



**RMILD**

**READING MUNICIPAL  
LIGHT DEPARTMENT**

**CITIZENS' ADVISORY BOARD  
REGULAR SESSION MEETING**

**THURSDAY APRIL 18, 2024**



## Town of Reading Meeting Posting with Agenda

### Board - Committee - Commission - Council:

RMLD Citizens Advisory Board

Date: 2024-04-18

Time: 6:30 PM

Building: Reading Municipal Light Building

Location: Winfred Spurr Audio Visual Room

Address: 230 Ash Street

Agenda:

Purpose: General Business

Meeting Called By: Vivek Soni, 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.

#### **FOR REMOTE AND/OR PUBLIC PARTICIPATION**

Please email [rmldevents@RMLD.com](mailto:rmldevents@RMLD.com). Please include your full name, address, and phone number. Comments and questions will be monitored during the meeting.

**This meeting will be held in person and remotely on zoom.**

#### **Join Zoom Meeting**

<https://rmld.zoom.us/j/87070768437?from=addon>

**Meeting ID:** 870 7076 8437

#### **One tap mobile**

+13126266799,,86900260203# US (Chicago)

+16469313860,,86900260203# US

#### **Dial by your location**

• +1 929 205 6099 US (New York)

Find your local number: <https://rmld.zoom.us/j/kc5UK8UyMZ>



## Town of Reading Meeting Posting with Agenda

1. Call Meeting to Order – V. Soni, Chair
2. Welcome new Wilmington Representative - Tim Woods – V. Soni, Chair
3. Legislative Update (attachment 1) - Vincent J. Ragucci, Chief Strategy Officer, Energy New England
4. Ash Street Campus Update (attachment 2) and discussion of MOU and RMLD partial contribution for conceptual design services - G. Phipps, General Manager
5. In-Territory Generation Carbon Project Summary and Next Steps (attachment 3) - G. Phipps, General Manager
6. CY24 Capital Budget Increase – Security Upgrades (attachment 4) – G. Phipps, General Manager

**Suggested Motion:** Move that the Citizens’ Advisory Board, on the recommendation of the General Manager approve a \$160,000 increase to the 2024 capital budget of \$650,000 (project 119 on page 37 of the 2024 capital budget) for the purchase of Security and Access Control System Upgrades for substations and Ash Street campus.

7. General Manager’s Report (attachment 5) – G. Phipps, General Manager
8. Adopting RMLD website as the official notice posting location (attachment 6) – G. Phipps, General Manager

**Suggested Motion:** Move that the Citizens’ Advisory Board, in recognition that RMLD is defined as a Regional Public Body under 940 CMR 29.00 and the Massachusetts Open Meeting Law, M.G.L c.30A, post meeting notices and associated documents on the RMLD website and arrange for the websites of the four Towns in the RMLD service territory to provide directions to the RMLD website for such notices, effective May 1, 2024.

9. Scheduling – V. Soni, Chair

### CITIZENS' ADVISORY BOARD MEETING SCHEDULE

Date	Time	Location	BoC Coverage
Thursday April 18, 2024,	6:30 PM	RMLD AV Room	Talbot
Thursday May 23, 2024	5:30 PM	RMLD AV Room	Coulter
Thursday June 20, 2024	5:30 PM	RMLD AV Room	Pacino

### BOARD OF COMMISSIONERS MEETING SCHEDULE

Date	Time	Location	CAB Coverage
Wednesday April 17, 2024,	6:30 PM	RMLD AV Room	
Thursday May 23, 2024	7:30 PM	RMLD AV Room	Kelley
Thursday June 20, 2024	7:30 PM	RMLD AV Room	Soni

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

10. Adjournment –V. Soni, Chair

**Suggested Motion**: Move that the Board of Commissioners adjourn regular session.

Note: Roll call vote required.

### **BOARD MATERIALS AVAILABLE BUT NOT DISCUSSED**

January 2024 P&L

**ATTACHMENT 1**  
**LEGISLATIVE UPDATE**

RMLD



**Legislative & Regulatory Overview**

**Vincent Ragucci  
Chief Strategy Officer**

**Board of Commissioners & Citizens' Advisory Board Meetings  
Wednesday, April 17, 2024 – Thursday, April 18, 2024**



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- In our 10<sup>th</sup> year of providing local and state government relations assistance with appointed, elected and municipal and state regulatory officials. (32) Total clients - (31) MLP Clients and (1) Private energy client (FirstLight Power)
- Legislative Session Work:
  - testified on behalf of 31 MLP's at the legislature and at Regulatory Hearings for DOER
  - tracked Legislation using Mass Trac legislation tracker
  - notified clients of Bill Hearings and house/senate movement
  - attended monthly meetings with EEA and DOER senior staff
  - Grant development and support of client submissions
  - provided ENE Strategies Alerts for Bills, Hearings, Media/News and Regulatory actions



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## ENE Strategies by the Numbers 2023-2024

Legislative Activity	Total Meetings
House Joint Committee on Telecommunications Utilities and Energy (TUE)	14 (27 Total Meetings)
Senate Committee on Telecommunications Utilities and Energy (TUE)	13 (27 Total Meetings)
Typical Year TUE Meetings	10 - 12
Other Committee Hearings	8
Meetings with Elected Officials	41
Meetings with Appointed Officials & Regulators	33



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## Last Session MA Legislative Action Recap

- Massachusetts Senate Bill S.9 from the 192<sup>nd</sup> General Court (signed March 2021)
  - “An Act Creating a Next-Generation Roadmap for Massachusetts for Climate Policy”
  - Establishes first-time GHG emissions standard for MLPs to purchase non-emitting electricity at the following levels
    - 50% by 2030
    - 75% by 2040
    - 100% by 2050



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## ENE Non-Carbon Emitting Projects since 2020

Year	MW	MWh
2020	146.3	572,365
2021	100.0	182,000
2022	54.5	298,482
2023	123.1	673,123
<b>Total</b>	<b>423.8</b>	<b>1,725,970</b>
<b>Resource</b>		
Wind	103.8	297,969
Solar	150.0	268,600
Hydro	94.0	493,641
Nuclear	76.0	665,760
<b>Status</b>		
New	238.5	538,587
Existing	185.3	1,187,383

### Project List:

Project	Status	MW	MWh
RoxWind	New	16.80	50,300
Gravel Pit III	New	50.00	86,600
Cabot Turner	Existing	39.04	200,941
Great River Hydro	Existing	15.83	22,200
Great River Hydro	New	4.70	38,000
NextEra Seabrook 10 Year	Existing	19.90	174,324
Broadleaf Solar	New	100.00	182,000
Spruce Mountain Extension	Existing	20.00	65,982
Shepaug/Stevenson Extension	Existing	34.46	232,500
NextEra Seabrook 2030-2050	Existing	56.10	491,436
Mason Bay Wind	New	9.00	26,687
Western Maine Renewable	New	58.00	155,000



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## Climate Law New DOER Requirement

### Large Building Energy Reporting

- DOER was tasked by the legislature with collecting data for large buildings (defined as >20,000 square feet or larger)
- This falls under Chapter 25 which does not include MLP's
- Call on March 26<sup>th</sup> with DOER to look at voluntary assistance
- Conversations continue with DOER Commissioner and staff



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## MLP Bills on the Move This Session

### HB-3142 – Rep. Jay Barrows

#### **Retirement Benefit Protection for Lineworkers and other MLP Employees**

- Authorizes a municipal light board to provide services and assistance to any municipal or state utility, tribal utility, or other publicly-owned or operated utility in the construction, installation, alteration, operation, maintenance or repair of utility poles and conduit, wires, cables, and equipment, and streetlights and traffic signals; allows municipal light boards to sell, rent, or lease equipment, fixtures, and goods related to such services; additionally entitles employees of municipal lighting plants providing such services public employee retirement benefit protections to the same extent as if they were performing duties within the scope of their employment; subjects and entitles employees providing emergency aid to rights and obligations under any existing laws while providing emergency aid.

### HB- 3699 – Rep. Kim Ferguson

#### **Emergency Mutual Aid**

- Amends GL 164:133 relative to emergency mutual in the manufacture and sale of gas and electricity by adding provisions that establish that any municipal lighting plant providing emergency mutual aid may sell, rent, or lease equipment, fixtures, and goods of any description related to the provision of emergency mutual aid. Employee of a municipal lighting plant providing emergency mutual aid are to be covered by the provisions of GL c.32 relative to state pensions.



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## Regulatory Update – HER/HEAR Programs

**Infrastructure Reduction Act (IRA) allocation to Massachusetts**  
~\$145 million which is broken into two buckets

- Home Energy Rebates ~\$73.2 million
  - MLP's are currently being allocated ~\$22 million
- Home Electrification Appliance Rebates ~72.8 million
  - MLPs do not currently have any funding assigned to them

### **Loan Program**

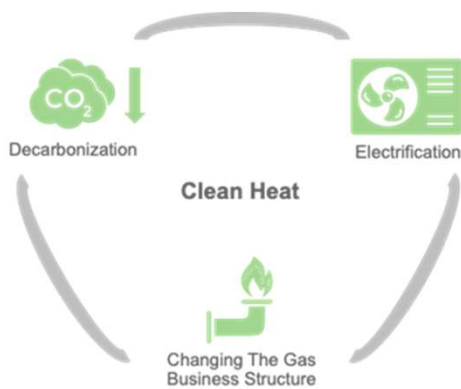
- US DOE has given the MA DOER a grant for ~\$1.8 million for an MLP loan program
- MA DOER has allocated ~\$8.8 million for MLPs to create a loan program



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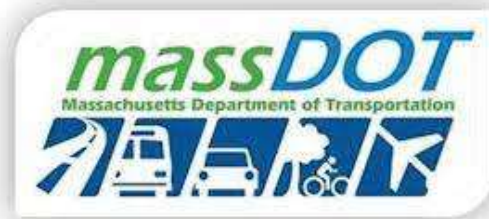
## Proposed MA Clean Heat Standard



- Requires heating suppliers to replace fossil fuels with clean heat or by purchasing credits.
- Heat pumps are the primary heating source that are credited under the proposed standard.
- Mass DEP has suggested in its proposed Draft Framework and in its response to inquiries at its public sessions that it does have such regulatory and statutory authority pursuant to c. 21N.

## ENE is Advising Mass DOT on the Statewide Gap NEVI Charging Network

- Assisting with locations to strategically deploy EV fast chargers across the commonwealth.
- 80% Federal Funding for NEVI
- Chargers are required according to specific criteria. ENE has been a NEVI Gap assistant to find cheaper locations in MLP areas that help EV drivers save money.



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## Massachusetts Commission on Clean Energy Infrastructure Siting and Permitting



ENE President & CEO, John Tzimirangas was appointed by Governor Maura Healey on September 26, 2023 to represent the Public Power and Electric Utility Sector. Recommendations are expected by early April to be recommended for initial action at the legislature this session.



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## Transformer Efficiency Rule and Shortage Issue

Secretary of Energy Jennifer Granholm appeared March 20, 2024, before the House Subcommittee on Energy and Water Development and Related Agencies



- Secretary Granholm received multiple questions about electric grid capacity and DOE's pending distribution transformer rule, which has faced criticism for its potential impact on electrification efforts and the clean energy transition.
- A shortage of distribution transformers has slowed the development of new housing and manufacturing projects that need grid access, lawmakers said. And requiring greater efficiency from these devices would worsen the supply chain situation while also threatening the nation's steel production.
- ENE met with Massachusetts delegation to educate them on the issues with transformer delivery and costs and how this rule would further cause delays to electrification. 2-year delay announced in new standards..



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## Expectations – End of Session

- Look for separate House & Senate Bills to emerge that take on many of the Bills voted favorably out of the Telecommunications Utility and Energy (TUE) Committee.
- Look for those Bills to become the collective vehicle of a conference committee that will meet and eventually agree by end of session on a Compromise Omnibus Energy Bill (focused on climate, offshore wind and electrification).
- Look for DOER and DEP to continue with regulatory changes that move the Commonwealth closer to achieving Climate Goals.



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**Thank you RMLD for being an ENE Strategies Customer...and  
personally for being my public power utility !**



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**A Little Bit about Vin Ragucci (for Peter's introduction)**

- ❑ 10-year Everett City Councilman, Council President
- ❑ Headed Government Relations (US & Canada) for Covanta Energy, CH2M HILL and Parsons Brinckerhoff/WSP
  - Lobbied in 17 states for previous companies
- ❑ Served as an outside Board Member at ENE before accepting his current position at ENE. Started ENE Strategies which is in its 10<sup>th</sup> year.
- ❑ Appointed in 2017 by Governor Baker to the Massachusetts Water Resources Commission – Interbasin transfers & drought oversight. Continues in his 7<sup>th</sup> year as a State Water Commissioner.
- ❑ Serves on the President's Leadership Council and Advisory Board of the School of Engineering and Computational Science at Merrimack College.



MUNICIPAL ELECTRIC ASSOCIATION OF MASSACHUSETTS

**PUBLIC COMMENTS**

**TO:** Massachusetts Department of Environmental Protection  
**FROM:** Municipal Electric Association of Massachusetts  
**DATE:** December 21, 2023  
**RE:** Comments—MASS DEP Clean Heat Standard (CHS)

Draft Framework

The Municipal Electric Association of Massachusetts ( “ MEAM”) appreciates the opportunity to submit its comments regarding the Clean Heat Standard (“CHS”) Draft Framework. MEAM is a statewide organization which is comprised of all 40 municipal light plants in Massachusetts and collectively provide 14% of the electric consumption in the Commonwealth. Municipal Light Plants ( “MLP’s”) are committed to providing efficient, clean and reliable electricity to their customers. The MLPs commitment to the reduction in greenhouse gas emissions is embodied in the Greenhouse Gas Emissions statute (c. 8 of the Acts of 2021) which was endorsed by MEAM.

However, MEAM reiterates its position (as articulated in its comments regarding the proposed Clean Energy Standard (‘CES’’)); the Mass DEP does not have the statutory authority under c.21N of the Mass. General Laws to apply the proposed CHS to MLP’s. Mass DEP has suggested in its proposed Draft Framework and in its response to inquiries at its public sessions that it does have such regulatory and statutory authority pursuant to c. 21N. MEAM would be pleased to provide a legal analysis in this regard (as it has in the past when the Clean Energy Standard was proposed). In any event MEAM requests an opportunity to meet with Mass DEP to discuss the issue of applicability. In order to facilitate such a discussion and to focus any areas of disagreement and/or agreement, MEAM would request that Mass DEP provide its analyses and legal reasoning as to how and why c. 21N provides the authority to the Mass DEP to apply the proposed CHS to MLPs. In addition, to be complete the Mass DEP legal analyses should include how and why Mass DEP G.L. c.111 sec. 142A and 142B provide the DEP with the authority to impose a CHS on MLP’s.

The following comments are not intended to be exhaustive at this time but rather to highlight some of the key elements of the proposed Draft Framework without waiving any of MEAM’s appellate rights regarding any proposed Mass DEP regulations applicable to Municipal Lighting Plants. It is hoped that the comments can serve foundationally for further in person discussions in this regard.

## **CURRENT LAW REGARDING APPLICABILITY OF VARIOUS STATE PROGRAM TO MLP'S**

The Renewable Energy Portfolio (RPS), the Alternative Portfolio Standard (APS), the Clean Peak Standard (CPS) and the Clean Energy Standard (CES) do **not** apply to MLP's. The most succinct overview is provided in the recent November 28, 2023 release of the Massachusetts 2021 Annual Compliance Report by the Massachusetts Department of Energy Resources. At page 2 of the Executive summary paragraph 6:

“The RPS, APS, CPS and CES regulations require Massachusetts retail electricity suppliers to obtain each year, a certain percentage of their retail customers' electricity supply from resources qualified under each portfolio standard. **The RPS, APS, CPS and CES requirements do not apply to municipal light plants.**” ( emphasis added)

As the Mass DEP is aware and cited above, even without the RPS, APE, CPS and CES requirements, the MLP's have their own statutory clean energy requirements embodied in the Greenhouse Gas Emission Program specifically promulgated by statute. Therefore, MLP's are already obligated to reach their respective 100% Clean Energy goals by 2050. This fact then begs the question, why does MassDEP believe that it has such authority to include the MLP's in the CHS? MEAM's view is that c. 21N specifically applies to MLPs only with respect to reporting requirements.

### **Why is the burden on the MLP's to require heat pump conversions?**

MLP's can encourage but not compel its customers to convert to heat pumps. If, after all of the various programs including MLP subsidies, residential customers may still be required to provide a substantial outlay of money to effect such conversion. Customers may simply refuse to expend the dollars required to convert. It appears, based on Mass Save's own number that the typical full home conversion is \$22,000 (see: Mass Save Webpage: Residential rebates/air source heat pumps). That figure does not appear to include additional weatherization projects which may be required in the home to assure the most efficient outcome of the heat pump conversion. The figure may also not include the necessity to a upgrade 100 amp service to a 200 amp service to accommodate the conversion. The \$22,000 number is likely higher today with a full year of inflation added. In addition, since the average MLP residential rate is approximately 40%-50 % lower than investor owned utility (“IOU”) rates it will take twice as long to recoup their capital outlay than if the customer was served by an investor owned utility. In addition, heat pumps are likely to have a shorter life expectancy than gas or oil fired furnace systems which will further increase life-cycle costs for the MLP customers. An MLP customer may do the math and decide that these factors may not justify their out of pocket expenses to convert.

### **The Alternative Compliance Payments are essentially MLP regulatory ratemaking.**

ANY mandatory compliance payment without statutory authority must result in rate increases. As the Mass DEP is aware, ONLY MLP Boards can establish rates as is the local control authority bestowed upon MLPs by a long legislative history. If MLP's cannot meet their respective annual conversions they must set money aside to make compliance payments. It is still their respective ratepayers who must underwrite the costs through the MLP's rates. The

MLP board would have no alternative but to incorporate the Alternative Compliance Payment (“ACP”) costs into its rates, essentially ratemaking by the MassDEP and violative of statutory authority exclusive to MLPs.

**MLP’s do not participate in Mass Save but rather have their own programs or programs offered by the Massachusetts Municipal Wholesale Electric Company or Energy New England.**

If the ACP payments are to be assigned and distributed through various existing state programs, including Mass Save, this could result in MLP customers paying to assist in installations in IOU service territories! Any ACP payments by an MLP must go back to assist programs in the respective MLP making the payment.

**MLP’s have invested in their own heat pump conversion programs approved at the local level.**

MLP’s have not ignored heat pump conversion programs and in fact almost 90 % of MLP’s already have existing heat pump conversion programs. Some MLP’s have programs which offer up to \$10,000-\$15,000 dollars in rebates! These programs are **approved** at the local level by Municipal Light Boards after discussions at public meetings. The programs are reflected in the customer rates which are also approved by the Municipal Light Board.

**Heat Pump installers could sell Clean Energy Credits created by MLP projects to an IOU.**

This dichotomy could result in MLP’s not receiving credits for their own project! The MLP’s would be paying to incentivize kwh conversions in their service territory without the attendant benefit of credits. Since MLP’s do not have the vast customer base as an IOU it would be imperative that any such credit generated as a result of an MLP conversion **MUST** be credited back to the MLP from which it originated.

**The annual amount of sales by ‘fuel suppliers’ (which would include MLP’s as per the proposal) is the basis from which an annual requirement for residential conversions is calculated for each MLP.**

It appears that the statewide annual Mwh sales volume is not limited to residential sales but also includes commercial and industrial sales. Those annual sales amounts are then utilized to determine the annual number of each MLP’s heat pump conversion obligations. This could create a disincentive to commercial or industrial base customer to expand ( or an incentive to relocate) as it would require an increase in the annual compliance obligations and result in an increase in rates across both the commercial, industrial as well as residential rates in order to meet the MLP’s residential electrification requirements.

**Unlike IOU's, MLP's are not homogenous in their respective load customer demographic characteristics.**

MLP's vary in size from a few hundred customers with little or no commercial or industrial base, to those with tens of thousands of customers. Russell MLP has 470 customer meters with little or no commercial and industrial customers. Taunton MLP on the other hand serves 39,000 customer meters with both a commercial and industrial base. Some larger MLP's have a higher percentage of low income customers than most MLP's such as Holyoke MLP. Holyoke's MLP for example may have proportionately higher ACP payments due to the inability of various lower income customers to afford the conversion costs even with the various subsidy programs. The two major investor owned electric companies have a much broader customer base upon which to meet their annual CHS requirements and can simply pass through such increased costs through their rate filings with the Massachusetts Department of Public Utilities. In addition, perhaps it is best that the Massachusetts proceed with the distribution of monies received pursuant to the Inflation Reduction Act ("IRA") which will provide additional incentives to residential customers before it proceeds with development and imposition of a CHS on MLP's.

**MLP's should not be conflated with investor owned utilities ('IOU's').**

As the Mass DEP is aware, MLP's have no investors and are self-regulated. They are governed by different statutory schemes. While IOU's are organized as profit making entities, MLP's do not have shareholders and their return is capped by statute and operated under the supervision of public officials. In a meeting with the MassDEP MEAM would be anxious to discuss and delineate the numerous differences between the two types of entities in addition to the statutory schemes governing each.

MEAM believes that it is essential that MassDEP fully appreciates not only the clear statutory schemes which distinguish MLPs requirements from those of IOU's but also the practical implications of imposing a Clean Heat Standard on the 40 unique MLP's in Massachusetts. Municipal Light Plants in Massachusetts have and continue to be the beacon of leadership in clean energy. MEAM would once again request a meeting with MassDEP in order to address the issue of applicability of c.21N to MLP's.

**Contacts:**

Jane Parenteau Sec./Treasurer MEAM

sec.treas@meam.org

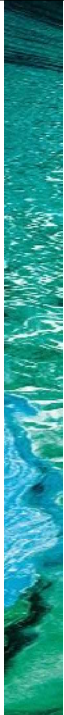
Robert Rodophele/Ferriter Scobbo and Rodophele PC

125 High St

Boston, MA 02110 rrodophele@ferriterscobbo.com



**ATTACHMENT 2**  
**ASH STREET CAMPUS UPDATE**



# Ash Street Campus Development

*Update to the  
RMLD Board of Commissioners  
and Citizens Advisory Board*

17 April 2024

## RMLD Ash Street Campus Context



*reliable, low cost, and non-carbon  
in the context of 2X load growth*

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Town of Reading interested in alternate use of RMLD Ash St campus

- As part of a larger vision to repurpose sites on both sides of MBTA
- Mixed use given close proximity to Reading center and MBTA rail
- Adjacent to residential areas
- Discussion extend back over 2 decades

RMLD is hosted several public forums (Sep 2022 most recent)

RMLD has shared openness to relocating if:

- Suitable alternative is available
- Economics do not unfairly favor rate payor groups across service territory

Operations building (218 Ash) needs renovation or rebuild

- Storage of stock spread across several sites (not time efficient)
- Garage challenged to handle larger trucks
- No provisions for team quarters during storm coverage
- Ash, Bolton, Main intersection a know traffic challenge (especially for trucks)

Station One is a historic building that needs investment before reuse

236 Ash less effective layout for RMLD team

Other three Ash Street Campus owners open to selling to RMLD

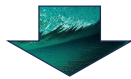
- One owner prefers to stay somewhere on campus

## Town of Reading / RMLD Teamwork

RMLD and Town planning have been working to make progress

Recognition that are many stakeholders and goals not fully aligned

Recognition that Town and RMLD must collaborate and make progress



Town secured \$100,000 grant to create area (both sides of MBTA rail) concepts

RMLD open to contribute \$50,000 to append \$100,000 grant and have input on concept designs (total \$150,000 for area concepts)

Town to issue RFP to select vendor to create drawings based on public input

RMLD to have voice on vendor and resultant concept drawings

## Preliminary Ash Street Development Milestones <sup>DRAFT</sup>

Hold outside public event	3Q 2023
Share Ash Street Campus concepts	3Q 2024
Confirm Ash Campus partners	4Q 2024
Finalize Ash Campus design	1Q 2025
Transfer property ownership	4Q 2025
Reconfigure Ash and Main intersection	3Q 2026
Complete permitting	1Q 2026
Start 218 - 232 construction	2Q 2027
Move RMLD into new building(s)	2Q 2029
Open new 230 – 232 complex	1Q 2030




<sup>4</sup> Note: numerous details to be defined and executed to support these milestones

Thank You



**ATTACHMENT 3**  
**IN-TERRITORY GENERATION**  
**CARBON PROJECT**  
**SUMMARY AND NEXT STEPS**



# In-Territory Carbon Captured Fuel Cell as One Component of RMLD Power Supply Portfolio

17 April 2024 snapshot



# Outline

Context – not improving

Power Supply Portfolio – risk management

RMLD Power Supply – new components

CCFC – managing risk

## Context - keep moving forward

Commonwealth legislative / regulatory goals unlikely to soften  
 2X RMLD load forecast by 2050 is credible  
 Fewer efficiency opportunities; time shift load is next big wave  
 Wholesale costs facing continued upward pressure (~4% cagr)  
 Electricity bills will increase; net total energy spend likely less  
 In-territory assets checks all three mission elements  
 Vendor partners value reference accounts, early discounts  
 New asset funding sources will dry up  
 Commonwealth cautious on long-term fossil fuel solutions  
 Nat gas will have a reduced role in ISO NE, but not zero

*RMLD continues to build a risk managed power supply portfolio*

*context has not improved since last summer*

Gordon van Welie ISO NE - Keynote

**Key Points**  
 Key Themes – **legislation, energy mix, winter peaking, winter reliability**  
 New England States pushing non-carbon (use and source)  
 PV Generation is well funded, but wind and transmission are not  
 First 6,000 MW of wind can be brought offshore with existing assets  
 Natural gas remains critical fuel source, but utilization will drop below 15%  
 Adequacy (reliability) is critical issue between 2027 and 2032  
 Transmission, capacity, and energy costs are increasing

**Dynamic Changes in the Energy Mix**  
 Of approximately 100 GW of capacity in the region, 40% is non-carbon. The chart shows the percentage of total capacity by source: Gas, Wind, Solar, Hydro, Nuclear, and Other. Gas is the largest source, followed by Wind and Solar.

**Implications for RMLD**

- Address reliability (adequacy) with energy storage and generation (both w/in territory)
- Build distribution network for winter peaking and dramatic load increases
- Expect EV and heating (ASHP) to be major load drivers (look at load profiles)

3 Source: NERPA 2023 Annual Conference; Keynote: NE Changing Resource Mix and Planning for Future Growth 2023-09-21

RMLD | Rhode Island Municipal Light Department  
RELIABLE POWER

3 Source: long-term-forecast 2023-10-02; 2023 CELT; actual RMLD 2022 is base year and cagr is compound annual growth rate; Cost Comparison CCFC 2024-04-03

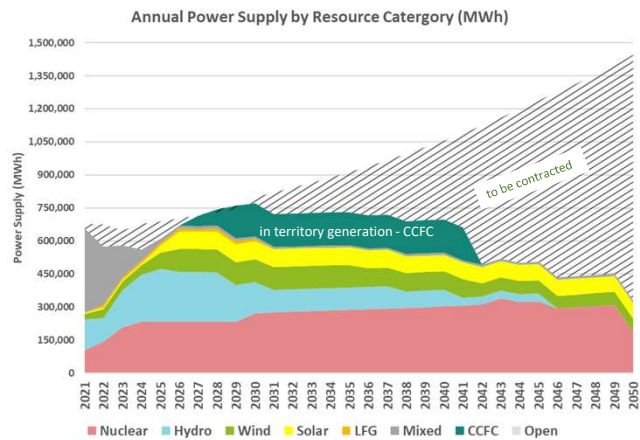
## RMLD power supply – risk managed portfolio

### Power supply portfolio supports our mission

- 1) reliability (keep the lights on)
- 2) low-cost (affordable total energy bills)
- 3) non-carbon (compliance)

### Minimize risks via mix of sources (factors):

- a) Geography and site concentration
- b) Generation type (wind, hydro, ...)
- c) Contract duration and price structure
- d) Vendor reliability and concentration
- e) Hedge level
- f) In-territory vs wholesale
- g) Asset life (economic and physical)



4 source: Energy Position MASTER 2X with dashboards 2024-04-11

RMLD  Reading Municipal Light Department  
RELIABLE POWER

## RMLD's risk managed power supply portfolio

### Numerous components of our risk managed power supply

- Continuous attention to market conditions
- Ongoing contract management and pursuit of new sources
- More storage (30 MW 3 hr)
- Commission novel 10 MW 100 hr storage
- Maximize in territory solar PV (30 more MWs)
- Expand TOU as AMI / MDM deployed
- Uncover new demand management (behavior)
- Pilot and expand V2G (more balancing assets)
- Expand to transmission tie-points
- Build three ~20 MW generation assets (2026, ~2032, ~2038)
- Distribute assets around network (distribution ring)
- and more in research and exploration

*In-territory CCFC is just **one** component of the larger portfolio*



## Managing CCFC risks

### Financial

Positive cash flow w/in first 3 years (earlier likely)  
 CC system likely contracted as a service, that pays RMLD  
 \$30 million net present value on an \$80 million investment  
 30% investment tax credit from IRA22; additional grants possible

### Technology

Bloom fuel cell proven / low risk (1 GW across 1,000 sites)  
 Non combustion solid-oxide  
 Carbon capture process known (bolt on to fuel cell is what's new)  
 Carbon capture strategically important to Bloom

### Fuel Supply

Pipeline transport is the constraint in New England  
 RMLD uniquely positioned to secure firm transport, at a discount  
 Transmission and distribution pipelines w/in RMLD territory  
 Baseload run time means firm supply can be economical  
 Low leak source of nat gas possible

### External Opinion

RMLD CO2 output 40% lower  
 Interim bridge solution  
 Transparency with Commonwealth (several compliance options)  
 Customer education  
 CCFC part of an efficient local and regional microcosm

*RMLD has been exploring in-territory options since early 2022 and proactively pursuing potential partners  
 Project worth pursuing as one component of the larger power portfolio strategy  
 RFP / contracting process to be refined and shared  
 Any approach will provide numerous off-ramps along milestones, to minimize risk to RMLD customers and community*

6 source: Cost Comparison CCFC 2024-04-03

RMLD  Reading Municipal Light Department  
 RELIABLE POWER

Thank You  
from the RMLD Team



RMLD



Reading Municipal Light Department  
RELIABLE POWER

Department  
of Public Works

**ATTACHMENT 4**  
**CY24 CAPITAL BUDGET INCREASE –**  
**SECURITY UPGRADES**

## Physical Security (access control, video, audio)

Physical security required at Ash Street and substations (3, 4, 5)

Physical security is more than fences and keys

- Video pointing inside perimeter AND outside
- Audio annunciator
- Access control card

RMLD project began April 2020

- Burns & McDonald awarded risk assessment contract (Oct 2020 – April 2021)
- Contract extended to provide design and support (Dec 2021 – Nov 2023)
- Design change orders to include video and audio (Mar – Aug 2023)
- Lease vs buy discussion; buy for data security and cost (Aug 2023)
- Bid package refined and released (Oct 2023 – Feb 2024)
- Bid opening (Mar 2024)

Original budget was \$550,000; remaining current budget \$624,605

Two bids received but only one qualified


Qualified bid \$782,888 or \$158,283 over 2024 budget



1



**ATTACHMENT 5**  
**GENERAL MANAGER'S REPORT**



# General Manager Update

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

17-18 April 2024

## RMLD - team, marketing outreach, ...

### Marketing Outreach Manager

- Amidst increasing change; we are emphasizing education
- Now recruiting for this new position, in lieu of Communication Manager
- Maintain customer trust and satisfaction

### New summer interns and co-ops team

- 2 interns in place, 2 new interns, plus 2 interns (6 participated in 2023)
- Goals – learn, contribute, spread the word (exciting industry and RMLD)

### Developing program to attract data center load

- Characterizing needs (reliability, low-cost, non-carbon, location)

### Contract negotiations for all three unions start in summer

- Existing contract expire year-end 2024

### 2023 financial audit wrapping up

- Presentation at May 2024 meeting

### Exploring AI with thoughtfulness and caution (protecting RMLD info)



## RMLD - infrastructure

### AMI bid response in process

- 4 responses received for replacement of all meters
- Bid analysis complete by early June; contract award likely Sep 2024
- Customer outreach and education to start end of 2024
- Meter replacement start 2025; complete by early 2027 (risk staged)
- AMI prerequisite to more TOU but exploring MDM as interim step



### Engineering team developing RMLD 2050 network vision

- Update summer 2024

### RMLD earned highest RP3 award level – Diamond (98 out of 100 points)

- Recognition of a “utility’s dedication to operating an efficient, safe, and reliable distribution system”
- Evaluation: reliability, safety, workforce development, system improvement
- Only 3 MLP’s in MA (out of 41) achieved Diamond level; 7 other MLPs at Platinum level
- RMLD up from prior Platinum level primarily due clearer strategy



### Property tax on land

- Currently, RMLD pays all four towns a PILOT under the 20-year agreement (1992, 2012, ...)
- Calculation – 2% of annual net plant, allocated amongst 4 Towns based on prior year kWh sales
- Land is included in the calculation at purchase price and is not depreciated (unlike most other assets)
- Given RMLD’s pursuit of land to support load growth, we are increasing education and exploring possible alternatives

3

Thank You



**ATTACHMENT 6**  
**ADOPTING RMLD WEBSITE**  
**AS THE OFFICIAL**  
**NOTICE POSTING LOCATION**

**From:** [David Talbot](#)  
**To:** [OpenMeeting \(AGO\)](#)  
**Cc:** [Greg Phipps](#)  
**Subject:** Re: "Posting" a meeting-- kindly reply on Thursday  
**Date:** Thursday, April 11, 2024 12:29:05 PM

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Thank you very much again. If you have it, could you please send me model language by which our board could vote to adopt its own website as the official notice posting location?

Thank you  
Dave

On Thu, Apr 11, 2024 at 11:44 AM OpenMeeting (AGO) <[openmeeting@mass.gov](mailto:openmeeting@mass.gov)> wrote:

Dave,

The requirements are detailed in the Open Meeting Law Regulations. See [here](#) beginning at the very bottom of page 2.

If the RMLD serves four municipalities, then it is a regional/district public body and so it either needs to vote to adopt its own website as the official notice posting location and notify our office accordingly, or it needs to ensure notice is posted in all 4 municipalities.

Sincerely,

Carrie Benedon (she/her/hers)

Assistant Attorney General

Director, Division of Open Government

Massachusetts Office of the Attorney General

(617) 963-2540

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**From:** David Talbot <[talbot.david@gmail.com](mailto:talbot.david@gmail.com)>  
**Sent:** Thursday, April 11, 2024 9:42 AM  
**To:** OpenMeeting (AGO) <[openmeeting@mass.gov](mailto:openmeeting@mass.gov)>  
**Cc:** Greg Phipps <[gphipps@rml.com](mailto:gphipps@rml.com)>

**Subject:** Re: "Posting" a meeting-- kindly reply on Thursday

**CAUTION:** This email originated from a sender outside of the Commonwealth of Massachusetts mail system. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Hi Carrie -- thank you. The RMLD serves four municipalities in whole or in part. Does this change your answer at all, or just mean that in addition to complying with Reading's "one official posting method" we also must comply with the "one official posting method" for the other three?

(And just out of curiosity, where in state law does it spell out that there shall be "one official posting method?" I see it saying "posted in a manner conspicuously visible to the public at all hours.")

Thanks!  
Dave

On Thu, Apr 11, 2024 at 8:55 AM OpenMeeting (AGO) <[openmeeting@mass.gov](mailto:openmeeting@mass.gov)> wrote:

Dave,

Thank you for contacting the Division of Open Government. Your question depends on whether the Reading Municipal Light Department Board of Commissioners serves only Reading (either the entire town or part of the town) or whether it serves other municipalities also. A public body whose jurisdiction extends only to one municipality is a "local" public body, whereas a public body whose jurisdiction extends to two or more municipalities is a "district" or "regional" public body.

The Open Meeting Law requires that all "local" public bodies post their meeting notices according to the municipality's one official posting method. For Reading, that is the municipal website.

I understand that municipal light departments often function relatively independently from the municipal government, but nonetheless according to the Open Meeting Law's definitions, a public body that serves only one municipality is treated as a "local public body" and must post notices according to the posting method for the municipality (it may also post notices in additional locations).



In recognition of the circumstances that may necessitate posting 6 days in advance, I suggest being over-inclusive on the meeting notice, and the Board can always skip over topics that aren't ready for discussion at next week's meeting.

Sincerely,

Carrie Benedon (she/her/hers)

Assistant Attorney General

Director, Division of Open Government

Massachusetts Office of the Attorney General

(617) 963-2540

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**From:** David Talbot <[talbot.david@gmail.com](mailto:talbot.david@gmail.com)>

**Sent:** Wednesday, April 10, 2024 5:44 PM

**To:** OpenMeeting (AGO) <[openmeeting@mass.gov](mailto:openmeeting@mass.gov)>; Greg Phipps <[gphipps@rmlld.com](mailto:gphipps@rmlld.com)>

**Subject:** "Posting" a meeting-- kindly reply on Thursday

**CAUTION:** This email originated from a sender outside of the Commonwealth of Massachusetts mail system. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Dear AG's office,

I'm the chair of the Reading Municipal Light Department Board of Commissioners and have a simple question about what constitutes officially "posting" a meeting 48 hours or more in advance of the meeting.

Our GM, Greg Phipps, is CCed.

Here is the RMLD website, where you can see agendas and minutes posted.

[Board of Commissioners | Reading Municipal Light Dept \(rml.com\)](#)

QUESTION: Does posting the agenda at least 48 hours in advance on the RMLD website- even if it is not yet cross-posted on the separate Town of Reading website exactly within 48 hours-- meet state law for posting requirements?

RMLD and the Town cooperate and coordinate on many levels. That said, RMLD is governed and managed independently and has its own elected Board. Due to a Friday Town Hall closure and Monday holiday, the Town would need the agenda submitted six days in advance (Thursday before next Wednesday's meeting) to meet the 48-hour rule. A number of agenda items will evolve beyond Thursday, so this creates a challenge for RMLD.

We believe the RMLD website posting at least 48 hours ahead makes the notice compliant with state law but would appreciate your view and confirmation on this.

Thanks!

Dave Talbot

**CAUTION:** [EXTERNAL] Do not click links or open attachments unless you recognize the sender and know the content is safe.

**BOARD MATERIALS AVAILABLE  
BUT NOT DISCUSSED**

Town of Reading, Massachusetts  
Municipal Light Department  
Business Type Proprietary Fund  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
1/31/2024

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
<b>Operating Revenues</b>					
Base Revenue	\$ 3,045,195	\$ 2,582,662	\$ 3,045,195	\$ 2,582,662	17.9%
Fuel Revenue	2,632,931	2,921,436	2,632,931	2,921,436	(9.9%)
Purchased Power Capacity & Transmission	2,691,009	2,933,436	2,691,009	2,933,436	(8.3%)
Forfeited Discounts	140,009	58,509	140,009	58,509	139.3%
Energy Conservation Revenue	194,628	164,720	194,628	164,720	18.2%
NYPA Credit	(94,224)	(151,026)	(94,224)	(151,026)	(37.6%)
<b>Total Operating Revenues</b>	<b>8,609,548</b>	<b>8,509,737</b>	<b>8,609,548</b>	<b>8,509,737</b>	<b>1.2%</b>

**Expenses**

PRELIMINARY

**Power Expenses:**

547 Purchased Power Fuel	3,797,971	1,576,596	3,797,971	1,576,596	140.9%
555 Purchased Power Capacity	1,090,950	1,344,038	1,090,950	1,344,038	(18.8%)
565 Purchased Power Transmission	1,005,650	1,039,815	1,005,650	1,039,815	(3.3%)
<b>Total Purchased Power</b>	<b>5,894,572</b>	<b>3,960,449</b>	<b>5,894,572</b>	<b>3,960,449</b>	<b>48.8%</b>

**Operations and Maintenance Expenses:**

580 Supervision and Engineering	183,551	86,418	183,551	86,418	112.4%
581 Station/Control Room Operators	44,671	39,565	44,671	39,565	12.9%
582 Station Technicians	39,071	17,655	39,071	17,655	121.3%
583 Line General Labor	186,209	97,778	186,209	97,778	90.4%
586 Meter General	10,765	12,617	10,765	12,617	(14.7%)
588 Materials Management	43,239	33,304	43,239	33,304	29.8%
593 Maintenance of Lines - Overhead	95,103	51,941	95,103	51,941	83.1%
593 Maintenance of Lines - Tree Trimming	10,952	7,432	10,952	7,432	47.4%
594 Maintenance of Lines - Underground	3,471	3,921	3,471	3,921	(11.5%)
595 Maintenance of Line - Transformers					0.0%
598 Line General Leave Time Labor	69,633	27,291	69,633	27,291	155.2%
<b>Total Operations and Maintenance Expenses</b>	<b>686,666</b>	<b>377,922</b>	<b>686,666</b>	<b>377,922</b>	<b>81.7%</b>

**General & Administration Expenses:**

903 Customer Collections	132,321	84,126	132,321	84,126	57.3%
904 Uncollectible Accounts	5,000	3,333	5,000	3,333	50.0%
916 Energy Audit	57,176	16,865	57,176	16,865	239.0%
916 Energy Conservation	86,148	219,927	86,148	219,927	(60.8%)
920 Administrative and General Salaries	170,238	161,150	170,238	161,150	5.6%
921 Office Supplies and Expense	1,824	246	1,824	246	642.6%
923 Outside Services - Legal					0.0%
923 Outside Services - Contract	7,300	295	7,300	295	2374.6%
923 Outside Services - Education	6,206	8,976	6,206	8,976	(30.9%)
924 Property Insurance	78,302	49,852	78,302	49,852	57.1%
925 Injuries and Damages		100		100	(100.0%)
926 Employee Pensions and Benefits	430,565	602,718	430,565	602,718	(28.6%)
930 Miscellaneous General Expense	87,546	17,533	87,546	17,533	399.3%
931 Rent Expense	26,891	26,891	26,891	26,891	0.0%
933 Vehicle Expenses	11,653	7,953	11,653	7,953	46.5%
933 Vehicle Expenses - Capital	(23,087)	(25,978)	(23,087)	(25,978)	(11.1%)
935 Maintenance of General Plant	40,137	25,987	40,137	25,987	54.4%
935 Maintenance of Building & Garage	61,341	39,364	61,341	39,364	55.8%
<b>Total General &amp; Administration Expenses</b>	<b>1,179,562</b>	<b>1,239,338</b>	<b>1,179,562</b>	<b>1,239,338</b>	<b>(4.8%)</b>

Town of Reading, Massachusetts  
Municipal Light Department  
Business Type Proprietary Fund  
Statement of Revenues, Expenses and Changes in Fund Net Assets  
1/31/2024

	Month Current Year	Month Last Year	Year to Date Current Year	Year to Date Last Year	Percent Change
Other Operating Expenses:					
403 Depreciation	454,551	435,353	454,551	435,353	4.4%
408 Voluntary Payments to Towns	157,665	152,217	157,665	152,217	3.6%
Total Other Expenses	<u>612,216</u>	<u>587,571</u>	<u>612,216</u>	<u>587,571</u>	4.2%
Operating Income	236,531	2,344,458	236,531	2,344,458	(89.9%)
Non Operating Revenues (Expenses):					
419 Interest Income	580	53,075	580	53,075	(98.9%)
419 Other	85,269	129,053	85,269	129,053	(33.9%)
426 Return on Investment to Reading	(211,551)	(210,620)	(211,551)	(210,620)	0.4%
426 Loss on Disposal	(17)		(17)		0.0%
431 Interest Expense	(7,652)	(3,918)	(7,652)	(3,918)	95.3%
Total Non Operating Revenues (Expenses)	<u>(133,370)</u>	<u>(32,411)</u>	<u>(133,370)</u>	<u>(32,411)</u>	311.5%
Change in Net Assets	<b>\$ 103,162</b>	<b>\$ 2,312,047</b>	<b>\$ 103,162</b>	<b>\$ 2,312,047</b>	<b>(95.5%)</b>