



RMILD

**READING MUNICIPAL
LIGHT DEPARTMENT**

**BOARD OF COMMISSIONERS
REGULAR SESSION MEETING**

WEDNESDAY NOVEMBER 15, 2023



Town of Reading Meeting Posting with Agenda

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2023-11-15

Time: 7:00 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Agenda:

Purpose: General Business

Meeting Called By: Philip B. Pacino, Chair

Notices and agendas are to be posted 48 hours in advance of the meetings excluding Saturdays, Sundays and Legal Holidays. Please keep in mind the Town Clerk's hours of operation and make necessary arrangements to be sure your posting is made in an adequate amount of time. A listing of topics that the chair reasonably anticipates will be discussed at the meeting must be on the agenda.

All Meeting Postings must be submitted in typed format; handwritten notices will not be accepted.

Topics of Discussion:

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

THIS MEETING WILL HELD IN PERSON, REMOTELY ON ZOOM, AND STREAMED LIVE ON RCTV AND YOUTUBE:

<https://www.youtube.com/c/RCTVStudios/videos?view=57>.

FOR REMOTE AND/OR PUBLIC PARTICIPATION

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

1. Call Meeting to Order – P. Pacino, Chair

Code of Conduct: The RMLD Board of Commissioners recognizes the importance of hearing public comment, at the discretion of the Chair, on items on the official agenda. Once recognized by the Chair, all persons addressing the Board shall state their name and address prior to speaking. It the role of the Chair to maintain order in all public comment or ensuing discussion.

2. Public Comment - P. Pacino, Chair
 - Citizens' Advisory Board
 - Liaisons to the RMLD Board
 - Public Comment

3. Report on the Citizens' Advisory Board Meeting – D. Talbot, Vice Chair

This Agenda has been prepared in advance and represents a listing of topics that the chair reasonably anticipates will be discussed at the meeting. However the agenda does not necessarily include all matters which may be taken up at this meeting.



Town of Reading Meeting Posting with Agenda

4. Approval of Board of Commissioners Meeting Minutes (attachment 1) – P. Pacino, Chair

- Discussion on meeting minute format

Suggested Motion: Move that the RMLD Board of Commissioners approve the June 15, 2023, and July 18, 2023, open session meeting minutes, as presented, on the recommendation of the General Manager and the Board Secretary.

5. 2024 Operating Budget Presentation (attachment 2) - B. Bloomenthal, Director of Finance & Accounting

Suggested Motion: Move that the Board of Commissioners, on the recommendation of the Citizens' Advisory Board and General Manager, approve the Calendar Year 2024 Operating Budget, as presented.

6. Determination of Uniqueness for Property (attachment 3) – G. Phipps, General Manager

Suggested Motion: Move that the RMLD Board of Commissioners approve the Determination of Uniqueness of property and waive the publication requirements of M.G.L. Chapter 30B § 16, with respect to the acquisition of land located at the Intersection of Routes 125 and 93, Wilmington, MA 01887.

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

8. Milton Cat Battery Storage (attachment 5) – B. Bullock, Director of Integrated Resources

Motion: Move that the RMLD Board of Commissioners, on the recommendation of the Citizen's Advisory Board, vote to accept the General Manager's recommendation to contract Milton Cat under an Energy Services Agreement for battery storage services.

9. Policy Review (attachment 6) – G. Phipps, General Manager

- Policy 13: Facility and Property Use

Suggested Motion: Move that the RMLD Board of Commissioners approve Policy 13: Facility and Property Use (Revision 7), as presented, on the recommendation of the General Manager.

10. Procurement Requests for Board Approval (attachment 7) - G. Phipps, General Manager

- IFB 2023-40 Line Truck Chassis and Trailer Inspection, Preventative Maintenance, and Repair Service

Suggested Motion: Move that bid IFB 2023-40 for Line Truck Chassis and Trailer Inspection, Preventative Maintenance, and Repair Service be awarded to: Taylor and Lloyd, Inc. for \$193,509, pursuant to M.G.L. c. 30B, as the lowest responsive and responsible bidder on the recommendation of the General Manager. This is a three-year contract.



Town of Reading Meeting Posting with Agenda

- IFB 2023-41 Line Truck Lift Equipment Inspection, Preventative Maintenance, and Repair Service

Suggested Motion: Move that bid IFB 2023-41 for Line Truck Lift Equipment Inspection, Preventative Maintenance, and Repair Service be awarded to: James A. Kiley Co. for \$89,726, pursuant to M.G.L. c. 30B, as the lowest responsive and responsible bidder on the recommendation of the General Manager. This is a three-year contract.

- IFB 2023-42 HVAC and Ice Machines Preventative Maintenance and Repair Service

Suggested Motion: Move that bid 2023-42 for HVAC and Ice Machines Preventative Maintenance and Repair Service be awarded to: Ambient Temperature Corporation for \$131,431, pursuant to M.G.L., c. 30 § 39M, as the lowest responsible and eligible bidder, on the recommendation of the General Manager. This is a three-year contract.

- IFB 2023-47 Hourly Rates for As Needed Distribution Line Work of All Types

Suggested Motion: Move that bid 2023-47 for Hourly Rates for As Needed Distribution Line Work of All Types be awarded to: Power Line Contractors, Inc, pursuant to M.G.L. c. 30 § 39M, as the lowest responsible and eligible bidder, on the recommendation of the General Manager. This is a three-year contract.

11. General Manager's Report (attachment 8) – G. Phipps, General Manager

12. Scheduling – P. Pacino, Chair

2023 WARRANT SCHEDULE

	AP	PAYROLL	Covering CAB
November	Coulter	Daskalakis	Talbot
December	Talbot	Bitá	Daskalakis

BOARD OF COMMISSIONERS MEETING SCHEDULE

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



Town of Reading Meeting Posting with Agenda

CITIZENS' ADVISORY BOARD MEETING SCHEDULE

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

13. Adjournment **ACTION ITEM**

Suggested Motion: Move that the Board of Commissioners adjourn regular session.
Note: Roll call vote required.

BOARD MATERIALS AVAILABLE BUT NOT DISCUSSED

Accounts Payable / Payroll Questions through November 13, 2023
Surplus and Scrap Material Report September 2023
Preliminary Financials September 2023

ATTACHMENT 1
APPROVAL OF MEETING MINUTES



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

TOWN OF READING MEETING MINUTE TEMPLATE

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

RECORD OF ALL VOTES AND MOTION FORMAT

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

A LIST OF ALL DOCUMENTS AND EXHIBITS USED AT THE MEETING

- The beginning of the meeting minutes will include the following verbiage:
 - Documents and exhibits used at this meeting can be found on the RMLD website in the Board meeting packet and linked here: [2023-07-20_rmlD_boc_agenda_and_packet_2023-07-20.pdf](#)
- The associated attachment will be noted below each agenda.
 - **Approval of Meeting Minutes**
Materials: Approval of Meeting Minutes (attachment 1)
- Agenda packets will be updated following each meeting if additional documents are presented.

A SUMMARY OF THE DISCUSSIONS ON EACH SUBJECT

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



Town of Reading Meeting Minutes

2016-09-22 LAG

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2023-06-15

Time: 7:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Session: Open Session

Purpose: General Business

Version: Draft

Attendees: **Members - Present:**

Board of Commissioners: Philip B. Pacino, Chair; David Talbot, Vice Chair; Robert Coulter, Commissioner; Marlena Bitá, Commissioner

Citizens' Advisory Board: Vivek Soni, Chair (Reading); Ken Welter, Vice Chair; Geroge Hooper (Wilmington); Dennis Kelley (Wilmington); Jason Small (North Reading).

Members - Not Present:

Others Present:

RMLD Staff: Gregory Phipps, General Manager; Erica Morse, Executive Assistant; Benjamin Bloomenthal, Director of Finance & Accounting; Bill Bullock, Director of Integrated Resources

Minutes Respectfully Submitted By: Philip B. Pacino Secretary Pro Tem

Topics of Discussion:

The minute attachments can be found on the RMLD website in the joint meeting packet.

Call Meeting to Order

Chair Pacino called the RMLD Board of Commissioner's (BoC) meeting to order at 7:30 PM and announced that the meeting would be held in person, remotely on zoom, and streamed live on RCTV and YouTube.

Chair Soni called the Citizens' Advisory Board meeting to order at 7:30 PM.

Opening Remarks and Introductions

- Chair Pacino read the RMLD BoC Code of Conduct.
- All Board members attended in person.
- Chair Pacino served as Secretary at the meeting.
- Mr. McDonagh attended the meeting remotely.

Public Comment

There was no comment from the public at the meeting.

Commissioner Vacancy – Interim Appointment Update

- The BoC voted to have a joint meeting on July 18 with the Reading Select Board to select a replacement for Mr. Stempeck.

- The interim appointment will serve through the next election in Spring 2024.
- Chair Pacino encouraged anyone who is interested to apply with the Reading Town Clerk.

Presentation of the 2022 Financial Audit Findings

Materials: Annual Financial Statements Draft Dated June 8, 2023 (attachment 1)

Zackary Fentross, MARCUM LLP, presented the 2022 Audit findings to the RMLD boards.

Introduction

- Mr. Fentross is the Audit Director in charge of RMLD's audit for the year ending December 31, 2022.
- Discussed the financial statements in detail; emphasized certain balances and trends.
- RMLD's financial statements are usually presented on a comparative basis.
 - An exception was made this year due to the implementation of Accounting Standard GASB 87 (Governmental Accounting Standards Board Statement) related to leases.
 - This year's financial statements will show only one year of financial information.
 - The comparative basis presentation will resume next year.
- Key takeaways and conclusions:
 - RMLD is in a sound financial position.
 - Positive results were recorded from the Department's operations.
 - RMLD boasts a well-funded OPEB (Other Post-Employment Benefits) trust fund.
 - No management letter was issued, indicating RMLD's stable financial standing.

Auditors Report (page 1-3)

- Discussed the outcomes of the Independent Auditor's Report.
- RMLD received a clean opinion from the independent auditing firm.
 - The absence of any exceptions indicates an optimal audit result, which is the most favorable opinion that can be received from an independent auditing entity.
 - RMLD has consistently received this same most favorable opinion in prior years.

Management Discussion and Analysis (page 4 - 8)

- This section is a narrative summary that highlights the results of the operation.
- The content delves into key financial areas, offering insights and detailed examinations.

Statement of Net Position (page 9)

- GASB 87 pertaining to leases is new to the financial statements this year.
 - Implementation mandated for all municipalities for year endings, starting from December 31st, 2022.
- GASB 87 additions on the Statement of Net Position
 - Current Assets; Lease Receivable
 - Non-Current Assets; Lease Receivable
 - Deferred inflows; Related leases
 - The two receivables are offset by the deferred inflow.
 - This ensures no impact on the income statement or net position.
- GASB 87 removed previous distinctions between capital and operating leases.
 - Capital and operating leases are now classified as "leases" henceforth.
- An internal review determined situations where RMLD was the lessee or the lessor.
 - RMLD as lessee: deemed immaterial and excluded from financial statements.
 - RMLD as lessor: considered material and included.
 - Material leases: 11 agreements for fiber optic cable leases (Crown Castle).
 - Projected receivables amount to ~\$2.6m, which the department expects to receive between 2023 and 2031.
- The adoption of GASB 87 and its resulting changes marked a significant shift in the financial statements compared to the previous year.
- RMLD conducted thorough due diligence to ensure accurate implementation of GASB 87.

- Discussed non-current assets, land and construction in progress.
 - Increased ~\$4.4m from the previous year.
 - The increase is mainly due to a land purchase in Wilmington.
 - RMLD procured land for the New Wilmington Station for ~\$4m.
- Discussed non-current assets, capital assets net of accumulated depreciation
 - Increased ~\$1.3m from the previous year.
 - RMLD made capital additions amounting to ~ \$6.4m during CY2022.
 - There was a depreciation expense of ~\$5.1m.
 - Increased balance due to the capital additions was later reduced by the depreciation expense, resulting in a net increment of ~\$1.3m.
- Discussed major capital expenditures for CY2022
 - ~\$1.3m was allocated for new poles and fixtures.
 - An investment of ~\$2.4m was made in overhead conductors.
 - Underground conductors and devices received an allocation of ~\$1.2m.
- Discussed non-current liability, net pension liability.
 - Decreased ~\$6.6m from the previous year.
 - Represents RMLD's proportional share of the total unfunded liability.
 - Linked with the Reading Contributory Retirement System.
 - This liability is presented through December 31st, 2021.
 - Unique in the financial statements.
 - All other values are presented as of December 31st, 2022.
 - The one-year arrear is allowed by Accounting Standards and raises no concerns.
 - Net pension liability funding percentages.
 - As of December 31st, 2021, the Reading retirement system was 91% funded.
 - Average funding levels across the Commonwealth ranged between 75% to 80%.
 - A funding level of 91% indicates a favorable financial stance for RMLD.
 - Discussed the ~\$6.6m net pension liability reduction.
 - Result of the contributory retirement system's investments in CY2021.
 - The investment outcomes for the Reading retirement system surpassed expectations by ~\$21.5m.
 - RMLD's share of these over-performing investment outcomes totals ~ \$5.7m.
 - This favorable deviation in outcomes exceeded the actuarial anticipations, and largely contributed to reducing the net pension liability.
- Discussed non-current liability, net OPEB liability.
 - OPEB (Other Post-Employment Benefits), represents the projected health insurance costs for both current employees and retirees spanning into the future.
 - The net OPEB liability is determined through an actuarial calculation.
 - Increased ~\$110K from the previous year.
- Discussed OPEB liability details (page 46)
 - Supplementary information for the OPEB liability and associated trust fund.
 - The schedule of the net OPEB liability.
- Discussed two figures in the 2022 column (page 46).
 - The total OPEB Liability, as determined by the actuary, stands at ~\$9m.
 - RMLD allocated ~\$4m to a dedicated trust to offset this liability in future years.
 - Per those figures, the liability is ~53% funded.
 - This funding level is noteworthy compared to typical benchmarks.
 - Most cities and towns have a funding rate ranging from 0% -10% for this liability.
 - Light departments within MA usually fund this liability at a rate of 30% to 40%.
 - This proactive approach indicates strong financial health and is anticipated to be viewed positively by those who rely on and interpret the financial statements.

Statement of Revenues, Expenses, and Change in Net Position (page 10)

- Discussed operating revenues, total operating revenues.
 - Increased by ~ \$13.8m from the previous year.
 - The rate increase implemented in 2022 accounted for a large portion of this increase.
 - This is the first base rate increase RMLD has implemented since 2018.
 - The rate increase averaged around 6%.
 - The global volatility in the purchase power market also contributed to the increase as the pass through (no markup) fuel adjustment charge.
- Discussed operating expenses, purchase power.
 - Increased by ~ \$4.4m from the previous year.
 - Increased purchase power contributed to the increase in the operating revenues.
 - Purchase power is a pass-through expense,
 - A corresponding increase was passed through to the ratepayers.
- Discussed change in net position.
 - Indicates a positive result of operation during the calendar year.

Statement of Cash Flows (page 11)

- Discussed cash flows from operating activities: Net cash provided by operating activities and cash flows from capital and related financing activities.
 - Primarily using cash provided by operating activities to make capital improvements to RMLD's infrastructure.

Chair Soni posed a list of questions summarized follows:

1) What causes the total OPEB liability to change year to year?

- Referenced Page 36 which details the changes in net OPEB liability and its determinants.
 - The balance (total OPEB column) is determined by an actuary hired by RMLD.
- This number undergoes an audit process to ensure its accuracy.
- Certain components such as service and interest costs can increase this liability.
- Any alteration in benefit terms or assumptions about factors like the retirement age can influence this liability, either increasing or decreasing it.
- Chair Soni asked about the cause of fluctuations and noted a decrease from ~\$11m ~\$9.9m.
 - Changes in assumptions or variance between the expected and actual experiences.
 - Chair Soni asked if a reduction in headcount could cause the liability change.
 - Mr. Fentross committed to further investigating the specifics.
- Discussed common drivers behind changes in total OPEB liability
 - Altered assumptions or discrepancies between expected and actual experiences.
 - Adjustments in the expected retirement age versus average actual retirement age.
 - Changes incorporated into calculation formulas.
- Chair Soni asked about the OPEB liability's decrease from 55% to 53%.
 - The decrease is due to a loss in net investment income for the calendar year 2022.
 - RMLD incurred a loss on their OPEB trust fund investments causing a decrease.

2) Absence of management letter and recommendations to RMLD (page 12)

- Discussed the purpose and nature of a management letter.
- Discussed the audit process.
 - Firm verifies the accuracy of figures in the financial statements through audit tests.
 - Evaluates the financial reporting processes and internal controls of the department.
 - If areas for improvement are identified, these would typically be conveyed through a formal management letter.
- Recommendations to RMLD
 - The firm presented recommendations to RMLD verbally.
 - None were deemed severe enough to require a formal management letter.
 - Primary recommendation was centered around the line item *due from proprietary funds* (page 12).

- At the end of the year RMLD contributed to the OPEB trust fund.
- The outgoing contribution was recorded but not reflected in the general ledger for the OPEB Trust.
- The omission resulted in the contribution not being recorded in the general ledger or bank promptly.
- A small audit adjustment was necessary to account for the \$274K contribution from RMLD to the OPEB trust.
- RMLD provided the calculations for the contribution and outlined proactive measures taken to prevent such oversights in 2023 and the future.

3) **What are the major risks RMLD faces?**

- Mr. Fentross responded that a risk assessment was carried out to evaluate the internal controls.
- The financial stability of RMLD was robust and did not pose any imminent concerns.
- Then Mr. Phipps discussed contextual risks and grouped industry specific risks into external risks and operational risks.
- Discussed the external risks.
 - The regional electric network (ISO New England) is transitioning from traditional fossil fuel-based generation to non-carbon, primarily solar and hydro.
 - This poses a challenge due to the intermittent nature of these resources.
 - Industry estimates forecast a significant increase in load over the next 20-25 years due to electrification from the mandate for decarbonization.
 - More transmission assets are needed to accommodate load/distributed generation.
 - Potential load reduction requests by ISO New England during cold winter months may result in power cuts for all customers.
 - RMLD wants to avoid cutting customer power within the territory during requests.
 - RMLD is aggressively working on in-territory generation and storage, to ensure the supply of reliable, low-cost, non-carbon energy.
- Discussed the operational risks as follows:
 - Load presents a challenge in not only predicting kWhs consumed by customers, but the shape of the load curve annually, daily, and seasonally.
 - RMLD needs to match the varying load profile with an increasingly intermittent supply.
 - RMLD has strategic plans in place to address the regional risks, but it is essential to understand the load forecast and its potential implications.
 - Noted recent changes in senior leadership and two vacant senior-level positions.
 - Expressed confidence in the current management team's dedication.
 - Retaining talent is always a potential risk.
 - Chair Soni concurred about the inherent risks posed by potential personnel changes.
- Chair Soni asked if there were any potential concerns from the Auditor's viewpoint.
 - Mr. Fentross affirmed he did not harbor any concerns or identify any financial or audit risks that warranted attention.
 - Mr. Fentross observed no difference in the administrative quality or preparedness.
 - Both administrations maintained well-organized financial records and exhibited promptness in addressing any audit queries.

Chair Pacino discussed specific concerns from Town of Reading Audit Committee.

- A transposition error (page 10), under header "capacity and transmission adjustment".
- This error will be addressed in the final version of the report.
- Chair Pacino raised a query regarding the calculation method for the leases.
 - Standard procedure dictates the use of the incremental borrowing rate when determining leases.
 - It was questioned if this was adequately factored into "lease receivable accounting."

- Mr. Fentross will investigate this prior to finalizing the report.
- The Town Audit Committee recommended that the BoC approve the audit with the following stipulations:
 - The transposition error on page 10 would be rectified.
 - Further investigation would be undertaken regarding the lease accounting, with potential adjustments made based on the findings.

Report of the RMLD Board of Commissioners Audit Sub-Committee

- Commissioner Coulter reported on the RMLD BoC Audit Sub-Committee Meeting.
- Commissioner Coulter and Commissioner Bitá are on the BoC Audit Sub-Committee and Chair Pacino is part of the Town Audit Committee.
- The Town of Reading Audit Committee raised insightful questions and the inquiry process was comprehensive.
- Commissioners Coulter and Bitá concurred with the recommendation to approve the report, given the amendments outlined by Chair Pacino.
- The modifications were reflected in the motion.
- Chair Pacino asked if the report would be associated with Melanson or Marcum.
 - Mr. Fentross explained that Melanson was acquired by Marcum in January.
 - The core audit team and strategy remain; the only change is in the letterhead.
 - This is the last year reports will be under the Melanson; reports post-June 30th will have the Marcum title.
- Chair Soni asked if the audit cost will increase.
 - Mr. Fentross responded that Marcum chose not to modify the pricing.
- Chair Pacino outlined modifications to the suggested motion.
 - The revised suggested motion was accepted by the BoC.
- Commissioner Coulter made a **motion**, seconded by Commissioner Bitá, that the RMLD Board of Commissioners accept the 2022 Audit Report from Melanson, fiscal year ended December 31, 2022, as presented, subject to the correction of the capacity and transmission adjustment amount on page 10 and further research on the lease accounting with possible correction thereon, on the recommendation of the RMLD Board of Commissioner Sub-Audit Committee. **Motion Carried: 4:0:0** (4 in favor, 0 against, 0 abstained). *Roll Call: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitá, Aye.*

Approval of Board of Commissioners Meeting Minutes

Materials: Draft BoC meeting minutes (attachment 2)

- The November 9, November 30; and December 15, 2022, minutes were approved.
- Commissioner Coulter made a **motion**, seconded by Commissioner Bitá, that the RMLD Board of Commissioners approve the open session meeting minutes of the November 9, 2022; November 30th, 2022; December 15, 2022, meetings on the recommendation of the General Manager and the Board Secretary. **Motion Carried: 4:0:0** (4 in favor, 0 against, 0 abstained). *Roll Call: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitá, Aye.*

Approval of Citizens' Advisory Board Minutes

Materials: Draft CAB meeting minutes (attachment 3)

- Chair Soni noted various spelling and context errors.
- It was decided that the CAB would vote on the revised minutes at the next meeting.
- No vote was taken at this meeting.

2023 Northeast Public Power Association Annual Conference

Materials: NEPPA Conference Agenda Draft (attachment 4)

- Chair Soni requested that Mr. Phipps present a summary of the NEPPA presentations.
- Chair Pacino noted that Commissioners with over ten years' experience on Boards are often recognized at the Annual NEPPA conference.
- Commissioner Coulter made a **motion**, seconded by Commissioner Bita, that the RMLD Board of Commissioners approve Gregory Phipps' travel to, and attendance at, the Northeast Public Power Association (NEPPA) Annual Conference to take place August 20-23, 2023, at the Mystic Marriott Hotel in Groton, Connecticut. **Motion Carried: 4:0:0** (4 in favor, 0 against, 0 abstained). *Roll Call: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye.*
- Commissioner Coulter made a **motion**, seconded by Vice Chair Talbot, that the RMLD Board of Commissioners approve for all commissioners that are interested in attending, travel to, and attendance at, the Northeast Public Power Association (NEPPA) Annual Conference to take place August 20-23, 2023, at the Mystic Marriott Hotel in Groton, Connecticut. **Motion Carried: 4:0:0** (4 in favor, 0 against, 0 abstained). *Roll Call: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye.*
- Mr. Hooper made a **motion**, seconded by Vice Chair Welter, that the RMLD Citizens' Advisory Board approve for all members that are interested in attending, travel to, and attendance at, the Northeast Public Power Association (NEPPA) Annual Conference to take place August 20-23, 2023, at the Mystic Marriott Hotel in Groton, Connecticut. **Motion Carried: 5:0:0** (5 in favor, 0 against, 0 abstained). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hooper, Aye; Mr. Kelley, Aye; Mr. Small, Aye.*

Integrated Resources Report - Coincident Peak and Economic Development Rates

Materials: IRD Report (attachment 5)

Bill Bullock presented an IRD report to the RMLD boards.

Economic Development Rate (slide 2)

- Mr. Bullock introduced two proposed rates that are under development.
- Discussed the objectives, focus, and community benefits outlined on slide 2.
- One of RMLD's strengths as an MLP is the ability to keep rates relatively low, making it appealing to commercial and industrial businesses.
- Discussed the mutual benefits of attracting large commercial and industrial customers.
 - Contribute to purchasing power around the clock at more affordable prices.
 - This results in an overall rate reduction for all customers.
- Offer introductory discounts for the short term to attract businesses.
- Discussed the potential benefits of expanded time-of-use rates.
- Vice Chair Welter asked how increasing the base load would benefit the rate payers.
 - Around-the-clock power typically comes at a lower cost than during peak times.
 - This reduces the overall cost of energy.
 - Mr. Phipps added that the primary objective is to create incremental load, distributing the fixed costs more broadly, hence lowering the cost on a per kilowatt-hour basis.
- Vice Chair Welter expressed concern about the potential impacts on existing rate payers.
 - Any immediate impact on rates would be seen as an investment in attracting larger customers, with the long-term aim of maintaining lower rates.
- Chair Soni pointed out the significance of 'time to power,' which is crucial for large industrial customers.
 - The proposed rate would give RMLD the necessary timeframe to accommodate this.
- Chair Soni said that providing power promptly might allow RMLD to charge a premium.

Economic Development Rate (slide 3)

- Discussed the two areas of focus relative to the proposed economic development rates.
 - Fixed components represent the company's fixed costs.
 - Focus on the fixed components of energy costs rather than the energy itself.
 - By increasing the denominator of megawatt hours sold, fixed costs can be spread over more megawatt hours.
 - This ultimately will help drive down the cost for other customers.
 - Focus on the demand PPCT charges and targeting a bill reduction of ~10%-20%.
- Commissioner Coulter expressed reservations about entering into long-term contractual agreements when there is uncertainty in load materialization.
- Commissioner Coulter highlighted potential risks associated with building capacity and then not fully utilizing it.
- Mr. Phipps said that the rate will have a minimum level, a set period, and any capital investments needed will be billed to the customer.
- Discussed the goals and intention.
 - Attract new customers.
 - Incentivize existing ones to expand within the territory.
 - Increase network capacity utilization, which currently stands at 48%.
- Feedback from the commissioners is valuable for further rate development and analysis.
- Vice Chair Welter questioned the necessity of the initiative, given RMLD's existing low rates, compared to investor-owned utilities.
 - Mr. Bullock emphasized the need to engage with key commercial customers to gather insights on expansion plans and factors that would influence decisions.
- Vice Chair Talbot inquired about the historical context, trying to recall if any company had previously approached the board with similar discount proposals.
 - Mr. Phipps confirmed that such discussions occur at the staff level and emphasized the legal requirements for MLPs to set consistent rates.
- Mr. Phipps highlighted the importance of ensuring that the initiative does not adversely impact other customers and expressed confidence in its potential value.

Industrial Coincident Peak Rate (slide 4)

- Discussed the Industrial Coincident Peak Rate as outlined on slide 4.
- Highlighted the status of RMLD's peak demand reduction credit program.
- The program has seen some success, but participation is lagging.
- Discussed various issues and proposed solutions.
 - Time lag between when customers take peak reducing steps and when they receive the associated rewards.
 - Customers reap rewards in the next calendar year for actions taken in the prior year.
 - Proposed real-time rate would immediately price customer behavior in each month.
 - Help demonstrate a direct connection between customers' actions and rewards.
- The rate would charge customers based on their usage during coincident peaks.
- If customers use less power during peak periods, any system-wide savings would be passed directly to these customers.
- There are no additional costs to other rate payers with this rate.
- Discussed the advantages of this rate.
 - Customers directly benefit from peak reducing behaviors.
 - Potential for RMLD's existing infrastructure to handle more loads.
- Customers would be informed in advance of when these peaks might occur.
- Peaks are becoming harder to predict so RMLD will signal more peaks for customers.
- Discussed the primary goals and objectives.
 - Change customer behaviors by providing them with the tools to realize savings.
 - These savings would be a direct result of the customers' efforts and behaviors.

- Involve customers in the process of controlling their peak use and equipping them with information to make decisions about load usage.
- Commissioner Bitz asked about communications methods with commercial clients.
 - Continuous discussions with key accounts.
 - Access to a specific portal which allows them to monitor their load usage.
 - Clients receive notifications about expected peak events.
 - Ensuring messages are received by the appropriate individuals and assessing the best communication methods will be crucial in moving forward.

General Manager's Report

Mr. Phipps provided a GM report to the Boards.

Internship & CO-OP Programs

- Highlighted the success of the summer internship program.
 - A group of interns are slated to join RMLD this summer/fall, including one intern from last summer.
- Discussed the current internship and revived co-op program.
 - Scheduled to run through the end of the year.
 - Programs are comprised of six members (three interns and three co-ops)
 - Represent institutions such as Endicott, Colby College, WPI, and Mass Maritime.
- Discussed the primary objectives of the program: learning and application, contribution to RMLD, and promoting the Electric Utility industry.
 - Applying classroom knowledge and skills in a real-world setting enhances learning.
 - RMLD offers a genuine professional environment.
 - Members contribute value to RMLD through various tasks (research, analysis, ..)
 - Channel RMLD's passion and enthusiasm for the current developments in the industry and bring this back to their respective educational institutions.
 - More students might consider pursuing careers in the electric utility industry, with a particular interest in joining RMLD.

Organizational Morale

- Morale within the organization remains strong and robust.
- There's an overall positive atmosphere and encouragement throughout the organization

Flex-Time

- Discussed the continuation of the flex time schedule for employees.
- Non-line employees have a choice of working four ten-hour days, five eight-hour days, or four nine-hour days with a half day on Friday.
- The flexible approach to work hours has been positively received and is functioning efficiently for the organization.
- The recent introduction of flex time for the line team began about four weeks ago.
- There are some stipulations to this flexibility, several line crews are now working on the four ten-hour days or five eight-hour days.
- Ten-hour workdays during the summer period are advantageous; allows crews to accomplish more during extended daylight hours.
- The new flex schedule is in the pilot phase and has not been formalized in any contracts.
- Initial feedback has been positive.

Staffing Updates

- Discussed staffing updates.
- RMLD has successfully filled several open positions.
- The new Director of HR has been instrumental in streamlining the hiring process.
- There are currently six open positions and active efforts are underway to fill these roles.

Winter Reliability

- Discussed the importance of winter reliability for the organization.
- No immediate or imminent threat; RMLD is proactively preparing to address the issue.
- Concerns revolve around possible extended cold snaps during December to February

- natural gas might be prioritized for heating rather than for generation.
- Combined with diminishing oil reserves, could result in generation stations running out of fuel.
- The scenario is not immediate doom and gloom, but it does represent an increasing risk. ISO NE and various industry groups are working to address the concern.
- The reliability of power remains a top priority; RMLD is actively taking provisions to protect its customers and network.
 - BoC approved an additional 10MWs of storage capacity.
 - The contractual details are being finalized; storage installed in 2024.
 - This proactive measure is partly in response to the scheduled retirement of the Mystic power station (May 2024) and associated uncertainties around the Everett Marine Terminal, a neighboring natural gas facility.
- The risk of winter reliability might manifest around January 2025.
- To bolster the RMLD's preparedness, a Request for Proposal (RFP) has been issued for an additional 20 MWs of storage.
 - Set to be presented for approval in July or September.
 - All storage agreements will be under a Power Purchase Agreement (PPA) structure.
 - Conservative risk strategy given the dynamic nature of storage technology.
 - Opting for an Energy Services Agreement instead of asset ownership.
 - This contrasts with the approach taken for solar generation assets.
 - By the second half of 2024, a total of 30 MWs of storage (with three-hour duration) will be added to the existing 5 MWs.
- Discussed the benefits of energy storage systems.
 - Emphasized the savings in capacity and transmission costs.
 - Savings offset costs and generate additional margin for the utility.
 - Another benefit is the added layer of reliability these systems provide.

Maple Meadows

- Discussed the ongoing efforts around the Maple Meadows project.
- Maple Meadows is a landfill site located in the southwest part of Wilmington.
- Exploring the potential of this site to accommodate up to 10MWs of solar generation.
- Despite the challenges presented by the site, there has been substantial progress.
- This is in part thanks to the support from several meeting attendees and stakeholders.
- Plans are in motion to make a formal request to acquire the land.
- Discussed the objectives behind the Maple Meadows project.
 - Center around reliability, cost-efficiency, and sustainability.
 - Enhance reliability by facilitating within-territory generation.
 - Potential solar installation is projected to be more cost-effective than the prevailing wholesale energy costs.
 - The investment tax credit adds to the cost advantage.
 - Solar generation is non-carbon, and the energy generated will carry class one certificates, aligning with RMLD's non-carbon goals.

Load Forecast

- Discussed the importance of load forecast.
- New England has experienced milder temperatures since the beginning of the year.
- This change in weather directly affects energy consumption.
 - Energy bills are influenced by a combination of rates and usage.
 - Due to the mild climate, KWh sales have decreased ~ 3-4% from the previous year.
 - Observing potential load patterns for the upcoming months, specifically July and August.
- Mild weather has implications for RMLD's finances and cash flow.

- Energy costs are passed through to the customer; milder weather likely results in reduced energy bills.
- Discussed the significance of forecasting for 2024 and the longer term.
- Industry predicts the total load may double in the next two decades.
- The challenge is to predict the load over the intermediate period (three to ten years).
- Discussed the question of an appropriate pace for infrastructure investment.
- Given the long-term nature of such investments (spanning 20 to 30 years), determining timing, and sourcing the required cash are crucial aspects to consider.

Grant Applications

- Provided an update on grant applications.
- Submitted a grant application focused on public EV chargers, amounting to ~ \$5m,
- A planned installation sequence of these EV chargers through 2028 was outlined.
- Predominantly level twos chargers, with a smaller number of level threes.
- If approved, this grant would fund almost all the installations.
- Since January, grant applications submitted total \$48m (several multi-year projects).
- Timing of investments, funding strategies, and staffing considerations as the key.
- Mr. Kelley noted frequent EV charger vacancies and asked about the current utilization/ return on investment of these charging stations.
 - Discussed the significance of charger location.
 - Certain charging stations were established with minimal costs through original grants.
 - May not have been placed in high traffic areas.
 - RMLD made initial investments in the installation.
 - State funds covered the cost of the equipment.
- RMLD is continually learning about the effectiveness of different types of equipment.
- Some chargers are highly utilized, and some are underutilized (Wilmington).
 - This has prompted a reevaluation of their placement.
- The broader aim is to minimize the rate payers' investment in these charging systems.
- Discussed 2028 estimated projections.
 - ~ 60-70 level two chargers
 - ~ 20 - 30 level 3 DC fast chargers.
 - Most EV charging is projected to be done at home.
- Chair Pacino stressed the importance of EV charger location.
 - Provided an example of two EV charging stations in Wakefield off the highway.
 - Emphasized the advantage of having charging stations close to major highways.
 - RMLD's has an advantageous position due to its proximity to highways 128 and 93.
 - The original grant required chargers to be on municipally owned properties.
 - The new grant application allows for more flexibility relative to charger locations.
- While EV chargers are crucial, they are not the organization's top priority.
 - Substations and infrastructure development are taking precedence.
- Vice Chair Welter asked if the chargers are listed on mobile apps.
 - Yes, there are several mobile applications that list these chargers, driving directions, availability, and rates.
- Commissioner Coulter made the following points:
 - Questioned whether RMLD had considered becoming a peak energy provider.
 - Suggested the possibility of generating power during peak load times by establishing a facility on RMLD property.
 - Traditional fuel sources like gas or oil-powered facilities for enhanced reliability, especially given the impending absence of facilities like Mystic.

- Noted that with growing demand, these kinds of generation points would become critical, particularly in proximity to substations in areas such as North Reading and Wilmington.
- Mr. Phipps noted the importance of within-territory generation for maintaining reliability.
- Highlighted the advantage of the existing natural gas pipelines in the territory.
- To address the carbon footprint of natural gas, RMLD is exploring carbon capture.
- The objective is to propose a non-carbon solution using natural gas.
- Ongoing land acquisition efforts and collaborations with towns to identify privately held lands are suitable for this purpose.
- RMLD will present concepts revolving around thermal storage, chemical storage, and natural gas combined with a carbon capture solution.
 - Carbon Capture may serve as an additional revenue stream through carbon sales.
 - A clearer strategy will be presented.
- Chair Soni pointed out that companies like Bloom are also working on similar initiatives.
- Commissioner Bitá requested an update on EV Charger usage at a future meeting.
 - RMLD provides quarterly reports on EV Charger usage to the Town.
 - Committed to sharing the reports in the subsequent meetings.

Report on Burbank Ice Arena Solar

- Mr. Phipps reported on the Burbank Ice Arena meeting.
- Mr. Phipps and Commissioner Bitá attended a joint meeting with the Select Board and the board who manages the Burbank Ice Rink on Simmons Way in Reading.
- The rink (25 years old), requires a new roof and the Select Board is inquiring about the feasibility of installing solar panels on it.
- Preliminary estimates suggest the rink could support a 380 KW array, which might offset 10-20% of their \$120K annual electric bill.
- RMLD is exploring programs and time-of-use strategies to further enhance savings.
- ITCs accessible to MLPs, could lead to a 20-30% tax credit on the array's installation.
- It may be more advantageous for RMLD to own and install the array.
- Evaluating heat pump technology and methods to balance energy use between the ice sheet and the stands.
- The rink's peak load is around 150 KW, and turning off the refrigeration system during peak hours could provide additional savings.
- Interns are investigating innovative approaches to using the ice sheet as part of an energy optimization system.
- Chair Soni proposed considering options like chilling during nighttime.
- Discussed the eligibility of the roof for a solar linked ITC as outlined on slide 2.
- The rink will continue with the roof replacement while RMLD evaluates energy options.

Scheduling

The next BoC meeting will be held on July 20, 2023, at 7:30 PM.

The next CAB meeting will be held on July 20, 2023, at 5:30 PM.

Adjournment – Citizens' Advisory Board

Vice Chair Welter made a **motion**, seconded by Mr. Hooper, that the RMLD Citizens' Advisory Board adjourn regular session. **Motion Carried: 5:0:0** (5 in favor, 0 against, 0 abstained). *Roll Call: Chair Soni, Aye; Vice Chair Welter, Aye; Mr. Hooper, Aye; Mr. Kelley, Aye; Mr. Small, Aye.*

The CAB meeting adjourned at 9:08 PM.

Chair Soni remained in the meeting as the CAB representative.

RMLD Procurement Requests for Board Approval

Mr. Phipps presented procurement requests for approval.

IFB 2023-27 Station 3 Pole Yard Paving

- RMLD stores poles and transformers at Station 3 in North Reading.
- The southern section, (unoccupied) is composed of gravel and mud.
- Is not conducive for moving equipment in or out (deliveries or picking up items).
- Discussed initial bid:
 - pave the entire area where the trucks frequent.
 - projected budget of \$150K for 2023.
 - estimate included a binder coat, scratch coat, and topcoat.
- Discussed current bid details:
 - Decided to only apply the binder and scratch coats after consulting with several paving companies.
- Chair Pacino asked why only one bid was received.
 - Mr. Phipps hypothesized that the current surge in construction activities and the small size of the project could be reasons for the limited response.
- Commissioner Bitá inquired about the square footage of the area to be paved.
 - It is a considerable space roughly the equivalent to two house lots.
- Commissioner Coulter asked about the designated paving area.
 - The area remained the same; the difference was for a binder coat without a topcoat.
- Mr. Phipps showcased the area being paved using Google Maps.
- Chair Pacino expressed unfamiliarity with Cassidy Corp and questioned if due diligence had been conducted on the company.
 - RMLD has not worked with the company previously but will ensure due diligence.
 - Commissioner Bitá mentioned familiarity and expressed confidence in the company.
- Commissioner Coulter made a **motion**, seconded by Vice Chair Talbot, that bid 2023-27 Station 3 Pole Yard Paving be awarded to: Cassidy Corp., for \$59,595.00, pursuant to M.G.L. c. 30 § 39M, as the lowest responsible and eligible bidder, on the recommendation of the General Manager. **Motion Carried: 4:0:0** (4 in favor, 0 against, 0 abstained). *Roll Call: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bitá, Aye.*

Policy Review

Materials: Policy 5: Training and Travel R10 Review Documents (attachment 8)

- Mr. Phipps presented Policy 5: Training and Travel (Revision 10) to the BoC.
- Discussed the significant policy changes, as outlined in the summary & highlights memo.
 - Streamlining content
 - Responsibility shifts
 - \$2k threshold for the General Manager's reimbursable travel authorization.
- Vice Chair Talbot asked how the \$2K threshold was derived.
 - Mr. Bloomenthal noted that the threshold accounts for reasonable travel costs, and ensures that expenses are manageable without being exorbitant.
- Commissioner Coulter noted that the total cost for a three-day trip, including airfare, lodging, and meals, would total approximately \$2K.
- Vice Chair Talbot questioned the rationale behind the specific \$2K figure, suggesting a more conservative threshold (\$500).
- Commissioner Coulter countered that with costs like \$500 per day for meals, lodging, and travel, a 2-3-day trip could easily approach \$3K.

- Vice Chair Talbot expressed concerns about potential loopholes with the \$2K threshold, which could allow a future general manager to make multiple trips costing just under \$2K without board oversight.
- The BoC agreed to the revised threshold of \$1K regarding General Manager notification of reimbursable travel.
- Mr. Phipps supported this and emphasized the importance of having a defined amount.
- Mr. Talbot noted his appreciation for RMLD's and the GM's transparency and diligent updates.
- Commissioner Coulter made a **motion**, seconded by Commissioner Talbot, that the RMLD Board of Commissioners approve Policy 5: Training and Travel (Revision 10), as presented, with the change to section D, that two-thousand dollars be changed to one-thousand dollars, on the recommendation of the General Manager. **Motion Carried: 4:0:0** (4 in favor, 0 against, 0 abstained). *Roll Call: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye.*

Adjournment

Commissioner Couter made a **motion**, seconded by Vice Chair Talbot, that the RMLD Board of Commissioners adjourn regular session. **Motion Carried: 4:0:0** (4 in favor, 0 against, 0 abstained). *Roll Call: Chair Pacino, Aye; Vice Chair Talbot, Aye; Commissioner Coulter, Aye; Commissioner Bita, Aye.*

The RMLD BoC adjourned at 9:21 PM



Town of Reading Meeting Minutes

Board - Committee - Commission - Council:

RMLD Board of Commissioners

Date: 2023-07-18

Time: 6:00 PM

Building: Reading Town Hall

Location: Select Board Meeting Room

Address: 16 Lowell Street

Session: Joint Meeting

Purpose: Interim BoC Vacancy Appointment

Version: Draft

Attendees: **Members - Present:**

Philip Pacino, Chair; David Talbot, Commissioner; Robert Coulter, Commissioner; Marlena Bitá, Commissioner.

Members - Not Present:

Others Present:

RMLD Staff: Gregory Phipps, General Manager

Minutes Respectfully Submitted By: Philip B. Pacino, Secretary Pro Tem

Topics of Discussion:

RMLD Board of Commissioners joint meeting with the Town of Reading Select Board to appoint a candidate to the vacant seat on the RMLD Board of Commissioners.

Call Meeting to Order

Chair Pacino called the RMLD Board of Commissioner's (BoC) meeting to order at 6:00 PM.

Overview of Meeting

Please refer to the Town of Reading Select Board meeting minutes.

Public Comment

Please refer to the Town of Reading Select Board meeting minutes.

Discussion of Appointment Candidates to Vacant Seat

Please refer to the Town of Reading Select Board meeting minutes.

Interview Potential Candidates

Please refer to the Town of Reading Select Board meeting minutes.

Vote to Appointment Candidate to Vacant Seat

Please refer to the Town of Reading Select Board meeting minutes.

Adjournment


Please refer to the Town of Reading Select Board meeting minutes.

The RMLD Board of Commissioner's (BoC) meeting adjourned at 6:50 PM

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

Philip B. Pacino, Secretary Pro Tem
RMLD Board of Commissioners

ATTACHMENT 2
2024 OPERATING BUDGET
PRESENTATION



RMLD Reading Municipal Light Department
RELIABLE POWER

Tree Crew / Operating Budget Update

1/1/2024 - 12/31/2024
Presented to CAB and BoC November 15, 2023

RMLD Tree Crew Proposals

Current Status of Tree Maintenance



Vegetation Maintenance

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



Tree Calls since 10/1/2023

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



Timeframe for Maintenance

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

11/15/2023



2

RMLD Tree Crew Proposals

Three Scenarios



1. Hire internal tree crew



2. Hybrid tree crew (Internal/Outsourced)



3. Restructure with new contract (Outsourced)

11/15/2023



3

RMLD Tree Crew Proposals

Scenario 1 – Transition to Internal Tree Crew



Proposed Changes:

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



Proposed Improvements for Internal Tree Crew

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



11/15/2023

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RMLD Tree Crew Proposals

Scenario 2 – Hybrid (Mixed Outsourced & Internal) Crew



Proposed Changes:

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



Proposed Improvements for Hybrid Tree Crew

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



RMLD Tree Crew Proposals

Scenario 3 – Outsourced Tree Crew



Proposed Changes:

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



Proposed Improvements for Restructured Contract

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



11/15/2023

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Total Budget Impact – CY 24

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

11/15/2023



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Projected Financial Impact

Calendar Year 2024:

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

Calendar Year 2025:

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

Calendar Year 2026:

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

11/15/2023



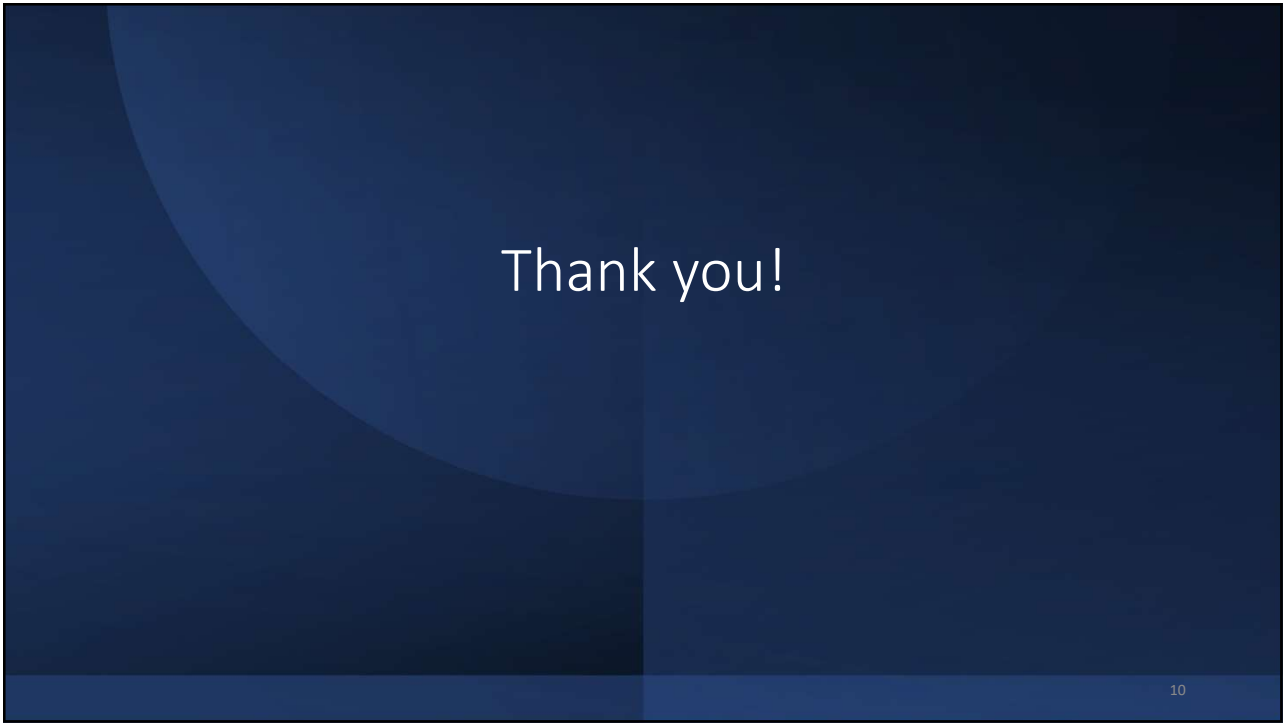
8



Tree Crew Summary

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





Scenario 1 - Proposed 10/25
Internal Tree Crew

CY 2024 Proposed Budgets
Proposed Scenario 2
Hybrid (Internal and Outsourced) Tree Crew

Proposed Scenario 3
Outsourced Tree Crew

Operating Revenues

Base Revenue	\$ 40,385,209
Fuel Revenue	33,549,002
Purchased Power Capacity/Transmission	38,263,627
Forfeited Discounts	1,211,556
Energy Conservation Revenue	2,733,116
NYPA	(1,133,940)
Total Operating Revenues	<u>115,008,570</u>

Expenses

Power Expenses

555 Purchased Power - Fuel	33,549,002
555 Purchased Power - Capacity	16,100,402
565 Purchased Power - Transmission	<u>21,181,651</u>
Total Purchased Power	70,831,054

Operating and Maintenance Expenses

580 Supervision and Engineering	945,126
581 Station/Control Room Operators	526,168
582 Station Tech	1,310,897
583 Line General Labor	813,453
585 Street Lighting	6,355
586 Meter General	267,117
588 Materials Management	611,890
593 Maintenance of Lines - Overhead	732,300
593 Maintenance of Lines - Tree Trimming	829,901
594 Maintenance of Lines - Underground	185,192
595 Maintenance of Lines - Transformers	351,742
598 Line General Leave Time Labor	<u>453,565</u>
Total Operating and Maintenance Expenses	7,033,708

General & Administrative Expenses

902 Meter Reading	-
903 Customer Collection	1,466,599
904 Uncollectible Accounts	75,000
916 Integrated Resources	996,716
916 Efficiency and Electrification Expense	3,450,478
920 Administrative and General Salaries	3,416,126
921 Office Supplies	20,000
923 Outside Services-Legal	600,800
923 Outside Services-Contract	642,400
923 Outside Services-Education	338,450
924 Property Insurance	595,705
925 Injuries and Damages	25,600
926 Employee Pensions and Benefits	5,116,479
930 Miscellaneous General Expense	555,522
931 Rent Expense	233,200
933 Vehicle Expense	389,000
933 Vehicle Expense - Capital	(510,268)
935 Maintenance of General Plant - Technology	700,000
935 Maintenance of Building & Garage	<u>1,301,753</u>
Total General & Administrative Expenses	19,413,560

Other Operating Expenses

403 Depreciation	5,798,925
408 Voluntary Payments to Towns	<u>2,023,689</u>
Total Other Expenses	7,822,614

Operating Income

9,907,635

Non-operating Revenues (Expenses)

415 Contributions in Aid of Construction	50,000
419 Interest Income	300,000
419 Other Income	710,000
421 Intergovernmental Grants	90,000
426 Return on Investment Payment to Reading	(2,528,587)
426 Loss on Disposal	(10,000)
431 Interest Expense	(10,000)
Total Non-operating Revenues (Expenses)	<u>(1,398,587)</u>

Net Income

\$ 8,509,048

Operating Revenues

Base Revenue	\$ 40,385,209
Fuel Revenue	33,549,002
Purchased Power Capacity/Transmission	38,263,627
Forfeited Discounts	1,211,556
Energy Conservation Revenue	2,733,116
NYPA	(1,133,940)
Total Operating Revenues	<u>115,008,570</u>

Expenses

Power Expenses

555 Purchased Power - Fuel	33,549,002
555 Purchased Power - Capacity	16,100,402
565 Purchased Power - Transmission	<u>21,181,651</u>
Total Purchased Power	70,831,054

Operating and Maintenance Expenses

580 Supervision and Engineering	945,126
581 Station/Control Room Operators	526,168
582 Station Tech	1,310,897
583 Line General Labor	813,453
585 Street Lighting	6,355
586 Meter General	267,117
588 Materials Management	611,890
593 Maintenance of Lines - Overhead	716,050
593 Maintenance of Lines - Tree Trimming	1,019,901
594 Maintenance of Lines - Underground	185,192
595 Maintenance of Lines - Transformers	351,742
598 Line General Leave Time Labor	<u>453,565</u>
Total Operating and Maintenance Expenses	7,207,458

General & Administrative Expenses

902 Meter Reading	-
903 Customer Collection	1,466,599
904 Uncollectible Accounts	75,000
916 Integrated Resources	996,716
916 Efficiency and Electrification Expense	3,450,478
920 Administrative and General Salaries	3,336,046
921 Office Supplies	20,000
923 Outside Services-Legal	600,800
923 Outside Services-Contract	642,400
923 Outside Services-Education	338,450
924 Property Insurance	595,705
925 Injuries and Damages	25,600
926 Employee Pensions and Benefits	5,084,447
930 Miscellaneous General Expense	555,522
931 Rent Expense	233,200
933 Vehicle Expense	389,000
933 Vehicle Expense - Capital	(510,268)
935 Maintenance of General Plant - Technology	700,000
935 Maintenance of Building & Garage	<u>1,301,753</u>
Total General & Administrative Expenses	19,301,448

Other Operating Expenses

403 Depreciation	5,798,925
408 Voluntary Payments to Towns	<u>2,023,689</u>
Total Other Expenses	7,822,614

Operating Income

9,845,997

Non-operating Revenues (Expenses)

415 Contributions in Aid of Construction	50,000
419 Interest Income	300,000
419 Other Income	710,000
421 Intergovernmental Grants	90,000
426 Return on Investment Payment to Reading	(2,528,587)
426 Loss on Disposal	(10,000)
431 Interest Expense	(10,000)
Total Non-operating Revenues (Expenses)	<u>(1,398,587)</u>

Net Income

\$ 8,447,410

Operating Revenues

Base Revenue	\$ 40,385,209
Fuel Revenue	33,549,002
Purchased Power Capacity/Transmission	38,263,627
Forfeited Discounts	1,211,556
Energy Conservation Revenue	2,733,116
NYPA	(1,133,940)
Total Operating Revenues	<u>115,008,570</u>

Expenses

Power Expenses

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555 Purchased Power - Capacity	16,100,402
565 Purchased Power - Transmission	<u>21,181,651</u>
Total Purchased Power	70,831,054

Operating and Maintenance Expenses

580 Supervision and Engineering	945,126
581 Station/Control Room Operators	526,168
582 Station Tech	1,310,897
583 Line General Labor	813,453
585 Street Lighting	6,355
586 Meter General	267,117
588 Materials Management	611,890
593 Maintenance of Lines - Overhead	663,400
593 Maintenance of Lines - Tree Trimming	1,635,501
594 Maintenance of Lines - Underground	185,192
595 Maintenance of Lines - Transformers	351,742
598 Line General Leave Time Labor	<u>453,565</u>
Total Operating and Maintenance Expenses	7,770,408

General & Administrative Expenses

902 Meter Reading	-
903 Customer Collection	1,466,599
904 Uncollectible Accounts	75,000
916 Integrated Resources	996,716
916 Efficiency and Electrification Expense	3,450,478
920 Administrative and General Salaries	3,050,206
921 Office Supplies	20,000
923 Outside Services-Legal	600,800
923 Outside Services-Contract	642,400
923 Outside Services-Education	338,450
924 Property Insurance	595,705
925 Injuries and Damages	25,600
926 Employee Pensions and Benefits	4,985,691
930 Miscellaneous General Expense	555,522
931 Rent Expense	233,200
933 Vehicle Expense	389,000
933 Vehicle Expense - Capital	(510,268)
935 Maintenance of General Plant - Technology	700,000
935 Maintenance of Building & Garage	<u>1,301,753</u>
Total General & Administrative Expenses	18,916,852

Other Operating Expenses

403 Depreciation	5,798,925
408 Voluntary Payments to Towns	<u>2,023,689</u>
Total Other Expenses	7,822,614

Operating Income

9,667,643

Non-operating Revenues (Expenses)

415 Contributions in Aid of Construction	50,000
419 Interest Income	300,000
419 Other Income	710,000
421 Intergovernmental Grants	90,000
426 Return on Investment Payment to Reading	(2,528,587)
426 Loss on Disposal	(10,000)
431 Interest Expense	(10,000)
Total Non-operating Revenues (Expenses)	<u>(1,398,587)</u>

Net Income

\$ 8,269,056

ATTACHMENT 3
DETERMINATION OF UNIQUENESS
FOR PROPERTY



**DETERMINATION OF UNIQUENESS OF A PROPOSED ACQUISITION (Purchase)
of land located at the
INTERSECTION of ROUTES 125 and 93, WILMINGTON, MA 01887**

M.G.L. c. 30B § 16, (c) (2), requires the solicitation of proposals prior to obtaining real property valued in excess of \$35,000 *unless* the governmental body determines in writing that advertising for submissions of proposals will not benefit the governmental body’s interests because of the unique qualities or location of the property needed (M.G.L. c. 30B, § 16(e)(2)). The Reading Municipal Light Department (“RMLD”), a municipal light plant providing electric service to the Towns of Reading, North Reading, Wilmington, and portions of Lynnfield, seeks to acquire land in the Town of Wilmington in close proximity to transmission lines, natural gas, industrial load area, and access to Route 93. This land is intended for distribution equipment, substation equipment, generation systems (including solar PV), and battery storage equipment, dependent on area and configuration.

The RMLD has identified a vacant parcel of land at in the intersection of Routes 125 and 93 located in Wilmington, MA that is 41 acres and shown on Assessor’s Map as six parcels: R1//1//, R1//1/A, R1//2/A/, R2//19/A, 103//24//, 103//24/A for the site of RMLD’s new facilities. The proposed purchase price is \$_____ per acre, subject to final appraisal and final negotiations with SURLAMER INVESTMENTS.

The RMLD Board of Commissioners has determined that the location and qualities of the Property satisfy the unique requirements of the RMLD pursuant to M.G.L. c. 30B, § 16(e)(2). This Property is uniquely situated in an area where RMLD is forecasting high commercial / industrial electric load growth, located close to 115 kV transmission lines, adjacent to natural gas supply, with frontage on state road Rt 125 and easy access to I93, and having relatively flat terrain.

Based on the above, it is the RMLD Board of Commissioner’s opinion that it is appropriate to waive the publication requirements of M.G.L. c. 30B, § 16, with respect to the acquisition of the Property. Pursuant to M.G.L. c. 30B, § 16, RMLD will publish this determination along with the names of the parties having a beneficial interest in the Property as required under M.G.L. c. 7C, § 38, the location and size of the Property, and the proposed purchase price in the Massachusetts Central Register not less than thirty (30) days before the RMLD executes a binding purchase and sale agreement for the Property.

Signed By: **RMLD Board of Commissioners**

Philip B. Pacino, Chair

David Talbot, Vice Chair

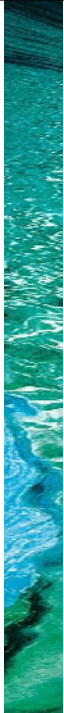
Robert Coulter, Commissioner

Marlena Bitá, Commissioner

Pam Daskalakis, Commissioner

DATED: _____


ATTACHMENT 4
INTEGRATED RESOURCES
DEPARTMENT REPORT



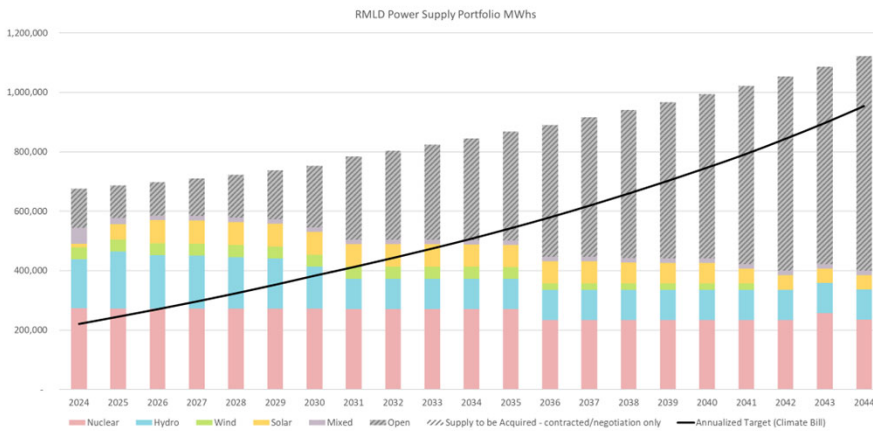
Integrated Resources Power Supply Report

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

15 November 2023

<h1>Outline</h1>		<ul style="list-style-type: none">Load ForecastPrice Forward CurvePower SupplyCertificatesRatesCarbon Capture Fuel Cell
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Load Forecast



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

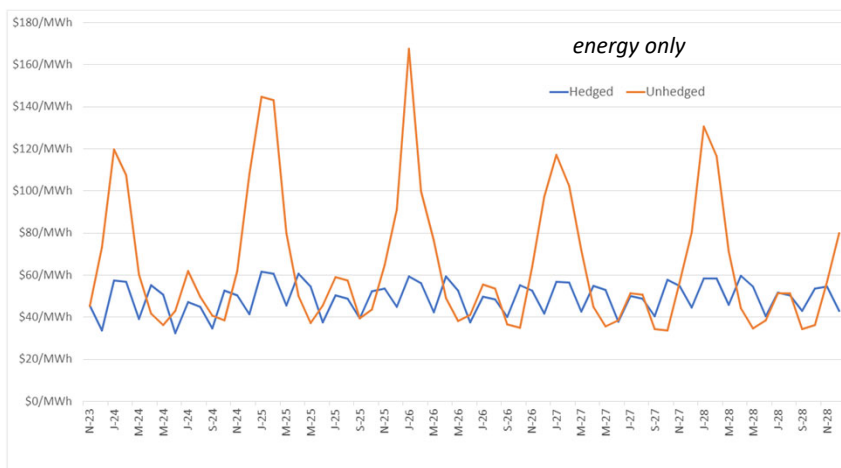
Load growth due to electric vehicles & heating electrification

Add new solar and wind

Add generation and storage in territory to reduce supply costs.

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

Forward Price Curve – monthly through 2028



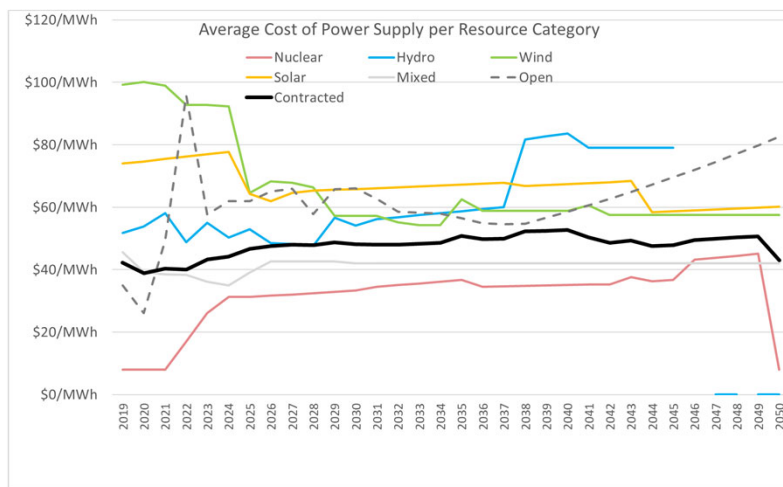
Price volatility forecasted to increase over the next few years

Winter pricing driven by volatile pricing of spot market natural gas

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

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

Power Supply



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

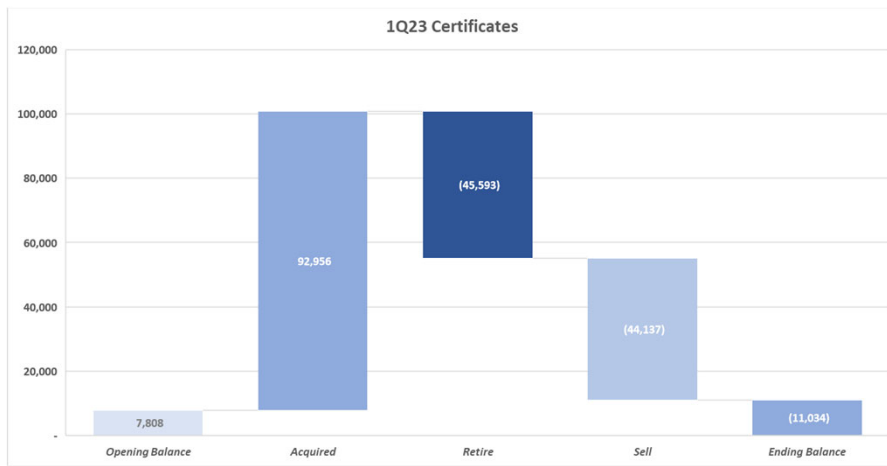
Hedge strategy dampens volatility and lowers average cost

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

Offshore wind repricing likely

Contracted prices forecasted to remain below open market pricing

Certificates Management



Policy goal for 2023 - retire 29% of certificates

Sell 80% of certificates not retired

Maintain a balance to ensure adherence to compliance plan

6 source: Purchase Power Tracking 2023.xls

2024 Rates – Residential A example

updated text

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

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

Tariff Rate
 \$3.08
 2%
 fixed

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

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

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

2024 Rates – Commercial C example

updated text

Customer Charge
Cost of customer account administration.

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

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

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

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

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

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

Tariff Rate
\$48.18
3.8%
fixed

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

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

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

Context – RMLD in territory generation

Favorable economics for in territory generation

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

Reliability enhanced via in territory generation assets

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

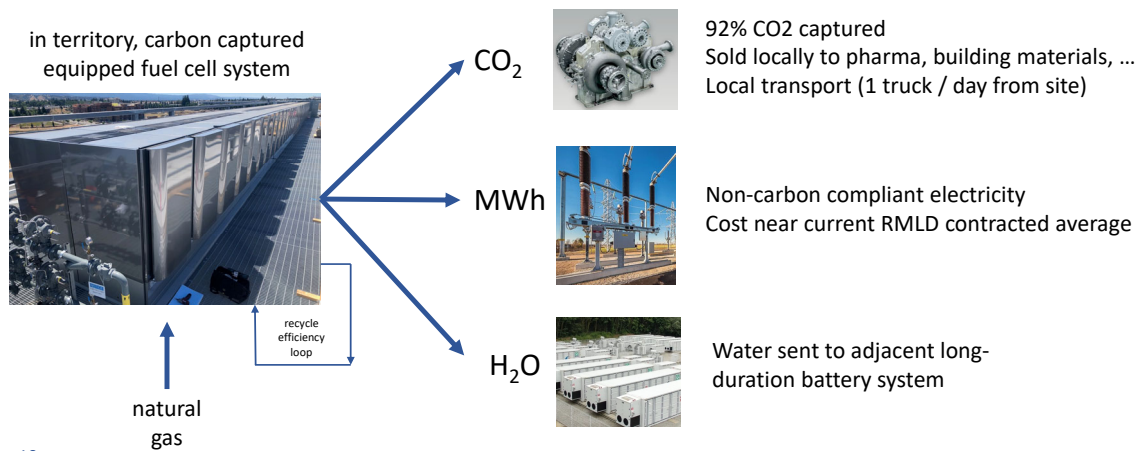
Compliant (2021 Climate Bill → non-carbon electricity sales 50% by 2030, 75% by 2040, and net zero by 2050)

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

Generation asset timing

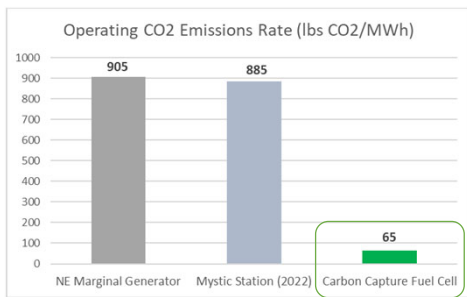
- First 20 MW base load gen commissioned **winter 2025/2026**
- First 3 MWs of RMLD owned rooftop solar PV commissioned in 2026, then Maple Meadows solar PV (8 MW) in 2027
- Additional 20 MW base load gen commissioned in 2029, followed by two additional units in 2030's

Carbon Capture Fuel Cell - output

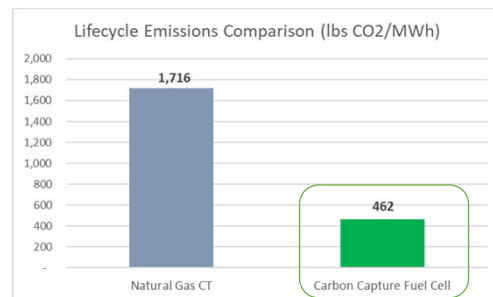


Carbon Capture Fuel Cell – CO₂

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



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



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

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

Thank You
from the IRD Team



ATTACHMENT 5
MILTON CAT BATTERY STORAGE

Milton CAT Mobile Battery



base case model

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

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

Install mobile lithium iron phosphate chemistry battery

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

500kW output with 2 hours duration

Aligned incentives and low risk to RMLD

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

Contract may be renewed after initial 3 year period

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

storage motion

ATTACHMENT 6
POLICY REVIEW
POLICY 13: FACILITY AND
PROPERTY USE

RMLD Board of Commissioners Meeting
November 15, 2023
Policy 13: Facility & Property Use



In accordance with the Board’s periodic policy review, please find attached the review package for Policy 13: Facility & Property Use (Revision 7).

Included are the following three components:

- Policy 13: Facility & Property Use R7 summary & highlights (this page).
- Policy 13: Facility & Property Use R7 clean with all changes accepted.
- Policy 13: Facility & Property Use R7 redlined, tracked changes, showing specific edits.

Policy 13: Facility and Property Use (Revision 7) was broadened to encompass RMLD facilities and outdoor properties and revised to provide further clarification around the access and use of such. The title of the policy was modified to include “property use”, reflecting this expansion. Property was changed to properties throughout.

Verbiage was refined and certain sections were removed or modified. The resultant streamlined policy more clearly states the key policy elements and their applicability. Much of the removed verbiage will be incorporated into an internal operating procedure.

Further, the revised policy states that the RMLD facilities and outdoor properties are available only for RMLD purposes and outlines potential exceptions for use and access. Verbiage was added to highlight that RMLD facilities and outdoor properties are secure areas, subject to higher security standards.

Specific policy modifications are outlined below.

Section 1: Purpose and Eligibility	<ul style="list-style-type: none"> • Added “access to use of” RMLD facilities and outdoor properties. • Added that RMLD’s secure areas are subject to higher security standards. • Added that facilities/ properties are available only for RMLD purposes. • Moved the insurance requirements to an internal operating procedure.
Section 2: Exemptions	<ul style="list-style-type: none"> • The section title was changed from “Access” to “Exceptions.”
Section 2: A: Town Departments, Board, and Committees	<ul style="list-style-type: none"> • Moved to an internal operating procedure.
Section 2: B: Scheduling	<ul style="list-style-type: none"> • The sub-section title was removed. • Contact information was moved to an internal operating procedure. • Fees and scheduling were moved to an internal operating procedure.
Section 2: C: Cancellations	<ul style="list-style-type: none"> • Moved to an internal operating procedure.
Section 3: Requirements and Restrictions	<ul style="list-style-type: none"> • Modified section title to include “RMLD Property, Facilities, & Buildings.”
Section 3: A: Drugs and Alcohol Beverages Prohibited	<ul style="list-style-type: none"> • Removed verbiage “on all RMLD property.” for brevity.
Section 3- B: Smoking	<ul style="list-style-type: none"> • Added verbiage to prohibit vaping and tobacco use. • Removed verbiage “throughout all RMLD facilities.” for brevity.
Section 3-C: Additional Restrictions	<ul style="list-style-type: none"> • Added that additional restrictions can be imposed for safety reasons.
Section 3-D: Incident Report	<ul style="list-style-type: none"> • Moved to an internal operating application.
Section 3-E: Use of Kitchen	<ul style="list-style-type: none"> • Moved to an internal operating procedure.

**RMLD Policy No. 13
FACILITY & PROPERTY USE**

Revision No. 7

Commission Vote Date:

General Manager

Next Review Date:

I. PURPOSE AND ELIGIBILITY

This policy governs access to use of facilities and properties placed in the custody and control of the Reading Municipal Light Department ("RMLD"). The RMLD's facilities and outdoor properties are secure areas that are subject to higher security standards established by the North American Electric Reliability Corporation ("NERC"). As a result, RMLD facilities and outdoor properties are available only for RMLD purposes.

II. EXCEPTIONS

Any town department, board, or committee within RMLD's service territory that wishes to use RMLD facilities or outdoor properties shall contact RMLD to request permission to use RMLD facilities or outdoor properties.

III. RMLD PROPERTY, FACILITIES AND BUILDINGS REQUIREMENTS AND RESTRICTIONS

- a) Drugs and Alcohol Beverages Prohibited
Illegal drugs, medical marijuana, and alcoholic beverages of any kind are strictly prohibited.

- b) Smoking
Smoking, vaping, and tobacco use are prohibited.

- c) Additional Restrictions
RMLD may impose additional restrictions, at any time, as it deems necessary for safety and the protection of its properties, its employees, or the public or as otherwise in the public interest.

RMLD Policy No. 13

FACILITY & PROPERTY USE

Revision No. 7

-Commission Vote Date:

Next Review Date:

General Manager

I. PURPOSE AND ELIGIBILITY

~~a) This policy governs access to use of facilities and properties placed in the custody and control of the Reading Municipal Light Department ("RMLD"). The RMLD's facilities and outdoor properties are generally secure areas that are subject to higher security standards established by the North American Electric Reliability Corporation ("NERC"). As a result, RMLD facilities and outdoor properties are not available only for RMLD purposes, for use by the public, including non-profit and civic organizations under any circumstances. However, town departments, boards and committees within RMLD's service territory may use certain RMLD facilities and outdoor property as set forth in this policy provided that such town department, board, or committee shows proof that use of RMLD's facilities or outdoor property, as applicable, is covered under its liability insurance. The attached application (Exhibit A) must be completed and approved by the Facilities Manager and General Manager. Under strict guidelines, exceptions requested by service towns may be considered. Please contact the Facilities Manager: 781-942~~

~~II. ACCESS~~

~~a) Town Departments, Boards, and Committees~~

~~Based on availability and subject to approval by the General Manager and compliance with this paragraph, town departments, boards and committees within RMLD's service territory may use: (1) certain designated RMLD facilities and (2) certain designated outdoor property. Access to facilities is limited to the RMLD Cafeteria (capacity 90) and Audio-Visual (AV) room (capacity 54) for business-related training sessions. Access to outdoor property is limited to areas located outside of fenced and secured areas, provided that such access and use is consistent with NERC security mandates as determined by the General Manager. In all instances, the town department, board, or committee must show proof that use of RMLD's facilities or outdoor property, as applicable, is covered under its liability insurance as confirmed within the approved application. Absent such a showing, the town department, board, or committee will not be eligible to use RMLD's facilities or outdoor property.~~

~~III. EXCEPTIONS~~ Scheduling

Any town department, board, or committee within RMLD's service territory that wishes to use RMLD facilities or outdoor properties shall ~~first~~ contact ~~the Facilities Operational Assistant~~ RMLD to request permission to use RMLD facilities or outdoor properties. ~~Contact~~

information can be found on the RMLD website.

II.

~~Provided that the application is approved, the RMLD Facilities Department will discuss applicable fees and schedule such authorized use at a time when RMLD's facilities or outdoor property that are generally available for use under this policy and are not otherwise needed by RMLD.~~

~~b) Cancellations~~

~~RMLD reserves the right to cancel the use of a facility or outdoor property when such facility or outdoor property is needed for RMLD-related business or RMLD determines, in its sole discretion, such cancellation is deemed to be in the best interest of the RMLD. RMLD will attempt to contact the primary contact in advance if time permits.~~

IV. RMLD PROPERTY, FACILITIES AND BUILDINGS REQUIREMENTS AND RESTRICTIONS

III.

a) Drugs and Alcohol Beverages Prohibited

Illegal drugs, medical marijuana, and alcoholic beverages of any kind are strictly prohibited ~~on all RMLD property.~~

b) Smoking

Smoking, vaping, and tobacco use ~~are~~ is prohibited ~~throughout all RMLD facilities.~~

~~b)~~

c) Additional Restrictions

RMLD may impose additional restrictions, at any time, as it deems necessary for safety and the protection of its properties, its employees, or the public or as otherwise in the public interest.

~~d) Incident Reports~~

~~In the event of an incident during the use of RMLD's facilities or outdoor property, the user shall immediately contact the RMLD Control Center (781) 942-6437 to report the incident, who in turn will notify the appropriate RMLD employee to file a formal accident report.~~

~~e) Use of Kitchens~~

~~RMLD's kitchen shall not be available for use with the exception of the sink. No appliances shall be used by any groups or individuals, including, ranges, stove tops, refrigerator, freezer, coffee makers or microwaves. All supplies, paper goods, utensils, food, and other miscellaneous items shall be the responsibility of the user.~~

ATTACHMENT 7
PROCUREMENT REQUESTS FOR
BOARD APPROVAL



November 6, 2023

Town of Reading Municipal Light Board

Subject: IFB 2023-40 Line Truck Chassis and Trailer Inspection, Preventative Maintenance, and Repair Service

Pursuant to M.G.L. c. 30B, on October 9, 2023, an invitation for bid (IFB) requesting sealed bids for Line Truck Chassis and Trailer Inspection, Preventative Maintenance, and Repair Service was published in the Commonwealth of Massachusetts Goods and Services Bulletin. On October 11, 2023, the IFB was placed as a legal notice in the Middlesex East section of the Daily Chronicle, posted on COMMBUYS, and the RMLD website.

An invitation for bid was sent to seven (7) companies.

Sealed bids were received from one (1) company: Taylor and Lloyd, Inc.

Sealed bids were publicly opened and read aloud at 11:00 a.m. on November 1, 2023, in the Town of Reading Municipal Light Department's General Manager's Conference Room, 230 Ash Street, Reading, Massachusetts.

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

Move that bid IFB 2023-40 for Line Truck Chassis and Trailer Inspection, Preventative Maintenance, and Repair Service be awarded to: **Taylor and Lloyd, Inc. for \$193,509.01**, pursuant to M.G.L. c. 30B, as the lowest responsive and responsible bidder on the recommendation of the General Manager. This is a three-year contract.

¹See attached analysis.

This contract will be paid from the Operating Budget.

Christopher Zaniboni

Gregory J. Phipps

**Line Truck Chassis and Trailer Inspection, Preventative Maintenance, and Repair Service
IFB 2023-40**

Bidder	<u>Year 1 - 2024</u>	<u>Year 2 2025</u>	<u>Year 3 2026</u>	<u>Combined 3-Year Total</u>	<u>Responsive Bidder</u>	<u>Exceptions</u>
Taylor & Lloyd, Inc.	\$60,399.84	\$64,912.88	\$68,196.29	\$193,509.01	Yes	None



November 6, 2023

Town of Reading Municipal Light Board

Subject: IFB 2023-41 Line Truck Lift Equipment Inspection, Preventative Maintenance, and Repair Service

Pursuant to M.G.L. c. 30B, on October 11, 2023, an invitation for bid (IFB) requesting sealed bids for Line Truck Lift Equipment Inspection, Preventative Maintenance, and Repair Service was placed as a legal notice in the Middlesex East section of the Daily Chronicle, posted on COMMBUYS, and the RMLD website.

An invitation for bid was sent to seven (7) companies.

Sealed bids were received from one (1) company: James A. Kiley Co.

Sealed bids were publicly opened and read aloud at 11:00 a.m. on November 1, 2023, in the Town of Reading Municipal Light Department's General Manager's Conference Room, 230 Ash Street, Reading, Massachusetts.

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

Move that bid IFB 2023-41 for Line Truck Lift Equipment Inspection, Preventative Maintenance, and Repair Service be awarded to: **James A. Kiley Co. for \$89,726.00**, pursuant to M.G.L. c. 30B, as the lowest responsive and responsible bidder on the recommendation of the General Manager. This is a three-year contract.

¹See attached analysis.

This contract will be paid from the Operating Budget.

Christopher Zaniboni

Gregory J. Phipps

**Line Truck Lift Equipment Inspection, Preventative Maintenance, and Repair Service
IFB 2023-41**

<u>Bidder</u>	<u>Year 1 - 2024</u>	<u>Year 2 - 2025</u>	<u>Year 3 - 2026</u>	<u>Combined 3-Year Total</u>	<u>Responsive Bidder</u>	<u>Exceptions</u>
James A. Kiley Co.	\$28,462.00	\$29,890.00	\$31,374.00	\$89,726.00	Yes	No



November 6, 2023

Town of Reading Municipal Light Board

Subject: IFB 2023-42 HVAC and Ice Machines Preventative Maintenance and Repair Service

Pursuant to M.G.L., c. 30 § 39M, on October 11, 2023, an invitation for bid was placed as a legal notice in the Middlesex East Section of the Daily Times Chronicle, and posted on COMMBUYS, in the Central Register and on RMLD's website requesting sealed bids for HVAC and Ice Machines Preventative Maintenance and Repair Service.

An invitation for bid was sent to seventeen (17) companies.

Sealed bids were received from four (4) companies: Ambient Temperature Corporation, ARC Mechanical, J.C. Cannistraro, LLC, and N.B. Kenney Company, Inc.

Sealed bids were publicly opened and read aloud at 11:00 a.m. on November 1, 2023, in the Town of Reading Municipal Light Department's General Manager's Conference Room, 230 Ash Street, Reading, Massachusetts.

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

Move that bid 2023-42 for HVAC and Ice Machines Preventative Maintenance and Repair Service be awarded to: **Ambient Temperature Corporation for \$131,431.16**, pursuant to M.G.L., c. 30 § 39M, as the lowest responsible and eligible bidder, on the recommendation of the General Manager. This is a three-year contract.

¹See attached analysis.

This contract will be paid from the Operating Budget.

Christopher Zaniboni

Gregory J. Phipps

HVAC and Ice Machines Preventative Maintenance and Repair Service
IFB 2023-42

<u>Bidder</u>	<u>Year 1 - 2024</u>	<u>Year 2 - 2025</u>	<u>Year 3 - 2026</u>	<u>Combined 3-Year Total</u>	<u>Responsive Bidder</u>	<u>Exceptions</u>
Ambient Temperature Corporation	\$42,799.80	\$43,800.66	\$44,830.70	\$131,431.16	Yes	No
ARC Mechanical	\$60,201.00	\$63,310.00	\$64,205.00	\$187,716.00	Yes	No
J.C. Cannistraro	\$44,047.00	\$45,809.00	\$47,641.00	\$137,497.00	Yes	No
N.B. Kenney Company, Inc.	\$58,227.00	\$61,138.35	\$64,195.27	\$183,560.62	Yes	No



November 8, 2023

Town of Reading Municipal Light Board

Subject: IFB 2023-47 Hourly Rates for As Needed Distribution Line Work of All Types.

Pursuant to M.G.L. c. 30 § 39M, on August 16, 2023, an invitation for bid was placed as a legal notice in the Middlesex East Section of the Daily Times Chronicle, and posted on COMMBUYS, in the Central Register, and on RMLD's website requesting sealed bids for Hourly Rates for As Needed Distribution Line Work of All Types.

An invitation for bid was sent to sixteen (16) companies.

Sealed bids were received from five (5) companies: Fischbach & Moore Electric Group, LLC; Haugland Energy Group, LLC; MTV Solutions, Inc.; Nooter Construction Company, LLC; Power Line Contractors, Inc.

The sealed bids were publicly opened and read aloud at 11:00 a.m., September 6, 2023, in the Town of Reading Municipal Light Department's Audio Visual Spurr Room, 230 Ash Street, Reading, Massachusetts.

The bid was reviewed, analyzed, and evaluated by staff and recommended to the General Manager.

Move that bid 2023-47 for Hourly Rates for As Needed Distribution Line Work of All Types be awarded to: **Power Line Contractors, Inc**, pursuant to M.G.L. c. 30 § 39M, as the lowest responsible and eligible bidder, on the recommendation of the General Manager.¹ The contract is for three years.

¹See attached analysis.

These services will be paid from various operating and capital accounts as the work dictates.

Matthew Bernard, General Line Foreman

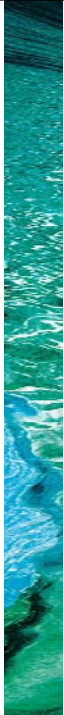
Gregory J. Phipps, General Manager

Hourly Rates for As Needed Distribution Line Work of All Types
IFB 2023-47

**Estimated hours stated are for bidding purposes only. Work is assigned as needed.*

Bidder:	Fischbach & Moore Electric Group, LLC			Nooter Construction Company, LLC			Power Line Contractors, Inc.			MTV Solutions, Inc.			Haugland Energy Group, LLC		
	YEAR 1 on or about December 1, 2023 thru November 30, 2024	YEAR 2 on or about December 1, 2023 thru November 30, 2024	YEAR 3 on or about December 1, 2023 thru November 30, 2024	YEAR 1 on or about December 1, 2023 thru November 30, 2024	YEAR 2 on or about December 1, 2023 thru November 30, 2024	YEAR 3 on or about December 1, 2023 thru November 30, 2024	YEAR 1 on or about December 1, 2023 thru November 30, 2024	YEAR 2 on or about December 1, 2023 thru November 30, 2024	YEAR 3 on or about December 1, 2023 thru November 30, 2024	YEAR 1 on or about December 1, 2023 thru November 30, 2024	YEAR 2 on or about December 1, 2023 thru November 30, 2024	YEAR 3 on or about December 1, 2023 thru November 30, 2024	YEAR 1 on or about December 1, 2023 thru November 30, 2024	YEAR 2 on or about December 1, 2023 thru November 30, 2024	YEAR 3 on or about December 1, 2023 thru November 30, 2024
Regular Hourly															
Foreman	130.00	134.50	136.00	111.65	114.02	116.38	128.00	128.00	128.00	134.90	139.64	143.93	156.07	161.70	167.56
Leader Lineworker	104.00	109.00	110.00	108.45	110.75	113.05	126.00	126.00	126.00	129.94	134.52	138.63	151.40	156.85	162.52
First Class Lineworker/Journeymen #1	101.00	106.00	107.00	103.36	105.35	107.74	126.00	126.00	126.00	122.05	126.35	130.18	143.93	149.08	154.44
First Class Lineworker/Journeymen #2	101.00	106.00	107.00	103.36	105.55	107.74	126.00	126.00	126.00	122.05	126.35	130.18	143.93	149.08	154.44
Material Handler (Bucket Truck)	20.00	20.00	20.00	45.00	45.00	45.00	56.00	56.00	56.00	40.00	42.00	44.00	48.00	48.44	50.92
Digger Derrick	20.00	20.00	20.00	40.00	40.00	40.00	18.00	18.00	18.00	40.00	42.00	44.00	52.00	56.56	55.17
Rate Per Hour:	\$476.00	\$495.50	\$500.00	\$511.82	\$520.87	\$529.91	\$580.00	\$580.00	\$580.00	\$566.94	\$610.86	\$630.92	\$695.33	\$722.71	\$745.05
Emergency Hourly (Storms)															
Foreman	198.00	203.00	204.00	171.27	175.16	179.06	128.00	128.00	128.00	245.17	253.77	262.06	243.21	252.47	262.11
Leader Lineworker	171.50	176.50	177.50	165.31	169.07	172.82	126.00	126.00	126.00	235.32	243.59	251.52	234.59	243.51	252.79
First Class Lineworker/Journeymen #1	165.00	170.00	171.00	155.80	159.35	162.89	126.00	126.00	126.00	219.63	227.35	234.71	220.80	229.17	237.88
First Class Lineworker/Journeymen #2	165.00	170.00	171.00	155.80	159.35	162.89	126.00	126.00	126.00	219.63	227.35	234.71	220.80	229.17	237.88
Material Handler (Bucket Truck)	20.00	20.00	20.00	55.00	55.00	55.00	56.00	56.00	56.00	60.00	62.00	64.00	55.20	56.86	58.56
Digger Derrick	20.00	20.00	20.00	50.00	50.00	50.00	18.00	18.00	18.00	60.00	62.00	64.00	59.80	61.59	63.44
Rate Per Hour:	\$739.50	\$759.50	\$763.50	\$753.18	\$767.93	\$782.66	\$580.00	\$580.00	\$580.00	\$1,039.75	\$1,076.06	\$1,111.00	\$1,034.40	\$1,072.77	\$1,112.86
Annual Cost - Regular Time (estimate)															
# of Hours Per Year (estimate)	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
Total Estimate Per Year (hours x rate):	\$95,200	\$99,100	\$100,000	\$102,364	\$104,174	\$105,982	\$116,000	\$116,000	\$116,000	\$117,788	\$122,172	\$126,184	\$139,066	\$144,542	\$149,010
Annual Cost - Emergency (estimate)															
# of Hours Per Year (estimate)	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Total Estimate Per Year (hours x rate):	\$29,560	\$30,380	\$30,540	\$30,127	\$30,717	\$31,306	\$23,200	\$23,200	\$23,200	\$41,590	\$43,042	\$44,440	\$41,376	\$42,911	\$44,506
Total (Regular and Emergency) Combined															
Annual Total:	\$124,760	\$129,480	\$130,540	\$132,491	\$134,891	\$137,288	\$139,200	\$139,200	\$139,200	\$159,378	\$165,214	\$170,624	\$180,442	\$187,453	\$193,516
Three-Year Total:		\$384,800		\$404,671			\$417,600			\$485,216			\$561,411		

ATTACHMENT 8
GENERAL MANAGER'S REPORT



General Manager Update

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

15 November 2023

People Operations

RMLD team positive, engaged, and energized

4 internal moves and 4 internal promotions since January

- opportunities and development

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

- learning, value add, spread the word on campus

17 full time hires and 7 departures

Adding Pathways program in May 2024

- starting with Reading HS

6 openings in process

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



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

2

More Highlights

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

Major maintenance on Substation 4 and 5 transformers complete

Battery storage projects gaining momentum (winter 2024/2025)

Maple Meadows energy park

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

RMLD presentation to Reading Select Board Nov 21st

- Strategy highlights, 2024 rate expectations, Ash Street Campus

RMLD presentation to Lynnfield Select Board Nov 27th

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

Nov 2023 update

RMLD Ash Street Campus Update

highlights

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



key milestones

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

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

Thank You



**BOARD MATERIALS AVAILABLE BUT
NOT DISCUSSED**

From: [Erica Morse](#)
To: [Erica Morse](#)
Subject: AP and Payroll Questions for the 2023-11-15 BoC Board Book
Date: Thursday, November 9, 2023 11:39:10 AM

AP

From October 13, 2023, through November 10, 2023, there were no Commissioner questions.

Payroll:

From October 16, 2023, through November 13, 2023, there was one Commissioner question, outlined below.

From: Michael Giordano
Sent: Thursday, November 9, 2023 9:15 AM
To: Pam Daskalakis
Cc: Greg Phipps; Benjamin Bloomenthal
Subject: RE: RMLD Warrant 11-10-23

Hello Ms. Daskalakis,

Thank you for signing the warrant.

A strikethrough seen on the OT Analysis Report indicates an employee has transferred to another position within RMLD.

Their names are crossed out in the old area and entered in their new area.

Please feel free to email me with any questions at any time.

Thank you,
Mike

From: Pamela Daskalakis
Sent: Thursday, November 9, 2023 8:54 AM
To: Michael Giordano
Cc: Greg Phipps; Benjamin Bloomenthal
Subject: Re: RMLD Warrant 11-10-23

Hi Michael,

Thank you for sending through. One question - when an employee name has a strikethrough (~~like this~~), what does this indicate? I assume it may mean they have left the organization but would like to confirm.

Thank you,
Pam

Erica Morse
Executive Assistant
Reading Municipal Light Department
O: 781-942-6489
C: 617-791-3304
www.rmld.com



From: [Maureen Sullivan](#)
To: [Erica Morse](#)
Cc: [Paula O'Leary](#)
Subject: Surplus Update - October 2023
Date: Tuesday, October 31, 2023 11:08:24 AM

Good morning Erica,

I am sending this email to inform you that there were NO Surplus Items of Substantial Value that were disposed of in October 2023.

Thank you,
Maureen

Maureen Sullivan
Assistant Materials Manager
Reading Municipal Light Department (RMLD)
230 Ash Street
Reading, MA 01867

Tel. No. 781-942-6441
Email: msullivan@rmlld.com

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To: [Erica Morse](#)
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Date: Thursday, November 9, 2023 11:39:10 AM

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Pam

Erica Morse
Executive Assistant
Reading Municipal Light Department
O: 781-942-6489
C: 617-791-3304
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Town of Reading, Massachusetts
Municipal Light Department
Statement of Net Assets
9/30/2023

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

LIABILITIES

PRELIMINARY

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

NET POSITION

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

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

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

Expenses

PRELIMINARY

Power Expenses:

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

Operations and Maintenance Expenses:

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

General & Administration Expenses:

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

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

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

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

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

Expenses

PRELIMINARY

Power Expenses:

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

Operations and Maintenance Expenses:

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

General & Administration Expenses:

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

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

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