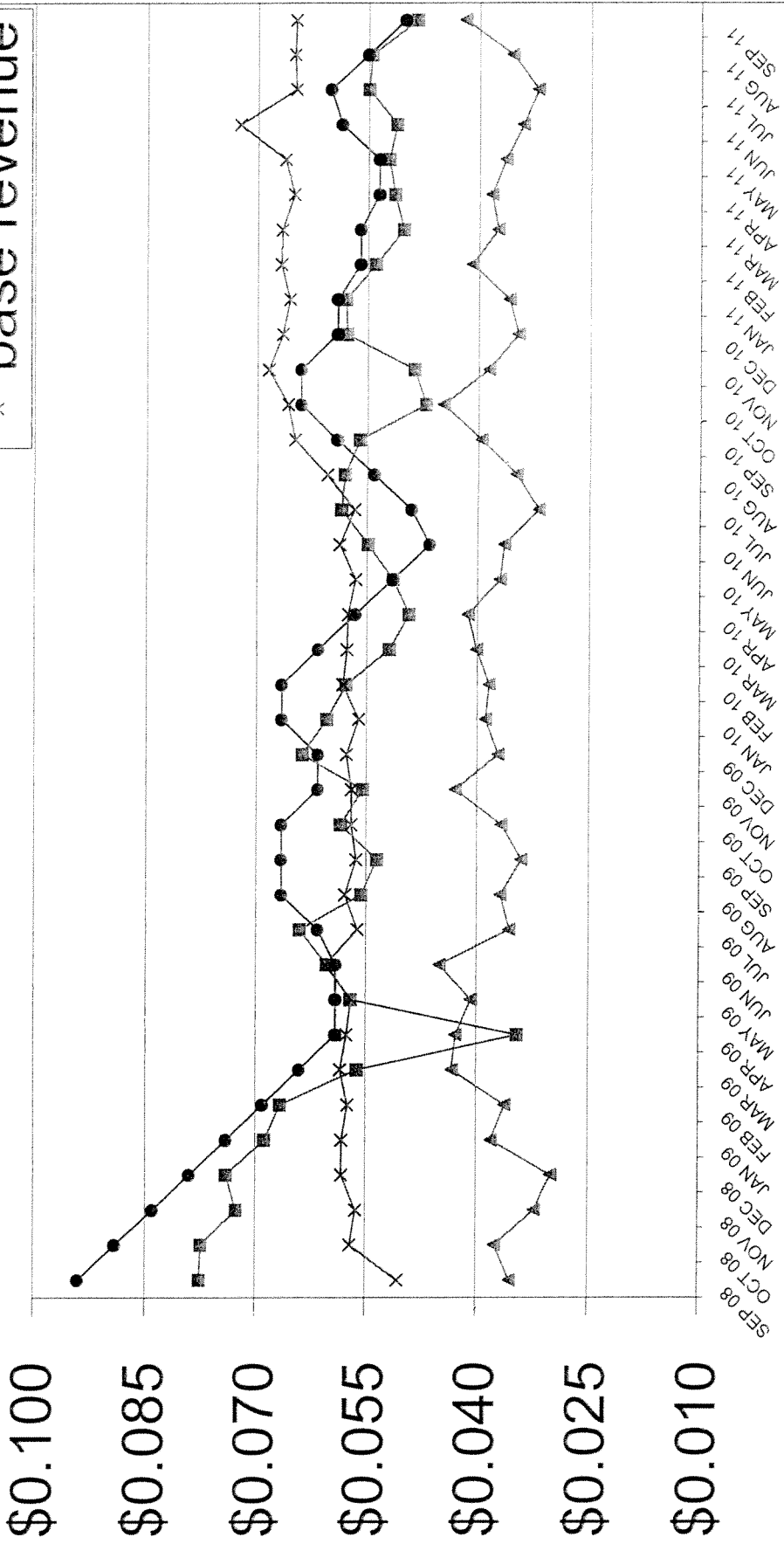
TOTAL OPERATING REVENUES	(P.3)	24,621,618.67
ADD:		
POLE RENTAL		1,455.00
INTEREST INCOME ON CUSTOMER DEPOSITS		269.07
LESS:		
OPERATING EXPENSES	(P.3)	(22,181,932.09)
CUSTOMER DEPOSIT INTEREST EXPENSE		(1,522.37)
FORMULA INCOME (LOSS)		<u>2,439,888.28</u>

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
GENERAL STATISTICS  
9/30/11

		MONTH OF SEP 2010	MONTH OF SEP 2011	% CHANGE		YEAR SEP 2010	THRU SEP 2011
				2010	2011		
SALE OF KWH	(P.5)	67,912,494	63,334,764	9.18%	-2.72%	207,844,407	202,193,253
KWH PURCHASED		61,414,052	60,207,277	9.92%	-2.85%	211,073,048	205,052,461
AVE BASE COST PER KWH		0.039528	0.041890	-9.36%	0.82%	0.035032	0.035318
AVE BASE SALE PER KWH		0.064808	0.064759	5.33%	8.45%	0.059783	0.064834
AVE COST PER KWH		0.095494	0.090304	-4.01%	-4.73%	0.092567	0.088192
AVE SALE PER KWH		0.123814	0.114756	-6.55%	5.50%	0.113682	0.119934
FUEL CHARGE REVENUE	(P.3)	4,007,231.89	3,166,562.64	-9.32%	-0.55%	11,202,572.27	11,140,849.89
LOAD FACTOR		52.11%	66.27%				
PEAK LOAD		161,453	124,448				

# kwh analysis

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



TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF CASH AND INVESTMENTS  
9/30/11

SCHEDULE A

	PREVIOUS YEAR	CURRENT YEAR
<u>UNRESTRICTED CASH:</u>		
CASH - OPERATING FUND	4,876,701.60	7,724,337.64
CASH - PETTY CASH	3,000.00	3,000.00
TOTAL UNRESTRICTED CASH	4,879,701.60	7,727,337.64
 <u>RESTRICTED CASH:</u>		
CASH - DEPRECIATION FUND	4,887,487.58	4,316,536.39
CASH - CONSTRUCTION FUND	0.00	0.00
CASH - TOWN PAYMENT	873,750.00	894,000.00
CASH - DEFERRED FUEL RESERVE	1,183,528.25	3,163,838.18
CASH - RATE STABILIZATION FUND	4,376,663.29	5,058,435.03
CASH - UNCOLLECTIBLE ACCTS RESERVE	200,000.00	200,000.00
CASH - SICK LEAVE BENEFITS	2,022,668.83	1,945,794.31
CASH - HAZARD WASTE RESERVE	150,000.00	150,000.00
CASH - CUSTOMER DEPOSITS	500,259.67	561,385.03
CASH - ENERGY CONSERVATION	389,066.29	170,788.28
CASH - OPEB	613,775.82	972,024.73
TOTAL RESTRICTED CASH	15,197,199.73	17,432,801.95
 <u>RESTRICTED INVESTMENTS:</u>		
RATE STABILIZATION *	1,000,000.00	1,000,000.00
SICK LEAVE BUYBACK **	1,000,000.00	1,000,000.00
OPEB ***	200,000.00	200,000.00
TOTAL RESTRICTED INVESTMENTS	2,200,000.00	2,200,000.00
TOTAL CASH BALANCE	22,276,901.33	27,360,139.59

SEP 2010:

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

SEP 2011:

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

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF ACCOUNTS RECEIVABLE  
9/30/11

SCHEDULE B

SCHEDULE OF ACCOUNTS RECEIVABLE	PREVIOUS YEAR	CURRENT YEAR
RESIDENTIAL AND COMMERCIAL	5,831,505.29	4,223,390.80
ACCOUNTS RECEIVABLE - OTHER	72,406.59	91,572.41
ACCOUNTS RECEIVABLE - LIENS	54,049.80	17,748.27
ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES	1,067.16	892.14
SALES DISCOUNT LIABILITY	(416,160.06)	(332,098.73)
RESERVE FOR UNCOLLECTIBLE ACCOUNTS	(239,860.62)	(213,067.59)
TOTAL ACCOUNTS RECEIVABLE BILLED	5,303,008.16	3,788,437.30
UNBILLED ACCOUNTS RECEIVABLE	4,055,159.11	4,830,294.37
TOTAL ACCOUNTS RECEIVABLE, NET	9,358,167.27	8,618,731.67

SCHEDULE OF PREPAYMENTS

PREPAID INSURANCE	822,729.04	744,714.66
PREPAYMENT PURCHASED POWER	120,089.08	8,789.78
PREPAYMENT PASNY	247,206.63	238,330.65
PREPAYMENT WATSON	372,764.98	178,223.70
PURCHASED POWER WORKING CAPITAL	14,523.70	14,523.70
TOTAL PREPAYMENT	1,577,313.43	1,184,582.49

ACCOUNTS RECEIVABLE AGING SEPTEMBER 2011:

RESIDENTIAL AND COMMERCIAL	4,223,390.80
LESS: SALES DISCOUNT LIABILITY	(332,098.73)
GENERAL LEDGER BALANCE	3,891,292.07

CURRENT	3,184,437.38	81.83%
30 DAYS	451,526.37	11.60%
60 DAYS	137,309.53	3.53%
90 DAYS	16,709.42	0.43%
OVER 90 DAYS	101,309.37	2.61%
TOTAL	3,891,292.07	100.00%

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF OPERATING REVENUE  
9/30/11

SCHEDULE D

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	3,428,726.31	3,025,402.96	10,308,695.01	10,348,340.80	0.38%
COMM AND INDUSTRIAL SALES	4,632,349.85	3,953,567.80	12,379,350.10	12,962,804.41	4.71%
PRIVATE STREET LIGHTING	10,611.85	5,959.10	29,798.51	23,242.19	-22.00%
TOTAL PRIVATE CONSUMERS	<u>8,071,688.01</u>	<u>6,984,929.86</u>	<u>22,717,843.62</u>	<u>23,334,387.40</u>	2.71%
MUNICIPAL SALES:					
STREET LIGHTING	47,053.36	29,229.76	134,214.85	107,075.43	-20.22%
MUNICIPAL BUILDINGS	107,640.89	95,824.00	290,254.74	317,156.99	9.27%
TOTAL MUNICIPAL CONSUMERS	<u>154,694.25</u>	<u>125,053.76</u>	<u>424,469.59</u>	<u>424,232.42</u>	-0.06%
SALES FOR RESALE	46,881.91	41,406.51	133,677.10	136,116.47	1.82%
SCHOOL	135,222.15	116,637.57	352,228.91	355,053.78	0.80%
SUB-TOTAL	8,408,486.32	7,268,027.70	23,628,219.22	24,249,790.07	2.63%
FORFEITED DISCOUNTS	82,047.97	90,305.27	279,827.29	258,929.20	-7.47%
PURCHASED POWER CAPACITY	56,917.20	(12,035.17)	1,003,982.02	(38,418.36)	-103.83%
ENERGY CONSERVATION - RESIDENTIAL	12,545.43	16,555.94	41,425.75	54,551.98	31.69%
ENERGY CONSERVATION - COMMERCIAL	41,875.35	27,095.11	122,120.12	84,907.35	-30.47%
GAW REVENUE	67,915.44	63,342.28	67,915.44	202,220.72	197.75%
NYPA CREDIT	(52,662.99)	(58,869.90)	(201,094.69)	(190,362.29)	-5.34%
TOTAL REVENUE	<u>8,617,124.72</u>	<u>7,394,421.23</u>	<u>24,942,395.15</u>	<u>24,621,618.67</u>	-1.29%

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF OPERATING REVENUE BY TOWN  
9/30/11

	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
MONTH					
RESIDENTIAL	3,025,402.96	979,303.59	401,658.59	754,418.75	890,022.03
INDUS/MUNI BLDG	4,049,391.80	561,986.09	50,086.17	655,110.11	2,782,209.43
PUB. ST. LIGHTS	29,229.76	9,188.27	3,635.45	5,319.15	11,086.89
PRV. ST. LIGHTS	5,959.10	1,142.54	108.10	1,810.95	2,897.51
CO-OP RESALE	41,406.51	41,406.51	0.00	0.00	0.00
SCHOOL	116,637.57	42,276.89	25,697.57	14,029.87	34,633.24
<b>TOTAL</b>	<b>7,268,027.70</b>	<b>1,635,303.89</b>	<b>481,185.88</b>	<b>1,430,688.83</b>	<b>3,720,849.10</b>
THIS YEAR TO DATE					
RESIDENTIAL	10,348,340.80	3,220,116.50	1,522,323.35	2,384,629.20	3,221,271.75
INDUS/MUNI BLDG	13,279,961.40	1,806,428.07	166,308.61	2,137,086.17	9,170,138.55
PUB. ST. LIGHTS	107,075.43	35,336.02	13,215.68	18,686.59	39,837.14
PRV. ST. LIGHTS	23,242.19	4,403.56	427.00	7,114.73	11,296.90
CO-OP RESALE	136,116.47	136,116.47	0.00	0.00	0.00
SCHOOL	355,053.78	129,790.49	80,459.24	43,746.22	101,057.83
<b>TOTAL</b>	<b>24,249,790.07</b>	<b>5,332,191.11</b>	<b>1,782,733.86</b>	<b>4,591,262.92</b>	<b>12,543,602.18</b>
LAST YEAR TO DATE					
RESIDENTIAL	10,308,695.61	3,240,181.87	1,503,310.67	2,396,834.19	3,168,368.88
INDUS/MUNI BLDG	12,669,604.84	1,670,119.73	161,442.26	1,987,525.48	8,850,517.37
PUB. ST. LIGHTS	134,214.85	47,078.66	16,319.69	22,084.13	48,732.37
PRV. ST. LIGHTS	29,798.51	5,670.60	568.23	9,169.74	14,389.94
CO-OP RESALE	133,677.10	133,677.10	0.00	0.00	0.00
SCHOOL	352,228.91	130,156.34	77,552.77	45,951.92	98,567.88
<b>TOTAL</b>	<b>23,628,219.82</b>	<b>5,226,884.30</b>	<b>1,759,193.62</b>	<b>4,461,565.46</b>	<b>12,180,576.44</b>

PERCENTAGE OF OPERATING INCOME TO TOTAL

	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
MONTH					
RESIDENTIAL	41.63%	13.47%	5.53%	10.38%	12.25%
INDUS/MUNI BLDG	55.72%	7.73%	0.69%	9.01%	38.29%
PUB. ST. LIGHTS	0.40%	0.13%	0.05%	0.07%	0.15%
PRV. ST. LIGHTS	0.08%	0.02%	0.00%	0.02%	0.04%
CO-OP RESALE	0.57%	0.57%	0.00%	0.00%	0.00%
SCHOOL	1.60%	0.58%	0.35%	0.19%	0.48%
<b>TOTAL</b>	<b>100.00%</b>	<b>22.50%</b>	<b>6.62%</b>	<b>19.67%</b>	<b>51.21%</b>
THIS YEAR TO DATE					
RESIDENTIAL	42.67%	13.28%	6.28%	9.83%	13.28%
INDUS/MUNI BLDG	54.77%	7.45%	0.69%	8.81%	37.82%
PUB. ST. LIGHTS	0.44%	0.15%	0.05%	0.08%	0.16%
PRV. ST. LIGHTS	0.10%	0.02%	0.00%	0.03%	0.05%
CO-OP RESALE	0.56%	0.56%	0.00%	0.00%	0.00%
SCHOOL	1.46%	0.54%	0.33%	0.18%	0.41%
<b>TOTAL</b>	<b>100.00%</b>	<b>22.00%</b>	<b>7.35%</b>	<b>18.93%</b>	<b>51.72%</b>
LAST YEAR TO DATE					
RESIDENTIAL	43.62%	13.71%	6.36%	10.14%	13.41%
INDUS/MUNI BLDG	53.62%	7.07%	0.68%	8.41%	37.46%
PUB. ST. LIGHTS	0.57%	0.20%	0.07%	0.09%	0.21%
PRV. ST. LIGHTS	0.13%	0.02%	0.00%	0.04%	0.07%
CO-OP RESALE	0.57%	0.57%	0.00%	0.00%	0.00%
SCHOOL	1.49%	0.55%	0.33%	0.19%	0.42%
<b>TOTAL</b>	<b>100.00%</b>	<b>22.12%</b>	<b>7.44%</b>	<b>18.87%</b>	<b>51.57%</b>



TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUDGETED REVENUE VARIANCE REPORT  
9/30/11

SCHEDULE F

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
SALES OF ELECTRICITY:				
RESIDENTIAL	6,052,918.37	6,581,664.00	(528,745.63)	-8.03%
COMM AND INDUSTRIAL SALES PRIVATE STREET LIGHTING MUNICIPAL BUILDINGS	6,720,093.87	6,969,325.00	(249,231.13)	-3.58%
PUBLIC STREET LIGHTING	67,631.79	128,926.00	(61,294.21)	-47.54%
SALES FOR RESALE	75,729.61	90,952.00	(15,222.39)	-16.74%
SCHOOL	<u>192,566.54</u>	<u>193,276.00</u>	<u>(709.46)</u>	-0.37%
TOTAL BASE SALES	13,108,940.18	13,964,143.00	(855,202.82)	-6.12%
TOTAL FUEL SALES	<u>11,140,849.89</u>	<u>12,094,120.00</u>	<u>(953,270.11)</u>	-7.88%
TOTAL OPERATING REVENUE	24,249,790.07	26,058,263.00	(1,808,472.93)	-6.94%
FORFEITED DISCOUNTS	258,929.20	307,211.00	(48,281.80)	-15.72%
PURCHASED POWER CAPACITY	(38,418.36)	(39,966.00)	1,547.64	-3.87%
ENERGY CONSERVATION - RESIDENTIAL	54,551.98	62,103.00	(7,551.02)	-12.16%
ENERGY CONSERVATION - COMMERCIAL	84,907.35	93,781.00	(8,873.65)	-9.46%
GAW REVENUE	202,220.72	173,439.00	28,781.72	16.59%
NYPA CREDIT	(190,362.29)	(150,000.00)	(40,362.29)	26.91%
TOTAL OPERATING REVENUES	<u><u>24,621,618.67</u></u>	<u><u>26,504,831.00</u></u>	<u><u>(1,883,212.33)</u></u>	-7.11%

\* ( ) = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
SCHEDULE OF OPERATING EXPENSES  
9/30/11

SCHEDULE E

OPERATION EXPENSES:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
PURCHASED POWER BASE EXPENSE	2,427,569.76	2,522,109.25	7,394,319.87	7,242,073.39	-2.06%
OPERATION SUPER AND ENGIN-TRANS	0.00	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	32,983.02	33,232.15	109,258.51	132,043.78	20.85%
STATION SUP LABOR AND MISC	8,854.66	9,894.23	27,089.18	33,199.89	22.56%
LINE MISC LABOR AND EXPENSE	61,729.52	59,806.73	164,350.72	167,764.14	2.08%
STATION LABOR AND EXPENSE	37,174.79	40,759.34	110,737.93	120,287.97	8.62%
STREET LIGHTING EXPENSE	7,817.59	9,341.85	15,020.66	23,930.85	59.32%
METER EXPENSE	24,776.80	16,607.86	73,107.44	63,445.43	-13.22%
MISC DISTRIBUTION EXPENSE	27,519.45	27,364.14	80,855.09	83,753.06	3.58%
METER READING LABOR & EXPENSE	5,917.73	8,124.83	22,009.71	26,486.68	20.34%
ACCT & COLL LABOR & EXPENSE	81,125.71	89,649.34	264,471.25	310,447.90	17.38%
UNCOLLECTIBLE ACCOUNTS	15,000.00	16,000.00	45,000.00	48,000.00	6.67%
ENERGY AUDIT EXPENSE	25,886.91	26,264.42	100,234.76	106,471.99	6.22%
ADMIN & GEN SALARIES	50,219.08	57,040.12	163,450.61	185,556.97	13.52%
OFFICE SUPPLIES & EXPENSE	30,503.34	9,479.42	76,050.49	32,445.22	-57.34%
OUTSIDE SERVICES	30,437.82	35,005.20	47,969.70	68,275.01	42.33%
PROPERTY INSURANCE	30,631.88	31,798.71	92,465.64	95,372.17	3.14%
INJURIES AND DAMAGES	4,552.67	(9,019.31)	12,480.70	(7,545.63)	-160.46%
EMPLOYEES PENSIONS & BENEFITS	87,249.11	109,303.69	382,163.37	423,929.18	10.93%
MISC GENERAL EXPENSE	7,680.48	17,304.60	32,201.36	47,605.41	47.84%
RENT EXPENSE	14,027.39	27,555.35	41,582.65	55,227.50	32.81%
ENERGY CONSERVATION	19,909.65	71,826.49	83,362.04	170,863.04	104.97%
<b>TOTAL OPERATION EXPENSES</b>	<b>603,997.60</b>	<b>687,339.16</b>	<b>1,943,861.81</b>	<b>2,187,560.56</b>	<b>12.54%</b>
<b>MAINTENANCE EXPENSES:</b>					
MAINT OF TRANSMISSION PLANT	227.08	227.10	681.24	681.30	0.01%
MAINT OF STRUCT AND EQUIPMT	3,648.18	12,971.20	21,871.74	48,389.36	121.24%
MAINT OF LINES - OH	85,341.70	117,185.86	268,279.13	392,866.53	46.44%
MAINT OF LINES - UG	11,213.19	42,803.45	35,919.81	56,845.58	58.26%
MAINT OF LINE TRANSFORMERS **	110,452.49	15,788.94	557,336.83	16,423.97	-97.05%
MAINT OF ST LT & SIG SYSTEM	(48.81)	(46.60)	(145.95)	(184.97)	26.74%
MAINT OF GARAGE AND STOCKROOM	39,880.85	38,459.45	126,724.53	125,178.40	-1.22%
MAINT OF METERS	0.00	7,811.24	0.00	20,582.53	100.00%
MAINT OF GEN PLANT	10,008.07	7,556.24	24,203.18	22,558.83	-6.79%
<b>TOTAL MAINTENANCE EXPENSES</b>	<b>260,722.75</b>	<b>242,756.88</b>	<b>1,034,870.51</b>	<b>683,341.53</b>	<b>-33.97%</b>
DEPRECIATION EXPENSE	287,729.05	296,027.47	863,187.15	888,082.41	2.88%
PURCHASED POWER FUEL EXPENSE	3,437,081.39	2,914,869.40	12,144,061.42	10,841,874.20	-10.72%
VOLUNTARY PAYMENTS TO TOWNS	110,000.00	113,000.00	330,000.00	339,000.00	2.73%
<b>TOTAL OPERATING EXPENSES</b>	<b>7,127,100.55</b>	<b>6,776,102.16</b>	<b>23,710,300.76</b>	<b>22,181,932.09</b>	<b>-6.45%</b>

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

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUDGETED OPERATING EXPENSE VARIANCE REPORT  
9/30/11

SCHEDULE G

OPERATION EXPENSES:	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
PURCHASED POWER BASE EXPENSE	<u>7,242,073.39</u>	<u>7,512,166.00</u>	<u>(270,092.61)</u>	-3.60%
OPERATION SUPER AND ENGIN-TRANS	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	132,043.78	107,770.00	24,273.78	22.52%
STATION SUP LABOR AND MISC	33,199.89	15,340.00	17,859.89	116.43%
LINE MISC LABOR AND EXPENSE	167,764.14	175,108.00	(7,343.86)	-4.19%
STATION LABOR AND EXPENSE	120,287.97	107,715.00	12,572.97	11.67%
STREET LIGHTING EXPENSE	23,930.85	21,594.00	2,336.85	10.82%
METER EXPENSE	63,445.43	36,819.00	26,626.43	72.32%
MISC DISTRIBUTION EXPENSE	83,753.06	86,572.00	(2,818.94)	-3.26%
METER READING LABOR & EXPENSE	26,486.68	19,080.00	7,406.68	38.82%
ACCT & COLL LABOR & EXPENSE	310,447.90	350,405.00	(39,957.10)	-11.40%
UNCOLLECTIBLE ACCOUNTS	48,000.00	48,000.00	0.00	0.00%
ENERGY AUDIT EXPENSE	106,471.99	101,111.00	5,360.99	5.30%
ADMIN & GEN SALARIES	185,556.97	183,727.00	1,829.97	1.00%
OFFICE SUPPLIES & EXPENSE	32,445.22	66,433.00	(33,987.78)	-51.16%
OUTSIDE SERVICES	68,275.01	88,630.00	(20,354.99)	-22.97%
PROPERTY INSURANCE	95,372.17	116,256.00	(20,883.83)	-17.96%
INJURIES AND DAMAGES	(7,545.63)	14,309.00	(21,854.63)	-152.73%
EMPLOYEES PENSIONS & BENEFITS	423,929.18	416,831.00	7,098.18	1.70%
MISC GENERAL EXPENSE	47,605.41	70,824.00	(23,218.59)	-32.78%
RENT EXPENSE	55,227.50	53,001.00	2,226.50	4.20%
ENERGY CONSERVATION	170,863.04	166,715.00	4,148.04	2.49%
TOTAL OPERATION EXPENSES	<u>2,187,560.56</u>	<u>2,246,240.00</u>	<u>(58,679.44)</u>	-2.61%
MAINTENANCE EXPENSES:				
MAINT OF TRANSMISSION PLANT	681.30	750.00	(68.70)	-9.16%
MAINT OF STRUCT AND EQUIPMENT	48,389.36	27,743.00	20,646.36	74.42%
MAINT OF LINES - OH	392,866.53	350,513.00	42,353.53	12.08%
MAINT OF LINES - UG	56,845.58	53,544.00	3,301.58	6.17%
MAINT OF LINE TRANSFORMERS **	16,423.97	48,371.00	(31,947.03)	-66.05%
MAINT OF ST LT & SIG SYSTEM	(184.97)	2,431.00	(2,615.97)	-107.61%
MAINT OF GARAGE AND STOCKROOM	125,178.40	150,851.00	(25,672.60)	-17.02%
MAINT OF METERS	20,582.53	21,351.00	(768.47)	-3.60%
MAINT OF GEN PLANT	22,558.83	31,854.00	(9,295.17)	-29.18%
TOTAL MAINTENANCE EXPENSES	<u>683,341.53</u>	<u>687,408.00</u>	<u>(4,066.47)</u>	-0.59%
DEPRECIATION EXPENSE	888,082.41	900,000.00	(11,917.59)	-1.32%
PURCHASED POWER FUEL EXPENSE	10,841,874.20	10,977,503.00	(135,628.80)	-1.24%
VOLUNTARY PAYMENTS TO TOWNS	339,000.00	339,000.00	0.00	0.00%
TOTAL OPERATING EXPENSES	<u>22,181,932.09</u>	<u>22,662,317.00</u>	<u>(480,384.91)</u>	-2.12%

\* ( ) = ACTUAL UNDER BUDGET

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

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
BUDGETED OPERATING EXPENSE VARIANCE REPORT  
9/30/11

OPERATION EXPENSES:	RESPONSIBLE SENIOR MANAGER	2012 ANNUAL BUDGET	ACTUAL YEAR TO DATE	REMAINING BUDGET BALANCE	REMAINING BUDGET %
PURCHASED POWER BASE EXPENSE	JP	27,402,177.00	7,242,073.39	20,160,103.61	73.57%
OPERATION SUPER AND ENGIN-TRANS	KS	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	KS	438,974.00	132,043.78	306,930.22	69.92%
STATION SUP LABOR AND MISC	KS	62,909.00	33,199.89	29,709.11	47.23%
LINE MISC LABOR AND EXPENSE	KS	692,484.00	167,764.14	524,719.86	75.77%
STATION LABOR AND EXPENSE	KS	441,924.00	120,287.97	321,636.03	72.78%
STREET LIGHTING EXPENSE	KS	85,338.00	23,930.85	61,407.15	71.96%
METER EXPENSE	DA	152,130.00	63,445.43	88,684.57	58.30%
MISC DISTRIBUTION EXPENSE	JD	352,508.00	83,753.06	268,754.94	76.24%
METER READING LABOR & EXPENSE	DA	76,220.00	26,486.68	49,733.32	65.25%
ACCT & COLL LABOR & EXPENSE	RF	1,427,255.00	310,447.90	1,116,807.10	78.25%
UNCOLLECTIBLE ACCOUNTS	RF	192,000.00	48,000.00	144,000.00	75.00%
ENERGY AUDIT EXPENSE	JP	414,098.00	106,471.99	307,626.01	74.29%
ADMIN & GEN SALARIES	VC	745,939.00	185,556.97	560,382.03	75.12%
OFFICE SUPPLIES & EXPENSE	VC	265,700.00	32,445.22	233,254.78	87.79%
OUTSIDE SERVICES	VC	454,250.00	68,275.01	385,974.99	84.97%
PROPERTY INSURANCE	JD	465,000.00	95,372.17	369,627.83	79.49%
INJURIES AND DAMAGES	JD	55,859.00	(7,545.63)	63,404.63	113.51%
EMPLOYEES PENSIONS & BENEFITS	JD	1,441,637.00	423,929.18	1,017,707.82	70.59%
MISC GENERAL EXPENSE	VC	203,091.00	47,605.41	155,485.59	76.56%
RENT EXPENSE	JD	212,000.00	55,227.50	156,772.50	73.95%
ENERGY CONSERVATION	JP	643,789.00	170,863.04	472,925.96	73.46%
<b>TOTAL OPERATION EXPENSES</b>		<b>8,823,105.00</b>	<b>2,187,560.56</b>	<b>6,635,544.44</b>	<b>75.21%</b>
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	KS	3,000.00	681.30	2,318.70	77.29%
MAINT OF STRUCT AND EQUIPMT	KS	107,072.00	48,389.36	58,682.64	54.81%
MAINT OF LINES - OH	KS	1,419,953.00	392,866.53	1,027,086.47	72.33%
MAINT OF LINES - UG	KS	214,037.00	56,845.58	157,191.42	73.44%
MAINT OF LINE TRANSFORMERS **	KS	188,500.00	16,423.97	172,076.03	91.29%
MAINT OF ST LT & SIG SYSTEM	JD	9,636.00	(184.97)	9,820.97	101.92%
MAINT OF GARAGE AND STOCKROOM	JD	662,139.00	125,178.40	536,960.60	81.09%
MAINT OF METERS	DA	85,444.00	20,582.53	64,861.47	75.91%
MAINT OF GEN PLANT	RF	127,620.00	22,558.83	105,061.17	82.32%
<b>TOTAL MAINTENANCE EXPENSES</b>		<b>2,817,401.00</b>	<b>683,341.53</b>	<b>2,134,059.47</b>	<b>75.75%</b>
DEPRECIATION EXPENSE	RF	3,600,000.00	888,082.41	2,711,917.59	75.33%
PURCHASED POWER FUEL EXPENSE	JP	39,768,817.00	10,841,874.20	28,926,942.80	72.74%
VOLUNTARY PAYMENTS TO TOWNS	RF	1,356,000.00	339,000.00	1,017,000.00	75.00%
<b>TOTAL OPERATING EXPENSES</b>		<b>83,767,500.00</b>	<b>22,181,932.09</b>	<b>61,585,567.91</b>	<b>73.52%</b>

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

TOWN OF READING, MASSACHUSETTS  
MUNICIPAL LIGHT DEPARTMENT  
PROFESSIONAL SERVICES  
9/30/2011

PROFESSIONAL SERVICES BY PROJECT

ITEM	DEPARTMENT	ACTUAL	BUDGET	VARIANCE
1 RMLD AND PENSION TRUST AUDIT FEES	ACCOUNTING	18,000.00	32,250.00	(14,250.00)
2 PENSION ACTUARIAL EVALUATION	ACCOUNTING	0.00	0.00	0.00
3 LEGAL- FERC/ISO ISSUES	ENERGY SERVICE	0.00	4,500.00	(4,500.00)
4 LEGAL- POWER SUPPLY ISSUES	ENERGY SERVICE	2,685.05	11,250.00	(8,564.95)
5 PROFESSIONAL SERVICES	ENERGY SERVICE	7,484.32	6,000.00	1,484.32
6 NERC COMPLIANCE	E & C	3,980.00	2,500.00	1,480.00
7 LOAD CAPACITY STUDY	ENGINEERING	9,280.00	3,750.00	5,530.00
8 LEGAL SERVICES- GENERAL	GM	23,871.39	12,501.00	11,370.39
9 LEGAL SERVICES-GENERAL	HR	1,724.24	10,500.00	(8,775.76)
10 LEGAL SERVICES-NEGOTIATIONS	HR	0.00	0.00	0.00
11 LEGAL GENERAL	BLDG. MAINT.	0.00	375.00	(375.00)
12 SURVEY RIGHT OF WAY	BLDG. MAINT.	0.00	1,251.00	(1,251.00)
13 ENVIRONMENTAL	BLDG. MAINT.	0.00	1,251.00	(1,251.00)
14 STATION 1 STRUCTURAL FEASIBILITY	BLDG. MAINT.	0.00	0.00	0.00
15 DEMOLITION OF CONTROL CENTER	BLDG. MAINT.	0.00	0.00	0.00
16 INSURANCE CONSULTANT	GEN. BENEFIT	1,250.01	1,251.00	(0.99)
17 LEGAL	GEN. BENEFIT	0.00	1,251.00	(1,251.00)
TOTAL		<u>68,275.01</u>	<u>88,630.00</u>	<u>(20,354.99)</u>

PROFESSIONAL SERVICES BY VENDOR

	ACTUAL
ROMARKE INSURANCE	833.34
RUBIN AND RUDMAN	21,221.66
UTILITY SERVICES INC.	7,151.67
MELANSON HEATH & COMPANY	22,847.88
DUNCAN AND ALLEN	486.90
CHOATE HALL AND STEWART	1,724.24
PROFESSIONAL ENVIRONMENTAL SERVICES	560.00
CDM	9,280.00
CMEEC	4,169.32
TOTAL	<u>68,275.01</u>

RMLD  
BUDGET VARIANCE REPORT  
FOR PERIOD ENDING SEPTEMBER 30, 2011

DIVISIONS AND DEPARTMENTS	ACTUAL	BUDGET	VARIANCE	CHANGE
<u>ENGINEERING AND OPERATIONS:</u>				
E&O MGR	59,265	51,289	7,976	15.55%
ENGINEERING	141,360	111,769	29,590	26.47%
LINE	641,940	604,004	37,936	6.28%
METER READING	26,487	19,080	7,406	38.82%
METER TECHNICIANS	63,445	36,883	26,562	72.02%
STATION OP	151,058	123,055	28,002	22.76%
STATION TECHS	85,427	97,592	(12,164)	-12.46%
DIVISION TOTAL	<u>1,168,982</u>	<u>1,043,673</u>	<u>125,308</u>	<u>12.01%</u>
<u>ENERGY SERVICES:</u>	<u>287,504</u>	<u>289,702</u>	<u>(2,197)</u>	<u>-0.76%</u>
<u>GENERAL MANAGER:</u>				
GENERAL MANAGER	101,952	91,197	10,755	11.79%
HUMAN RESOURCES	28,400	40,293	(11,893)	-29.52%
COMMUNITY RELATIONS	35,298	57,495	(22,197)	-38.61%
CAB	5,020	3,727	1,293	34.70%
BOARD	4,768	2,375	2,393	100.74%
DIVISION TOTAL	<u>175,438</u>	<u>195,087</u>	<u>(19,649)</u>	<u>-10.07%</u>
<u>FACILITY MANAGER:</u>				
GENERAL BENEFITS	496,212	627,992	(131,779)	-20.98%
BUILDING MAINTENANCE	125,178	153,728	(28,549)	-18.57%
MATERIALS MANAGEMENT	83,753	86,947	(3,193)	-3.67%
DIVISION TOTAL	<u>705,144</u>	<u>868,666</u>	<u>(163,522)</u>	<u>-18.82%</u>
<u>BUSINESS DIVISION:</u>				
ACCOUNTING	120,968	214,736	(93,768)	-43.67%
CUSTOMER SERVICE	163,378	159,551	3,827	2.40%
MIS	146,833	152,474	(5,641)	-3.70%
MISCELLANEOUS DEDUCTIONS	1,789,308	1,805,265	(15,957)	-0.88%
DIVISION TOTAL	<u>2,220,487</u>	<u>2,332,026</u>	<u>(111,539)</u>	<u>-4.78%</u>
DIVISION TOTALS	<u>4,557,555</u>	<u>4,729,153</u>	<u>(171,598)</u>	<u>-3.63%</u>
PURCHASED POWER - BASE	7,242,073	7,512,166	(270,093)	-3.60%
PURCHASED POWER - FUEL	10,841,874	10,977,503	(135,629)	-1.24%
TOTAL	<u>22,641,503</u>	<u>23,218,822</u>	<u>(577,319)</u>	<u>-2.49%</u>

RMLD  
 DEFERRED FUEL CASH RESERVE ANALYSIS  
 9/30/11

DATE	GROSS CHARGES	REVENUES	NYPA CREDIT	MONTHLY DEFERRED	TOTAL DEFERRED
Jun-11					
Jul-11	4,131,396.83	4,049,745.45	(79,163.65)	(160,815.03)	3,055,224.78
Aug-11	3,795,607.97	3,924,541.80	(52,328.74)	76,605.09	2,894,409.75
Sep-11	2,914,869.40	3,166,562.64	(58,869.90)	192,823.34	2,971,014.84
					3,163,838.18

RMLD  
STAFFING REPORT  
FOR FISCAL YEAR ENDING JUNE, 2012

		ACTUAL			
	12 BUD	JUL	AUG	SEP	
	TOTAL	11	11	11	
<u>GENERAL MANAGER</u>					
GENERAL MANAGER	2	2	2	2	
HUMAN RESOURCES	1	1	1	1	
COMMUNITY RELATIONS	1	1	1	1	
TOTAL	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	
<u>BUSINESS</u>					
ACCOUNTING	* 2.00	1.50	1.50	1.50	
CUSTOMER SERVICE	*^ 7.75	8.75	8.75	8.75	
MGMT INFORMATION SYS	* 6.25	5.25	5.25	5.25	
MISCELLANEOUS	1	1	1	1	
TOTAL	<u>17.00</u>	<u>16.50</u>	<u>16.50</u>	<u>16.50</u>	
<u>ENGINEERING &amp; OPERATIONS</u>					
AGM E&O	2	2	2	2	
ENGINEERING	5	5	5	5	
LINE	21	20	20	20	
METER	4	4	4	4	
STATION	8	8	8	8	
TOTAL	<u>40</u>	<u>39</u>	<u>39</u>	<u>39</u>	
<u>PROJECT</u>					
BUILDING	2	2	2	2	
GENERAL BENEFITS	2	2	2	2	
TRANSPORTATION	0	0	0	0	
MATERIALS MGMT	4	4	4	4	
TOTAL	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	
<u>ENERGY SERVICES</u>					
ENERGY SERVICES	*# 5.5	5.5	5.5	5.5	
TOTAL	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>	<u>5.5</u>	
RMLD TOTAL	<u>74.5</u>	<u>73</u>	<u>73</u>	<u>73</u>	
<u>CONTRACTORS</u>					
UG LINE	2	2	2	2	
TOTAL	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	
GRAND TOTAL	<u>76.5</u>	<u>75</u>	<u>75</u>	<u>75</u>	

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



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TOWN OF READING  
MUNICIPAL LIGHT DEPARTMENT

FIDUCIARY FUND - RETIREMENT TRUST  
STATEMENT OF FIDUCIARY NET ASSETS

FOR PERIOD ENDING SEPTEMBER 30, 2011

**ASSETS**

Cash	\$ 4,799,842
Investments	<u>1,000,000</u>
<b>TOTAL ASSETS</b>	<u>5,799,842</u>

**NET ASSETS**

Net assets held in trust for pension benefits	<u><u>\$ 5,799,842</u></u>
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TOWN OF READING  
MUNICIPAL LIGHT DEPARTMENT

FIDUCIARY FUND - RETIREMENT TRUST  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

FOR PERIOD ENDING SEPTEMBER 30, 2011

**Additions:**

Interest and dividend income	<u>\$ 12,344</u>
Total additions	12,344

**Deductions:**

Paid to Reading Contributory Retirement System	<u>-</u>
Total deductions	<u>-</u>

Net increase (decrease) in net assets 12,344

Net Assets Available for Benefits, Beginning of Year 5,787,498

Net Assets Available for Benefits, 9/30/11 \$ 5,799,842

POWER SUPPLY REPORT  
BOARD REFERENCE TAB D



To: Vincent Cameron  
 From: Energy Services  
 Date: October 20, 2011  
 Subject: **Purchase Power Summary – September, 2011**

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

**ENERGY**

The RMLD's total metered load for the month was 60,121,317 kWh, which was a decrease of .38 % compared to September, 2010 figures.

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

**TABLE 1**

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy	Total \$ Costs	\$ as a %
Millstone #3	3,539,463	\$5.54	5.88%	\$19,606	0.67%
Seabrook	5,688,034	\$8.86	9.45%	\$50,396	1.73%
JP Morgan	5,196,000	\$55.60	8.63%	\$288,878	9.91%
Stonybrook CC	1,090,042	\$62.34	1.81%	\$67,954	2.33%
Constellation	7,200,000	\$61.50	11.96%	\$442,830	15.19%
NYPA	1,631,958	\$4.92	2.71%	\$8,029	0.28%
ISO Interchange	12,206,435	\$42.11	20.27%	\$514,017	17.63%
NEMA Congestion	0	\$0.00	0.00%	-\$46,696	-1.60%
Coop Resales	87,602	\$131.91	0.15%	\$11,555	0.40%
Stonybrook Peaking	0	\$0.00	0.00%	\$13	0.00%
MacQuarie	21,204,000	\$63.53	35.22%	\$1,347,093	46.21%
Braintree Watson Unit	480,950	\$64.80	0.80%	\$31,167	1.07%
Swift River Projects	1,882,793	\$95.62	3.13%	\$180,026	6.18%
Monthly Total	60,207,277	\$48.41	100.00%	\$2,914,869	100.00%

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

**Table 2**

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP* Settlement	14,726,756	44.08	24.46%
RT Net Energy** Settlement	-2,520,321	49.68	-4.19%
ISO Interchange (subtotal)	12,206,435	42.11	20.27%

## CAPACITY

The RMLD hit a demand of 124,448 kW, which occurred on September 14, 2011 at 4 pm. The RMLD's monthly UCAP requirement for September, 2011 was 199,846 kW.

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

**Table 3**

Source	Amount of Capacity (kW)	Cost of Capacity (\$/kW-month)	% of Total Capacity	Total Cost \$	% of Total Cost
Millstone #3	4,991	\$57.75	2.50%	\$288,255	20.23%
Seabrook	7,910	\$55.03	3.96%	\$435,248	30.55%
Stonybrook Peaking	24,981	\$2.01	12.50%	\$50,280	3.53%
Stonybrook CC	42,925	\$3.85	21.48%	\$165,192	11.59%
NYP&A	4,666	\$2.55	2.33%	\$11,896	0.83%
Hydro Quebec	4,274	\$5.16	2.14%	\$22,041	1.55%
ISO-NE Supply Auction	99,579	\$3.43	49.83%	\$341,170	23.95%
Braintree Watson Unit	10,520	\$10.52	5.26%	\$110,645	7.77%
Total	199,846	\$7.13	100.00%	\$1,424,726	100.00%

\*\*RT Net Energy: Real-Time Net Energy

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

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

**Table 4**

Resource	Energy	Capacity	Total cost	% of Total Cost
Millstone #3	\$19,606	\$288,255	\$307,861	7.09%
Seabrook	\$50,396	\$435,248	\$485,644	11.19%
Stonybrook CC	\$67,954	\$165,192	\$233,146	5.37%
Hydro Quebec	\$0	\$22,041	\$22,041	0.51%
Constellation	\$442,830	\$0	\$442,830	10.20%
NYP&A	\$8,029	\$11,896	\$19,925	0.46%
ISO Interchange	\$514,017	\$341,170	\$855,187	19.71%
NEMA Congestion	-\$46,696	\$0	-\$46,696	-1.08%
Coop Resales	\$11,555	\$0	\$11,555	0.27%
Stonybrook Peaking	\$13	\$50,280	\$50,293	1.16%
JP Morgan	\$288,878	\$0	\$288,878	6.66%
MacQuarie	\$1,347,093	\$0	\$1,347,093	31.04%
Braintree Watson Unit	\$31,167	\$110,645	\$141,812	3.27%
Swift River Projects	\$180,026	\$0	\$180,026	4.15%
Monthly Total	\$2,914,869	\$1,424,726	\$4,339,596	100.00%

## TRANSMISSION

The RMLD's total transmission costs for the month of September, 2011 are \$778,431. This is a decrease of 18.96% from the August 2011 cost of \$960,534. In 2010, the transmission costs for the month of September, 2010 were \$912,485.

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

**Table 5**

	Current Month	Last Month	Last Year
Peak Demand (kW)	124,448	144,051	161,453
Energy (kWh)	60,207,277	69,647,480	61,414,052
Energy (\$)	\$2,914,869	\$3,795,608	\$3,436,135
Capacity (\$)	\$1,424,726	\$1,412,039	\$1,513,742
Transmission (\$)	\$778,431	\$960,534	\$912,485
Total	\$5,118,027	\$6,168,181	\$5,862,361





ENGINEERING AND OPERATIONS  
REPORT  
BOARD REFERENCE TAB E



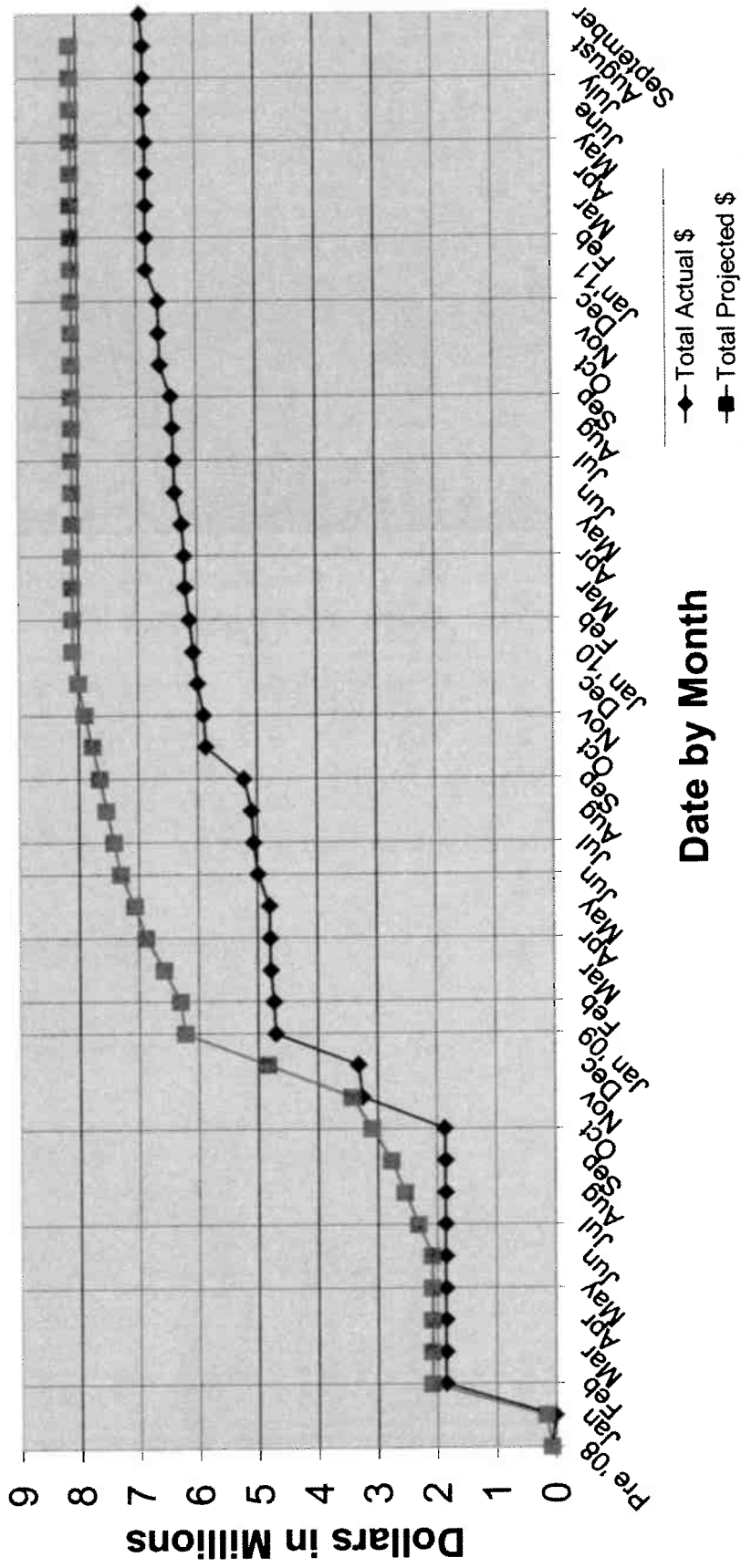
## Gaw Transformer Upgrade Project

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

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

**Changes highlighted in bold**

# Gaw Transformer Upgrade Project



## Reconciling the Gaw Upgrade Project

<u>Capital Item</u> Description	Fiscal Yr	<u>Budget</u>		<u>Expenditure</u>		<u>Delta</u> by FY
		Item	Cumulative	Actual	Cumulative	
Transformer Payment	2008	2.080	2.080	1.836	1.836	-0.244
Contract Labor	2009	1.380		0.170		
Procured Equipment		0.360		0.101		
RMLD Labor		0.446		0.111		
Feeder Reassignment		0.282		0.000		
Transformer Payments		2.757	7.305	2.755	4.973	-2.332
Contract Labor	2010	0.285		0.838		
Procured Equipment		0.195		0.155		
RMLD Labor		0.200		0.380		
Feeder Reassignment		0.110		0.000		
			8.095		6.346	-1.749
Contract Labor	2011	0.545		0.411		
Procured Equipment		0.030		0.007		
RMLD Labor		0.064		0.109		
Feeder Reassignment		0.236		0.048		
<b>Project Sub-Total</b>		0.875	8.095	6.921	6.921	
<b>Project Total</b>					6.921	-1.174









READING MUNICIPAL LIGHT DEPARTMENT  
FY 11 CAPITAL BUDGET VARIANCE REPORT  
FOR PERIOD ENDING SEPTEMBER 30, 2011

#	PROJECT DESCRIPTION	TOWN	ACTUAL COST SEPTEMBER	YTD ACTUAL COST THRU 9/30/11	ANNUAL BUDGET AMOUNT	VARIANCE
<b><u>E&amp;O Construction - System Projects</u></b>						
1	5W9 Reconductoring - Ballardvale Street	W	25,351	25,970	242,649	216,679
2	High Capacity Tie 4W18 and 3W8 Franklin Street	R	1,258	17,476	157,766	140,290
3	Upgrading Old Lynnfield Ctr URDs	LC			579,927	579,927
<b><u>SCADA Projects</u></b>						
4	RTU Replacement	R			130,255	130,255
<b><u>Distribution Automation Projects</u></b>						
5	Reclosures	ALL			197,901	197,901
6	Capacitor Banks	ALL			105,052	105,052
7	SCADA Radio Communication System	ALL			231,386	231,386
<b><u>Station Upgrades (Station #4 GAW)</u></b>						
8	Relay Replacement Project	R			99,656	99,656
9	115kV Disconnect Replacement	R			88,585	88,585
<b><u>New Customer Service Connections</u></b>						
12	Service Installations - Commercial/Industrial Customers	ALL	5,935	9,792	62,530	52,738
13	Service Installations - Residential Customers	ALL	14,954	47,129	206,017	158,888
14	<b><u>Routine Construction</u></b>					
	Various Routine Construction	ALL	176,017	585,893	1,016,382	430,489
<b>Total Construction Projects</b>			<b>223,516</b>	<b>686,260</b>	<b>3,118,106</b>	<b>2,431,846</b>
<b><u>Other Projects</u></b>						
15	GIS				50,000	50,000
16	Transformers/Capacitors Annual Purchases				198,800	198,800
17	Meter Annual Purchases				46,360	46,360
17A	Meter Upgrade Project		95,086	107,289	1,740,656	1,633,367
18	Purchase New Small Vehicle			31,544	36,000	4,456
19	Purchase Line Department Vehicle				386,000	386,000
20	Purchase Puller Trailer				75,000	75,000
21	Roof Top Units				30,000	30,000
22	Engineering Software and Data Conversion				76,690	76,690
23	Plotter				18,000	18,000
27	Hardware Upgrades		11,238	20,139	40,000	19,861
28	Software and Licensing		540	10,180	94,435	84,255
OTH	Cooling Tower Replacement		16,713	16,713	-	(16,713)
<b>Total Other Projects</b>			<b>123,577</b>	<b>185,865</b>	<b>2,791,941</b>	<b>2,606,076</b>
<b>TOTAL RMLD CAPITAL PROJECT EXPENDITURES</b>			<b>347,093</b>	<b>872,125</b>	<b>5,910,047</b>	<b>5,037,922</b>
29	Force Account/Reimbursable Projects	ALL	-	-	-	-
<b>TOTAL FY 12 CAPITAL PROJECT EXPENDITURES</b>			<b>347,093</b>	<b>872,125</b>	<b>5,910,047</b>	<b>5,037,922</b>



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

***FY 2012 Capital Plan***

**E&O Construction – System Projects**

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

**SCADA Projects**

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

**Distribution Automation (DA) Projects**

5. **Reclosers** – *No activity.*
6. **Capacitor Banks** – *No activity.*
7. **SCADA Radio Communication System** – *No activity.*

**Station Upgrades**

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

**New Customer Service Connections**

12. **Service Installations – Commercial/Industrial Customers** – This item includes new service connections, upgrades, and service replacements for the commercial and industrial customers. This represents the time and materials associated with the replacement of an existing or installation of a new overhead service, the connection of an underground service, etc. This does not include the time and materials associated with pole replacements/installations, transformer replacement/installations, primary or secondary cable replacement/installations etc. This portion of the project comes under routine construction. *Notable: E-Cars, 281 Main Street, Reading.*

13. **Service Installations – Residential Customers** – This item includes new or upgraded overhead and underground services, temporary overhead services, and large underground development.
14. **Routine Construction** – The drivers of the Routine Construction budget category YTD are listed. This is not an inclusive list of all items within this category.

<i>Pole Setting/Transfers</i>	\$104,907
<i>Maintenance Overhead/Underground</i>	\$163,813
<i>Projects Assigned as Required</i>	\$35,085
<i>Pole Damage (includes knockdowns) some reimbursable</i>	\$2,307
<i>Station Group</i>	\$0
<i>Hazmat/Oil Spills</i>	\$3,118
<i>Porcelain Cutout Replacement Program</i>	\$1,007
<i>Lighting (Street Light Connections)</i>	\$18,603
<i>Storm Trouble</i>	\$25,327
<i>Underground Subdivisions</i>	\$14,170
<i>Animal Guard Installation</i>	\$21,365
<i>Miscellaneous Capital Costs</i>	\$196,191
<b>TOTAL</b>	<b>\$585,893</b>

\*In the month of September three cutouts were charged under this program. Approximately 20 cutouts were installed new or replaced because of damage making a total of 23 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.

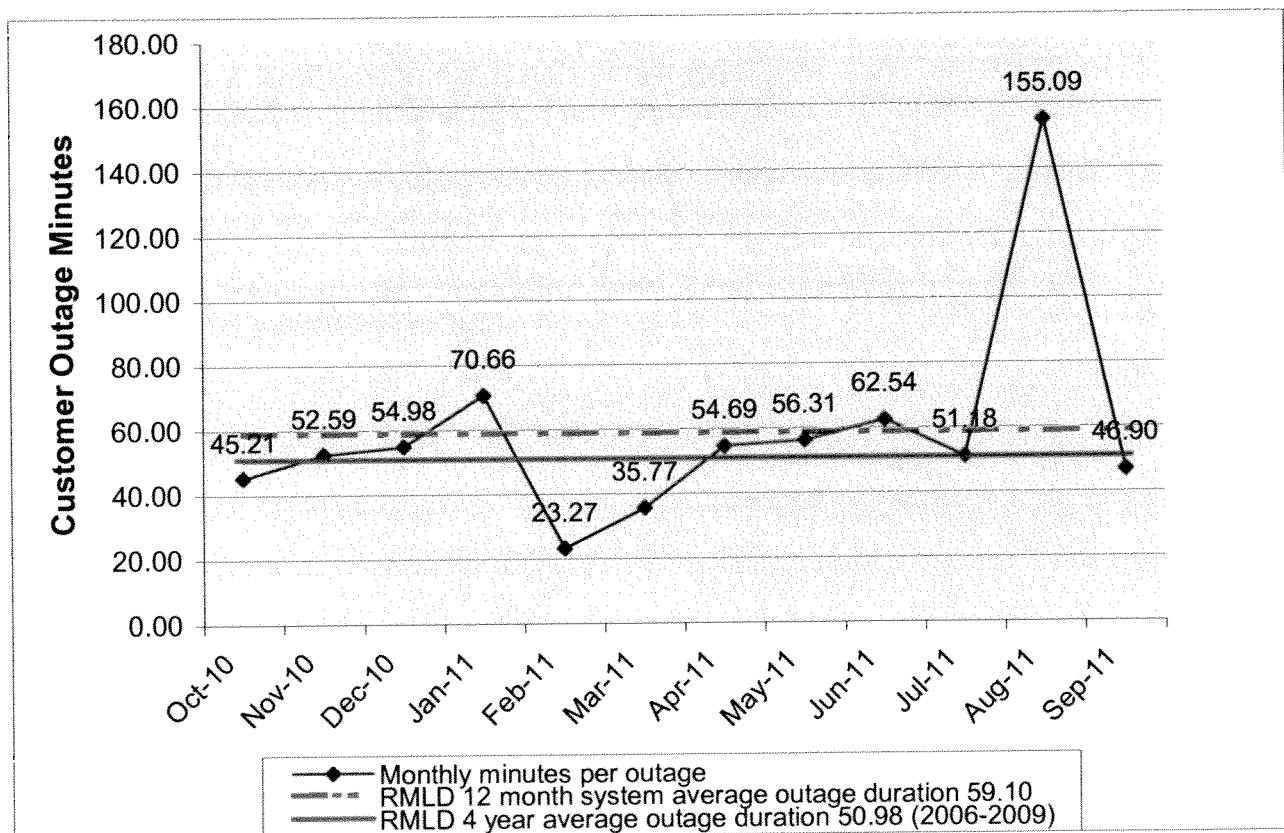
**Customer Average Interruption Duration Index (CAIDI)** – Measures how quickly the RMLD restores power to customers when their power goes out.

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

RMLD 12 month system average outage duration – 59.10 minutes

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

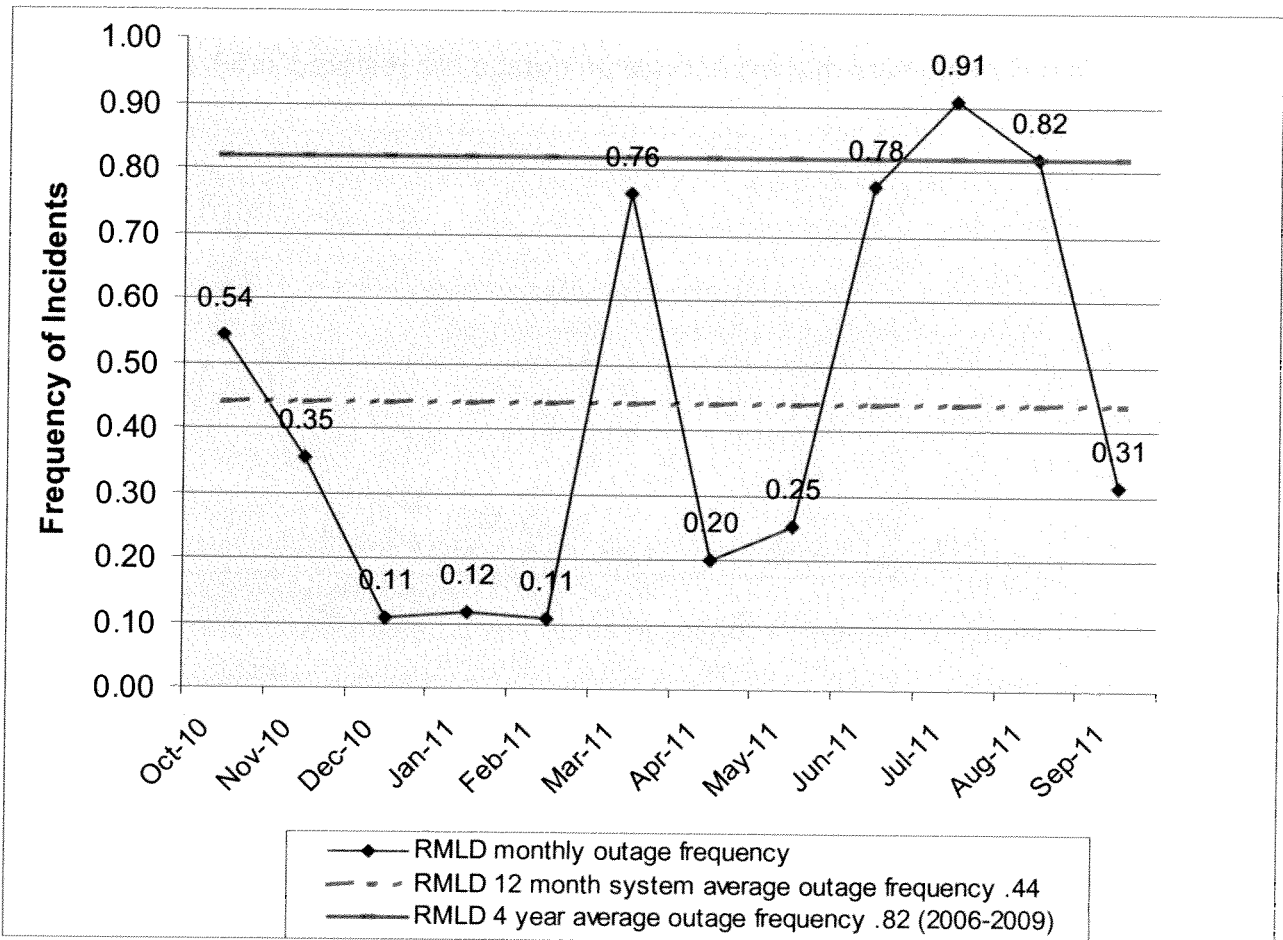
On average, RMLD customers that experience an outage are restored in 59.10 minutes.



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

**SAIFI = Total number of customer’s interrupted / Total number of customers.**  
 RMLD 12 month system average - .44 outages per year  
 RMLD 4 year average outage frequency - .82

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



**Months Between Interruptions (MBTI)**

Another view of the SAIFI data is the number of months Reading customers have no interruptions. At this time, the average RMLD customer experiences an outage approximately every 27 months.

BOARD MATERIALS AVAILABLE  
BUT NOT DISCUSSED





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

October-11

	RESIDENTIAL 750 kWh's	RESIDENTIAL-TOU 1500 kWh's 7:25 Split	RES - HOT WATER 1000 kWh's	COMMERCIAL 7,300 kWh's 25,000 kW Demand	SMALL COMMERCIAL 1,000 kWh's 10,000 kW Demand	SCHOOL RATE 35000 kWh's 130.5 kW Demand	INDUSTRIAL - TOU 109,500 kWh's 250,000 kW Demand 80/20 Split
<b>READING MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	\$96.55	\$170.57	\$111.84	\$863.87	\$167.83	\$4,009.94	\$10,966.44
PER KWH CHARGE	\$0.12873	\$0.11371	\$0.11184	\$0.11834	\$0.15540	\$0.11457	\$0.10015
<b>NATIONAL GRID</b>							
TOTAL BILL	\$101.45	\$202.08	\$134.01	\$1,046.78	\$149.49	\$4,256.87	\$11,807.33
PER KWH CHARGE	\$0.13527	\$0.13472	\$0.13401	\$0.14340	\$0.13842	\$0.12162	\$0.10783
% DIFFERENCE	5.08%	18.47%	19.82%	21.17%	-10.93%	6.16%	7.67%
<b>NSTAR COMPANY</b>							
TOTAL BILL	\$114.99	\$208.21	\$151.18	\$1,060.84	\$160.47	\$5,924.76	\$14,298.56
PER KWH CHARGE	\$0.15332	\$0.13881	\$0.15118	\$0.14532	\$0.14858	\$0.16928	\$0.13058
% DIFFERENCE	19.11%	22.07%	35.17%	22.80%	-4.39%	47.75%	30.38%
<b>PEABODY MUNICIPAL LIGHT PLANT</b>							
TOTAL BILL	\$86.94	\$168.52	\$114.13	\$916.74	\$153.97	\$4,466.74	\$10,564.45
PER KWH CHARGE	\$0.11592	\$0.11234	\$0.11413	\$0.12558	\$0.14257	\$0.12762	\$0.09648
% DIFFERENCE	-9.95%	-1.20%	2.05%	6.12%	-8.26%	11.39%	-3.67%
<b>MIDDLETON MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	\$99.77	\$198.39	\$132.64	\$959.51	\$168.44	\$4,762.93	\$13,330.75
PER KWH CHARGE	\$0.13203	\$0.13226	\$0.13104	\$0.13104	\$0.15596	\$0.13608	\$0.12174
% DIFFERENCE	3.34%	16.31%	18.60%	11.07%	0.36%	18.78%	21.56%
<b>WAKEFIELD MUNICIPAL LIGHT DEPT.</b>							
TOTAL BILL	\$103.11	\$199.92	\$135.38	\$1,027.59	\$165.76	\$4,808.08	\$13,245.87
PER KWH CHARGE	\$0.13748	\$0.13528	\$0.13538	\$0.14077	\$0.15349	\$0.13737	\$0.12097
% DIFFERENCE	6.80%	17.21%	21.05%	18.95%	-1.23%	19.90%	20.79%







**Jeanne Foti**

---

**From:** Vincent Cameron  
**Sent:** Wednesday, September 28, 2011 9:31 AM  
**To:** Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli  
**Cc:** Bob Fournier; Joe Donahoe; Jeanne Foti; Patricia Mellino; Priscilla Gottwald  
**Subject:** Account Payable Warrant - September 23

**Soli**

1. N. Reading Parks - What is this?

The \$81 charge for the North Reading Parks and Recreation is for an ad in their Fall 2011 publication which lists events going on in the community and sponsored by ads purchased by businesses in the community. It is an 11 x 17 publication laid out like a newspaper (Transcript) and for distribution to all North Reading families. I have a sample of the Spring/Summer edition if you'd like to see it.

2. Soli - Sales tax last week. I don't understand how most times RMLD is exempt & this time is not.

For auto body repair the tax is worked into the total cost of all parts and materials for the job in which the auto body must pay and in turn the RMLD must also pay. For instance, while repairing the vehicle the auto body uses sanding discs, sand paper, paper to cover the car, tape, etc. These are items not listed that the shop has used on our vehicle and paid taxes on that are included in the in the total cost.

**Snyder**

1. Cranney Co. - Invoice is from May? Also, why doesn't PO show the 133,950 paid to date?

The invoice is dated May. All invoices are sent directly to RDK (Engineering firm) to be approved for payment, then once approved sent to the RMLD as an application for payment. The RDK Certificate for Payment is dated 9/16/11. The total paid to date is listed as "Less Previous Certificates for Payment" at \$133,950. For future reference, there will be two more Applications for Payment \$11,073.20 and \$1,992.80.

## Jeanne Foti

---

**From:** Vincent Cameron  
**Sent:** Thursday, October 06, 2011 9:40 AM  
**To:** Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli  
**Cc:** Bob Fournier; Kevin Sullivan; Steve Kazanjian; Jeanne Foti  
**Subject:** Answer to Questions on Payables for 10/3/11



DOC.PDF (40 KB)

Snyder

1. Kazmierczak - Bill does not match refund 131.94.

On the second sheet the Account Balance is shown as \$47.50 The bill attached shows \$131.94, which was paid in addition to the previous billing of \$47.50. The customer paid \$47.50 for their previous bill and the bill for \$131.94 was sent while the \$47.50 was being sent in by the customer. Therefore, the \$47.50 was paid twice.

2. Machnik - Bill does not match refund 131.94.

The Machnik refund was essentially the same situation as Kazmierczak's described above. On the second sheet the Account Balance is shown as \$79.77. The bill attached shows \$123.59, which was paid in addition to the previous billing of \$79.77. The customer paid \$79.77 for their previous bill and the bill for \$123.59 was sent while the \$79.77 was being sent in by the customer. Therefore, the \$79.77 was paid twice.

3. McSweeney - This overpayment is similar to question last month described as overpayment rather than a final bill. It's costly to process these, why not take it off the next month's bill?

This payment is the same as described above. There was no "next payment" because the customer finaled out.

4. Caliper - What is the cluster graph report?

The cluster graph report shows points on a graph showing different capabilities of prospective employees who take the Caliper Test.

5. Rotary - Would like to see ad @ our next meeting.

The add was attached to the invoice. It is also attached to this e-mail.

O'Neill

1. D'Alleva/Sullivan - Why travel on Sept. 15th when conference did not begin until the 17th? Documentation provided for hotel charges, but not payment thereof. Why a car rental on the 16th (Sullivan)?

The RMLD is upgrading its meters and will have a fixed network meter reading scheme within the next year. It is in the RMLD's Capital Budget. Kevin and Nick attended an Itron users conference to gain more information about Itron meters and fixed networks. Kevin has been in communications with personnel from Tucson Electric Power regarding their Fixed Network Metering System they have installed and been testing. The people at TEP have been invaluable as a resource for the RMLD. This summer I was invited to view the system in operation (cutover was done in July). With the Itron User's Conference in Phoenix, it became advantageous to visit Tucson Electric and see their system in action.

Kevin and Nick's itinerary is below. In both Kevin's and Nick's expense report there is

information as to the pre conference seminars they attended on Saturday and Sunday. The Itron regular conference started on Monday.

Itinerary for Nick and I:

Thursday afternoon fly to Phoenix.

Friday morning @ 07:00 rent a vehicle for travel to Tucson Electric Power (TEP).

Arrive in Tucson @ 08:45 (TEP Engineering/IT personnel cleared their day for discussion and system explanation) Arrive back to Phoenix @ 18:30, register for Itron pre-conference training classes Saturday and Sunday. Drop off vehicle.

Saturday and Sunday 09:00 - 16:00 attend Fixed network 100 class Monday 08:00 attend Itron User's conference opening ceremony Monday and Tuesday agenda: attend 5 knowledge break-out sessions each day 09:30 - 16:30 (150 available)

Monday Sessions: 1. OEM communication products and offerings  
2. A smart grid - go to market strategy case study  
3. Optimization of fixed network daily operations and MDM

integration

4. Finding lost or stolen meters with AMR  
5. IEE MDM C&I roundtable

Tuesday Sessions: 1. Leveraging your MDM solution to minimize IT impact  
2. The ins and outs of radio frequency technologies  
3. Bonneville Power's MDM implementation: project

methodology and lessons learned

4. Idaho Power MDM implementation and operation (double

session) Wednesday fly back home

2. Gray's Towing - Two vehicle accidents. What are the causes? Whose responsibility?

West Willow and Summer in Reading. A vehicle hit one of our vehicle and damaged it. We have contacted the vehicles owners insurance company for payment.

Lowell St and Route 38, Wilmington. Our vehicle was parked and it was sideswiped by another vehicle. We have contacted the other person's insurance company for payment.

Wilmington Police Department - Another person doing detail on Sept. 20 billed at eight hours rather than the actual four that were on blue slip.

I put a notation on the invoice that there was incorrect billing on the bill from the Town of Wilmington. I also made a notation at the top of the page to return the check to the RMLD and we can either redeposit it or credit the next payment to the Town of Wilmington Police.

We made the **GREEN CHOICE**

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- Commercial energy rebates
- Renewable energy rebate program
- Budget billing
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- \* 7 Days A Week
- \* 365 Days A Year



Reading Municipal Light Department  
RELIABLE POWER FOR GENERATIONS  
230 Ash Street, P.O. Box 150, Reading, MA 01867



**Jeanne Foti**

**From:** Vincent Cameron  
**Sent:** Thursday, October 06, 2011 2:03 PM  
**To:** Mary Ellen O'Neill; Richard Hahn; Phil Pacino; Gina Snyder; Bob Soli  
**Cc:** Bob Fournier; Kevin Sullivan; Steve Kazanjian; Jeanne Foti  
**Subject:** RE: Answer to Questions on Payables for 10/3/11

Mr. Soli's Questions

1. Lavin Stephen - Is there certification for these guys so that we know RMLD guys won't be hurt after repairs?

Yes. WE only use certified mechanics.

2. Penn Xfrmr - What is it?

These are Load Tap Changer dial kits. We are replacing a dial for the Load Tap Changers at Station 5. Load Tap Changers allow a transformer to adjust to voltage changes.

---

**From:** MaryEllen O'Neill [mailto:maryellenoneill@hotmail.com]  
**Sent:** Thursday, October 06, 2011 12:58 PM  
**To:** Vincent Cameron; Richard Hahn; Phil Pacino; Gina Snyder; Bob Soli  
**Cc:** Bob Fournier; Kevin Sullivan; Steve Kazanjian; Jeanne Foti  
**Subject:** RE: Answer to Questions on Payables for 10/3/11

A couple of questions/points.

\*I thought Mr. Soli had a least one question on these set of payables?

\*Copies of the agendas at the Phoenix conference were provided with the travel reimbursement forms for Mr. D'Alleva and Mr. Sullivan. This has been the standard when employees are reimbursed for attendance at out-of-town meetings/conferences. No written documentation of the reason for the expenses incurred on September 16 was provided. It is reasonable to expect that such material is provided and it should be provided for all travel reimbursement requests.

> From: vcameron@RMLD.com  
 > To: rhahn@lacapra.com; philpacino@grmp.net; bogina03@earthlink.net; maryellenoneill@hotmail.com; BobSoli@aol.com  
 > CC: bfournier@RMLD.com; ksullivan@RMLD.com; skazanjian@RMLD.com; jfoti@RMLD.com  
 > Subject: Answer to Questions on Payables for 10/3/11  
 > Date: Thu, 6 Oct 2011 13:40:22 +0000  
 >  
 >  
 >  
 > Snyder  
 >  
 > 1. Kazmierczak - Bill does not match refund 131.94.  
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 > On the second sheet the Account Balance is shown as \$47.50 The bill attached shows \$131.94, which was paid in addition to the previous billing of \$47.50. The customer paid \$47.50 for their previous bill and the bill for \$131.94 was sent while the \$47.50 was being sent in by the customer. Therefore, the \$47.50 was paid twice.  
 >  
 > 2. Machnik - Bill does not match refund 131.94.  
 >

10/20/2011

> The Machnik refund was essentially the same situation as Kazmierczak's described above. On the second sheet the Account Balance is shown as \$79.77. The bill attached shows \$123.59, which was paid in addition to the previous billing of \$79.77. The customer paid \$79.77 for their previous bill and the bill for \$123.59 was sent while the \$79.77 was being sent in by the customer. Therefore, the \$79.77 was paid twice.

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> 3. McSweeney - This overpayment is similar to question last month described as overpayment rather than a final bill. It's costly to process these, why not take it

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>

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- >
- >

**Jeanne Foti**

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**From:** MaryEllen O'Neill [maryellenoneill@hotmail.com]  
**Sent:** Thursday, October 06, 2011 12:58 PM  
**To:** Vincent Cameron; Richard Hahn; Phil Pacino; Gina Snyder; Bob Soli  
**Cc:** Bob Fournier; Kevin Sullivan; Steve Kazanjian; Jeanne Foti  
**Subject:** RE: Answer to Questions on Payables for 10/3/11

A couple of questions/points.

\*I thought Mr. Soli had a least one question on these set of payables?

\*Copies of the agendas at the Phoenix conference were provided with the travel reimbursement forms for Mr. D'Alleva and Mr. Sullivan. This has been the standard when employees are reimbursed for attendance at out-of-town meetings/conferences. No written documentation of the reason for the expenses incurred on September 16 was provided. It is reasonable to expect that such material is provided and it should be provided for all travel reimbursement requests.

> From: vcameron@RMLD.com  
 > To: rhahn@lacapra.com; philpacino@grmp.net; bogina03@earthlink.net; maryellenoneill@hotmail.com; BobSoli@aol.com  
 > CC: bfournier@RMLD.com; ksullivan@RMLD.com; skazanjian@RMLD.com; jfoti@RMLD.com  
 > Subject: Answer to Questions on Payables for 10/3/11  
 > Date: Thu, 6 Oct 2011 13:40:22 +0000  
 >  
 >  
 >  
 > Snyder  
 >  
 > 1. Kazmierczak - Bill does not match refund 131.94.  
 >  
 > On the second sheet the Account Balance is shown as \$47.50 The bill attached shows \$131.94, which was paid in addition to the previous billing of \$47.50. The customer paid \$47.50 for their previous bill and the bill for \$131.94 was sent while the \$47.50 was being sent in by the customer. Therefore, the \$47.50 was paid twice.  
 >  
 > 2. Machnik - Bill does not match refund 131.94.  
 >  
 > The Machnik refund was essentially the same situation as Kazmierczak's described above. On the second sheet the Account Balance is shown as \$79.77. The bill attached shows \$123.59, which was paid in addition to the previous billing of \$79.77. The customer paid \$79.77 for their previous bill and the bill for \$123.59 was sent while the \$79.77 was being sent in by the customer. Therefore, the \$79.77 was paid twice.  
 >  
 > 3. McSweeney - This overpayment is similar to question last month described as overpayment rather than a final bill. It's costly to process these, why not take it  
 > off the next month's bill?  
 >  
 > This payment is the same as described above. There was no "next payment" because the customer finalized out.  
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10/20/2011

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>

## Jeanne Foti

---

**From:** Vincent Cameron  
**Sent:** Friday, October 14, 2011 2:30 PM  
**To:** Richard Hahn; Phil Pacino; Gina Snyder; Mary Ellen O'Neill; Bob Soli  
**Cc:** Bob Fournier; Joe Donahoe; Jeanne Foti; Kevin Sullivan  
**Subject:** Account Payable Removal Questions - October 7 & Payroll Questions  
**Snyder**

1. Arco - Has charge gone up since PO price?

The price on PO 10-4381A is estimated at \$54.80 per cylinder, which includes delivery charge and the Hazard Material Charge per cylinder. The particular invoice in question is \$87.70 for two (2) cylinders, delivery and hazard charges, which is equal to \$43.85 per cylinder including all the applicable charges.

2. Kiley - PO not timely on \$3,950 job.

The vendor checked out the vehicle and told us there was additional work needed. They did not get us the paper work for the additional repair timely enough to process the PO earlier. We talked to the vendor and told them they have to get the paper work to us prior to performing the work. It should be noted that payments for truck work is not okayed until the truck is returned and the work has been inspected by our Facilities personnel.

3. RMI - Would like more detail on this.

This is Risk Management Inc., is a consultant the RMLD uses for information relating to the fossil fuel market. The RMLD receives fossil fuel market information, natural gas and oil price forecasts, and monthly reports. The RMLD uses this information when we fill in tranches of natural gas for the Heat Rate Fuel Index contracts. The RMLD also uses the information for timing of RFPs for power supply.

4. Utility Services - What is "Culture of Compliance"?

This is activity related to the North American Electricity Reliability Council's compliance standards that have to be adhered to by all electric utilities. A conference was held locally on the "Culture of Compliance", which was attended by our consultant and by Kevin Sullivan.

### O'Neill

1. Cushing, Jammallo + Wheeler - What were the causes of these two transformer releases?

The 271 Ballardville Street, Wilmington release was caused by a landscaper damaging a transformer, causing it to leak. The RMLD will be reimbursed by the customer's insurance. The 19 Ryan Road, Lynnfield incident occurred during Hurricane Irene, when a tree damaged a pole mounted transformer.

### Soli

1. Flaherty OT - SCADA what?

The SCADA system went down and the employee had to troubleshoot it after hours.

2. Maillett OT - Meter upgrade what of MIS?

The meter upgrade project requires the Info Techs to process services order as the meters are changed out. This rewires overtime activity to get all the service orders processed timely.

10/20/2011

