

**READING MUNICIPAL
LIGHT DEPARTMENT**

**BOARD
OF
COMMISSIONERS**

REGULAR SESSION

JUNE 27, 2012



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

230 Ash Street
Reading, MA 01867
June 27, 2012
7:30 p.m.

- 7:30 p.m. 1. Opening Remarks/Approval of Meeting Agenda
- 7:35 p.m. 2. Introductions
- 7:40 p.m. 3. Presentation (Tab A)
- a. Actuarial Report – Larry Stone, Stone Consulting, Inc. ACTION ITEM
- i. Budget Committee Report
- Suggested Motion:
Move that the RMLD Board of Commissioners accept the Pension Trust Actuarial Valuation as of January 1, 2012 from Stone Consulting, Inc.
- Suggested Motion:
Move that the RMLD Board of Commissioners authorize the General Manager to deposit \$1,000,000 into the RMLD’s Pension Trust Fund for fiscal year 2012.
- 7:50 p.m. 4. Approval of May 30, 2012 Board Minutes (Tab B) ACTION ITEM
- Suggested Motion:
Move that the RMLD Board of Commissioners approve the Regular Session meeting minutes of May 30, 2012.
- 7:55 p.m. 5. Report of Board Committee ACTION ITEM
- Power & Rate Committee – Vice Chair Snyder
- a. Solar Energy Projects - Approval for On-System Projects ACTION ITEM
- Suggested Motion:
Move that the RMLD Board of Commissioners authorize the General Manager to execute purchase power contracts for on-system solar energy projects up to a cumulative total of 10 megawatts as of June 18, 2012, not to exceed a fifteen year period, and under similar contractual terms and conditions as being agreed to recently with solar energy developers.
- b. Summit Hydropower, Inc.
- Suggested Motion:
Move that the RMLD Board of Commissioners authorize the General Manager of the RMLD to finalize negotiations and execute a contract with Summit Hydropower, Inc. for the purchase of not more than 2 megawatts of hydroelectric power, in a term not to exceed 2 years and not to include Renewable Energy Certificates, located at Wyre Wynd Hydroelectric facility in Jewett City, Connecticut.
- 8:10 p.m. 6. Discussion of Committees ACTION ITEM
- a. Budget Committee
- b. Power & Rate Committee
- c. Public Relations Committee

- 8:20 p.m. 7. Engineering and Operations Report – May 2012 - Mr. Sullivan (Tab C)
Gaw Update
- 8:30 p.m. 8. Power Supply Report – May 2012 – Ms. Parenteau (Tab D)
- 8:40 p.m. 9. Financial Report – May 2012 – Mr. Fournier (Tab E)
- a. Reappointment of Accounting and Business Manager ACTION ITEM
Suggested Motion:
Move that the Reading Municipal Light Department Board of Commissioners reappoint Robert Fournier as the RMLD’s Accounting and Business Manager.
- 8:50 p.m. 10. Payables Warrant Signature
- a. General Discussion
- 9:05 p.m. 11. General Manager's Report – Mr. Cameron
- a. Report on RMLD’s Telephone System
b. RMLD Calendar
- 9:15 p.m. 12. M.G.L. Chapter 30B Bids – Material (Tab F) ACTION ITEM
- a. 2012-46 Capacitor Bank Controls
Suggested Motion:
Move that bid 2012-46 for SCADA-Ready Capacitor Bank Controls be awarded to: Power Tech (UPSC) for a total cost of \$19,683.00 as the lowest qualified bidder on the recommendation of the General Manager.
- b. 2012-48 Licensed Site Professionals
Suggested Motion:
Move that bid 2012-48 for Licensed Site Professional (LSP) Services be awarded to Cushing, Jammallo, and Wheeler, Inc., for a three year period beginning July 1, 2012 for an estimated cost of \$27,000.00 per year based on a 3 year average at the rates indicated in their price proposal, as the lowest, most qualified bidder on the recommendation of the General Manager.
- 9:25 p.m. 13. General Discussion
- 9:30 p.m. **BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED**
Rate Comparisons, June 2012
E-Mail responses to Account Payable/Payroll Questions
- 9:35 p.m. RMLD Board Meetings
Tuesday, July 10, 2012 - Meet with the Town of Reading – Board of Selectmen
Wednesday, July 25, 2012 and Wednesday, August 29, 2012

Citizens’ Advisory Board Meeting
Tuesday, August 7, 2012 – RMLD – 7:00 pm
- 9:40 p.m. 14. Adjournment ACTION ITEM
Suggested Motion:
Move to adjourn the Regular Session.

PRESENTATION BOARD REFERENCE TAB A

Note: Only Board members will receive a copy of this report.



REGULAR SESSION MEETING
MINUTES
BOARD REFERENCE TAB B



Reading Municipal Light Board of Commissioners

Regular Session

230 Ash Street

Reading, MA 01867

May 30, 2012

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

End Time of Regular Session: 9:02 p.m.

Commissioners:

Philip B. Pacino, Chairman, Secretary Gina Snyder, Vice Chair

Mary Ellen O'Neill, Commissioner Robert Soli, Commissioner

Marsie West, Commissioner

Staff:

Vinnie Cameron, General Manager

Beth Ellen Antonio, Human Resources Manager

Robert Fournier, Accounting/Business Manager

Patricia Mellino, Facilities Operational Assistant

Kevin Sullivan, Engineering and Operations Manager Jane Parenteau, Energy Services Manager

Citizens' Advisory Board:

George Hooper, Member

Public:

John Carpenter

Opening Remarks/Approval of Meeting Agenda

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

Chairman Pacino explained the order of this evening's meeting, first would be introductions, any public opinion or input would be greatly appreciated at that point, then discussion of the Renewable Energy Policy with reports from the Policy and Power & Rate Committees, the RECs, the approval of the minutes, reports in terms of the Budget Committee, additional items under the Power & Rate Committee, public bids and if they are able to get to them, the reports from the staff. Chairman Pacino stated that in terms of input that the public wants to make on the Renewable Energy policy and on the RECs which are items three and four on the agenda that he would appreciate if that is made at the Public Input area which is number two. Chairman Pacino said that there has been a lot of discussion about the Renewable Energy policy in various forums and also about the RECs and that he would really like to keep items three and four as discussion among the Commissioners. Chairman Pacino stated that he respects everyone's opinion in terms of that and does not want to cut anybody off. He reiterated that he would really appreciate it if what needs to be said about the Renewable Energy policy and the RECs be said under the Public Input. Chairman Pacino also requested that all be respectful of other member's opinions and rights in terms of where we are at. Chairman Pacino stated that he would be respectful of everyone's opinion and will listen and asked that all would do that as well.

Introductions

Chairman Pacino turned the floor over to CAB member George Hooper. George Hooper introduced himself as being from the Town of Wilmington and a CAB member.

Chairman Pacino asked if there were any members of the public that wished to speak. John Carpenter thanked Chairman Pacino and introduced himself noting that most would know him from Town Meeting and long time volunteer etc. Mr. Carpenter stated that he is here tonight because he is concerned about the Renewable Energy Credits and this Board's policy toward them. Mr. Carpenter said that his personal opinion is that the wider, longer term conservationist's position should be to sell the Renewable Energy Credits because it creates an economy that further incentivizes conservation investment. Mr. Carpenter said that he looked forward to the Board's comments and then thanked Chairman Pacino.

Chairman Pacino stated that at the last meeting, it was not decided who would be the Secretary for this evening's meeting and then asked for volunteers. Chairman Pacino said that since it is a critical meeting he would again serve as the Secretary for this meeting and asked for a volunteer for the next meeting. Mr. Soli volunteered to serve as the Secretary for the next meeting.

Renewable Energy Policy

Policy Committee – Commissioner Soli (Attachment 1)

Mr. Soli reported that the Policy Committee met in early May and was sent a policy draft that came from the Power & Rate Committee. Mr. Soli said that the draft would need about four changes. Mr. Soli stated that the first it laid the responsibility on Energy Services here at the Light Department and the Committee felt as the Board they could give responsibilities to themselves and could give responsibility to our committees, and could give responsibilities to the General Manager and that is about it, so that was taken out. Mr. Soli said that in the time between the Power & Rate Committee came up with their draft and it got to the Policy Committee the Commonwealth of Massachusetts had stepped in and biomass as a renewable energy source got much stricter so the Committee added the word "potential" biomass as a source. Mr. Soli said that in terms of smaller changes, since the value of the RECs is considerable and some people have estimated that \$30 million over fifteen years, a paragraph was added saying that there should be accounting for these in the financial reports each month and in the annual report each year. Mr. Soli commented that the Committee thought that was a small, but important change. Mr. Soli said that the one that is bigger and probably controversial was to change what would be the disposition of the RECs. Mr. Soli stated that previously coming out of the Power & Rate Committee it said anything above a moving threshold, that threshold was quite high and could be sold, otherwise retired and coming out of the Policy Committee it said we would retain only the RECs to account for the monies from the customers of Green Choice, anything above that the RECs would be sold. Mr. Soli explained that is one in some sense probably controversial and at the end a motion was made to recommend to the Board that the policy as amended for their edit and approval, that was 3:0.

Chairman Pacino asked if Mr. Soli wanted to make a motion that the Board adopt the policy and go from there.

Mr. Soli replied that he would make a motion.

Mr. Soli made a motion seconded by Ms. West to move that the Renewable Energy Policy as sent to the Board by the Policy Committee be adopted by the Board of Commissioners.

Mr. Pacino then turned to the Power & Rate Committee.

Power & Rate Committee – Vice Chair Snyder (Attachment 2)

Ms. Snyder reported that the Power & Rate Committee had two meetings on the Renewable Energy policy, the first one was to create a policy as recommended and it was sent to the Policy Committee with a request that it be sent back if substantial changes were made. The second meeting was to see if the Committee could somehow mesh the two policies and come to a consensus in order to achieve certain goals of the General Manager and the desire on the part of the Board to take leadership, to address the questions about the Green Choice Program and to clarify what it would be. Ms. Snyder said that the committee also discussed giving people an option for a Brown Choice Program, to allow people who do not want to partake in renewable energy to opt out and to keep the Green Choice for people who wanted to opt into more renewable energy than we currently have in our power supply which is somewhere between two to three percent.

Ms. Snyder stated that it was felt at this point and time that it was too difficult to implement in the timeframe that they had and thought this would be a good thing to pursue, but they would not have the time to do it with the kind of deadlines that they were facing.

Ms. Snyder said that there was no motion or recommendations made, the committees could not agree on the policy.

Ms. Snyder said that there were two members of the public at the Policy Committee meeting on May 1 and they were treated rather shabbily, when they were finally allowed to speak, one of them told Ms. Snyder after the meeting that he was afraid to speak considering how the other member of the public was treated. Ms. Snyder stated that the other member of the public did very strongly support the Power & Rate Committee policy to keep the RECs and that was the only public comment they had at that meeting.

Chairman Pacino stated that if Ms. Snyder wanted she could move to amend the motion that Mr. Soli has made by replacing it with the one by the Power & Rate Committee as recommended if they want.

Ms. Snyder replied, so moved.

Ms. O'Neill seconded the motion.

Chairman Pacino said that they do have an amendment on the floor which is to basically to replace what the Policy Committee has proposed which is the original motion with what the Power & Rate Committee has proposed.

Chairman Pacino opened the floor for discussion.

Power & Rate Committee – Vice Chair Snyder (Attachment 2)

Chairman Pacino stated that he very much supports in terms of the policy element item “B” which is the goal to have five percent of the renewable energy in our portfolio and it was one of the reasons that he originally voted in the Power & Rate Committee to move this forward and reiterated that he very much supports that. Chairman Pacino said that he does feel that in terms of the RECs for the years 2012 and 2013 that some of them need to be sold and some of them need to be retired.

Chairman Pacino said that if they do adopt what the Policy Committee has that the Green Choice Program needs to be strengthened and reinvented in order to get the word out to more people as to what the Green Choice Program is going forward. Chairman Pacino stated that Ms. Snyder had a good idea with what she termed “the Brown Choice Program”, but is not sure quite how to adopt that.

Chairman Pacino asked if the Committee at this point would they like to move to table this, hold off and look at it further and particularly to take a look at Ms. Snyder’s idea going forward in terms of the Brown Choice at that point.

Chairman Pacino stated that there was another item on the agenda is item 4 which actually deals with RECs that are due to expire on June 15 and that there will be discussion and a possible motion made on that.

Ms. West stated that she would like to reiterate some comments that she had made earlier at the Power & Rate Committee discussion related to policy. Ms. West said that we have a Policy Committee that would be where she would expect policies to be developed and to come out of and the subcommittee that is the Power & Rate Committee is related to approving power contracts and approving rates. Ms. West stated that this is neither of those things and that this is sort of outside the realm of the subcommittee and does not think that this is necessarily the right place to be getting guidance on that particular policy. Ms. West also pointed out that there are a lot of good goals being reflected in there, but there is definitely not some consistency in terms of the definition of renewable energy, whether renewable energy has to include the REC certificates or not, it is not a consistent thing. Ms. West said that we have a legal opinion from RMLD attorneys that says that is not necessary to be part of it. Ms. West believes that if we are looking at a total environmental benefit taking funds that we get from selling the RECs and then using that money in the following year to invest in a truly renewable energy source would be a much better benefit than if we had bought power from a renewable energy source and then we would also have money to additionally invest that we would not have had originally. Ms. West said that from an environmental benefit, that total benefit in benefit to the environment is much greater than if we take RECs and just retire them. Ms. West stated that we have some very clear input that we have gotten when this Board met last year or the beginning of this year; the Board said that we will take seriously the input of the community and will act upon that input from the community. Ms. West said that the entire Board of Selectmen from North Reading had come to a RMLD Board meeting and said that they felt that there needed to be a balanced approach to this and that all RECs should not be retired. Ms. West stated that there was an email from the Board of Selectmen in Reading that stated the same thing, and also a motion from the CAB that repeats that, and so coming up with any kind of an approach that at our current levels means that we retire every REC we have does not seem to be getting at the public opinion that we stated that we would be responding to. Ms. West said that her inclination would be at this point is to completely table all policy discussion, that there are still a lot of things that need to be worked out and that it is really not clear enough at this moment for us to be able to move forward and that she is not comfortable moving forward with the Brown Choice or Opt Out Program for all of the rate payers and is not comfortable that they do not have clarity or consistency or agreement in terms of definitions either.

Chairman Pacino asked Ms. West if she would like to move to table. Ms. West replied that if people want to discuss it that would probably be an important thing to happen.

Ms. Snyder stated that she wanted to clarify that the Power & Rate Committee is the committee that originally voted to recommend these renewable energy projects, the concept and at the time when she was on that committee was that it was for all the attributes and that there was no question at that point and time about selling any of the attributes which is what the Renewable Energy Certificates are that is why it is her thought that it is appropriately the Power & Rate Committee that was looking at the issue and asking questions of the General Manager and Energy Services Division. Ms. Snyder said that we will not be able to invest funds of the renewable energy source without doing additional filing for a different rate because this money will need to go back into the purchased power. Ms. Snyder stated that one thing that you could do was to go back and ask for a rate increase so you could invest in renewable energy.

Ms. Snyder said that as our former Chair indicated that energy efficiency is probably the best investment actually for what you can get for your money. Ms. Snyder reported that the input that she had from the community and that quite a few people have mentioned to her that they appreciate the work that we have done to get renewable energy and money to support all the attributes. Ms. Snyder wanted to make those points stating that she believes that keeping the Renewable Energy Certificates is supported by quite a few members of the community and in fact the Policy Committee heard that as well.

Power & Rate Committee – Vice Chair Snyder (Attachment 2)

Mr. Soli said that we have a couple of things that deal with this, "Purpose" it says from the strategic plan, "demonstrate leadership and excellence in providing low cost, clean and reliable electric service", further the Board has a policy governing its actions, Policy 1, which talks about having low cost power, lower than any investor owned utility in the state and lower than any municipal that touches our service territory. Mr. Soli stated that the hydro power that we get right now is running about \$.096 per kilowatt hour and the cost of just energy alone is \$.04 per kilowatt hour, clearly the hydro power without the RECs is much higher and if you include the price of capacity our average cost is \$.0667. Mr. Soli said that if we sold the RECs for the Swift River Projects it would actually come in at a lower price, but if you let the RECs go away you are almost 50% higher and if you are buying something that is 50% higher he doesn't think that is low cost electricity. Mr. Soli said that he is sure that all the Commissioners have heard from people and all the folks he has talked to mostly said that they think that renewable energy is good, but keep the price down, some of the people have said that some of those projects are so expensive and have suggested that we should try and get rid of them because they are so costly. Mr. Soli stated that he is a coordinator for a volunteer tax preparation site where they did about 550 tax returns, among them a lot of retired people. Mr. Soli said that some of the widows are living on social security and for one in particular he did a calculation, when taking away the cost of her property tax she is left to live on sixteen dollars a day and believes she would surely back let's have low cost power. Mr. Soli thinks that we ought to not just throw away this piece of paper that has value. Mr. Soli thanked Chairman Pacino.

Mr. Cameron wanted to respond to one thing that Commissioner Snyder said about the rate. Mr. Cameron said that he does not believe that we would have to increase our rates or have another rate increase in order to develop our own Renewable Energy Project and thinks that could come from the Capital Budget. Mr. Cameron stated that it would be a Capital Budget item because he believes we would own say a solar installation that we could put together so he does not think that we would need a rate increase or a special rate for that. Mr. Cameron said that Capital budget items are items that we decide to spend money on that we capitalize and own and that we could own a solar development.

Chairman Pacino asked if anyone was waiting to make a motion to table at this point.

Ms. West stated that she would like to make a motion to table at the moment, it is her belief that they are probably not going to come to an agreement and that it will probably be a really close vote and that it would be best to continue to work on this and wait.

Chairman Pacino said that he personally agreed and wished that they had more time to work out some of their differences.

Mr. Soli asked Ms. West to identify the period of time to table the item. Ms. West replied that she did not know that was something that she needed to say.

Chairman Pacino said that the idea was to table it but not bring it back in December and thinks that it would need to come back probably within the next two to three months. Mr. Cameron said that we still have the date of June 15 to retire the RECs

Chairman Pacino stated that potentially the policy would come back for discussion within the next couple of months where we can work out some of our differences and wished that they had more time to work out their differences.

Mr. Soli asked the Chairman if he could get a second so that they could discuss item four and that he would feel uncomfortable tabling the policy discussion for months until after they have dealt with item four and moved to table all motion on the policy until item four has been resolved.

Ms. West seconded the motion.

Chairman Pacino stated that they would then go to item four where there would be discussion and potential motions as to item four and once item four is resolved item three would potentially be taken back from the table at that point and be re-discussed.

Ms. Snyder asked if she could make a motion to amend the motion to be tabled for three months. Chairman Pacino replied that they could certainly do that.

Mr. Soli stated point of order and that the tabled motion is not discussable or amendable.

Chairman Pacino said that he was absolutely right and that Ms. West's motion was not seconded therefore that a motion is not on the table at this point and Mr. Soli's motion is to table until discussion and resolution of item four is taken care of is on the table.

Chairman Pacino said that the motion has been moved and seconded, asked if there was discussion on the motion.

Mr. Soli made a motion seconded by Ms. West to table the policy discussion until after agenda item four has been resolved.

Motion carried 3:2:0. Ms. Snyder and O'Neill voted against.

Discussion/Motions relating to Renewable Energy Certificates expiring June 15, 2012

Chairman Pacino asked Mr. Cameron to report on the present status of the RECs that are going to expire on June 15.

Mr. Cameron reported that we have not done anything with them, they are just banked.

Chairman Pacino asked the value of the RECs. Mr. Cameron replied the approximate value based on the market that we have seen recently is that we have over 18,000 megawatt hours of RECs 60% of those RECs are worth about \$5,000 to \$7,000, about 40% of the RECs are worth about \$300,000 and that these are estimates based on the market that we have seen recently. Mr. Cameron stated that he could not guarantee those numbers it is like looking at the stock market you take a snapshot and make an estimate.

Chairman Pacino asked for discussion at this point.

Ms. West asked that if the RECs that were worth more money are the Connecticut Class. Mr. Cameron replied Connecticut Class I.

Ms. West stated that she would like to make a motion.

Ms. West made a motion seconded by Mr. Soli to move that the RMLD Board of Commissioners respond to the input and direction from the CAB and Boards of Selectmen in Reading and North Reading with a balanced treatment of RECs by selling all the holdings of Connecticut Class I RECs and retiring all holdings of Connecticut Class II RECs for 2011 with the proceeds to be returned to the fuel fund.

Ms. West wanted to point out that there has been a lot of input on this and that we do not have any requirement as a municipal utility to hold RECs and that she remains unconvinced of the fact that there is really a true environmental benefit for holding these and is not in agreement with others on her committee. Ms. West said that she understands that they have a different view on things and that she believes that it is much more valuable for us to make that money and retire some of the RECs, sell the ones that are worth more money and use that money to invest in our utility and to benefit rate payers as a whole. Ms. West stated that the current level of RECs that we have in our supply is about 2.5% versus the policy that was proposed at 5% so it is significantly below the policy that was proposed.

Ms. West said that the Green Choice is like .1% and is a tiny, tiny, portion and by taking this move we are still making an effort that is above and beyond the clear direction we have from people who have said that they want to pay extra for their energy no matter what. Ms. West stated if we are coming to an agreement and compromise here in this particular case and it is in alignment with the direction that we have gotten from different votes.

Ms. West said that she thinks this is a good idea and thinks that the Board should continue to purchase renewable energy when it makes sense fiscally for us to purchase that energy with Renewable Energy Certificates which allows us for in the future if we need that we got it and does not believe that when we buy that we should automatically say we are going to hold and retire them forever.

Mr. Cameron asked Ms. West for clarification that if she had said for calendar year 2011. Ms. West replied it is the 2011 RECs that are getting ready to expire.

Chairman Pacino asked for further discussion. Chairman Pacino also pointed out that we are retiring 60% of the RECs which is pretty significant number and we are actually only selling 40% in terms of that.

Ms. Snyder wanted to clarify a point that was made earlier that when we buy the RECs, we incentivize to use a term that Mr. Carpenter used, power generators to invest in renewable energy and create renewable energy, when we sell those RECs we put them back on the market so somebody else is then creating the incentive by buying them, we are no longer creating the incentive. Ms. Snyder wanted people to understand how it actually works.

Chairman Pacino stated that since this has been an important issue he was going to poll each member of the Board so it is reflected on the record so there is no doubt. The vote was taken in order of seniority with the Chairman being the last vote.

Mr. Soli, Aye; Ms. O'Neill, Nay; Ms. Snyder, Abstain; Ms. West, Aye; and Mr. Pacino, Aye.

Motion carried 3:1:1. Ms. O'Neill against and Ms. Snyder abstaining.

Chairman Pacino said the vote being three in favor, one against and one abstention, the motion to sell the RECs and retire a portion of the RECs has passed at this point.

Discussion on Renewable Energy Policy

Chairman Pacino said they will now go back to agenda item three for the discussion on the Renewable Energy Policy and it is now back on the table for discussion.

Discussion on Renewable Energy Policy

Ms. West stated that she would like to make a motion on a particular policy that they have being the policy that was voted on by the Policy Committee.

Ms. West made a motion seconded by Mr. Soli to move that the RMLD Board of Commissioners amends the Renewable Energy Policy Section III A. as approved by the Policy Committee on May 1, 2012 to replace the current wording with the following: "III A. Renewable energy includes all energy acquired from renewable energy generating sources as defined in M.G.L. Chapter 25A, Section 11F (b)."

Ms. West stated that when they were in the Policy Committee meeting that she did not believe that they should be coming up with our own definition of renewable energy and believes that we should be using the state law's definition. Ms. West said that it is a much safer way to go and allows us to as the state changes their policy as to what is allowable or not permissible as new energies become available we do not need to continually change our policy to reflect that.

Chairman Pacino stated that a motion has been made and that is on the original motion, the amendment that is on the table now is to substitute the Power & Rate Committee policy for the Policy Committee policy. Chairman Pacino will hold the motion from Ms. West until the amendment that is on the table is voted upon.

Chairman Pacino asked for further discussion or if there is a desire at this point to table all motions on the issue.

Ms. Snyder moved to table for three months.

Ms. Snyder made a motion seconded by Mr. Pacino to table all motions on the Renewable Energy Policy.

Chairman Pacino stated that the motion they made under item four only deals with the RECs that are expiring on June 15 and does not deal with any of the future RECs at all and is not to be interpreted as any kind of direction going forward, it only deals with the RECs that are expiring in the next fifteen days.

Chairman Pacino said that Ms. Snyder's idea of the Brown Choice maybe something that they needs to be explore, stating that he saw it tonight for the first time

Motion carried 3:2:0. Mr. Soli and Ms. West voted against.

Chairman Pacino wanted to thank all the members stating that John Fitzgerald Kennedy who is one of his heroes in life wrote a book called "Profiles in Courage", and that this issue has been a profile in courage among all here stating that there has been a lot of pressure on all and does thank and respect everybody's opinion and everybody's thoughts and is hopeful that going forward something can be worked out.

Approval of April 25, 2012 Board Minutes

Ms. Snyder made a motion seconded by Ms. West to move that the RMLD Board of Commissioners approve the Regular Session meeting minutes of April 25, 2012 with changes.

Motion carried 4:0:1. Ms. O'Neill abstained.

Mr. Soli said that on page six, paragraph under Optic Splicing fourth line asked if the word "caption" is the right word.

Mr. Cameron said that the word should be "capture" and Mr. Sullivan agreed.

Mr. Soli said that on page three under Power Supply report, first paragraph, last line to insert the word "per" after \$.046.

Ms. Snyder stated that there were a couple of typos and she thought she could give to them instead of taking our time.

Mr. Pacino asked that all typos be passed on to the Department.

Report of Board Committees

Budget Committee – Chairman Pacino

Mr. Cameron reported that the budget was presented jointly to the Budget Committee and the CAB on May 9 and 16, with the Capital budget first and the Operating budget second. Mr. Cameron said that both budgets were approved by the CAB and the Budget Committee at those meetings.

Report of Board Committees

Budget Committee – Chairman Pacino

Chairman Pacino reported that they met in joint session the Budget Committee and the CAB; one meeting was here at the RMLD and the other in Wilmington Town Hall in accordance with the agreement to have one meeting outside of Reading. Chairman Pacino said that they went over the budget, the first night to vote on the Capital budget where there were a lot of questions and in the end it was approved. The Budget Committee recommended the Capital budget by a vote of 3:0:0. Chairman Pacino stated that in terms of the Operating budget there that was held in the Wilmington Selectmen's room, the budget was reviewed, changes presented and the Budget Committee did recommend the Operating budget by a vote of 3:0:0.

Chairman Pacino stated that the Budget Committee is recommending that both budgets be accepted. Chairman Pacino did say that there was discussion that they need to review the process as to what and how the budgets get presented.

Fiscal Year 2013 Capital Budget

Ms. West made a motion seconded by Ms. O'Neill to move that the RMLD Board of Commissioners approve and recommend the draft of the FY13 Capital Budget as presented in the amount of \$6,423,414 on the recommendation of the Budget Committee.

Motion carried 5:0:0.

Fiscal Year 2013 Operating Budget

Ms. West made a motion seconded by Ms. O'Neill to move that the RMLD Board of Commissioners approve and recommend the RMLD FY13 Operating Budget as presented based on a Net Income Amount of \$3,280,709 on the recommendation of the Budget Subcommittee.

Motion carried 5:0:0.

Chairman Pacino stated that the Budget Subcommittee within the next month or so needs to meet and discuss the presentation in terms of that noting that part of the problem when looking at the current year's budgets and not having prior years to compare figures. This is an issue that going forward should be looked at.

Power & Rate Committee – Vice Chair Snyder

Solar Energy Hub – 16 Upton Drive, Wilmington

Ms. Snyder made a motion seconded by Ms. West that the Reading Municipal Light Department (RMLD) Board of Commissioners authorize the General Manager of the RMLD to finalize negotiations and execute a contract with Solar Energy Hub for the purchase of not more than 500 kilowatts of solar power, in a term not to exceed 15 years, on a site at 16 Upton Drive, Wilmington, Massachusetts.

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

Ms. Snyder reported that there were two items on the agenda and asked if the first item had gone to the Board at the last meeting. Mr. Cameron replied that it had not and that they had to move both of these this evening.

Ms. Snyder said that we have a couple of projects that are very similar to the one that we also approved and the staff speaks very highly of them and they will help a couple of our customers as well as helping us to shave our peak by using solar energy.

Mr. Cameron stated that you are going to see more of these and that there will probably be more discussion in the Power & Rate Committee about maybe trying to streamline the process because we have a single developer that has been coming to us with these types of projects. Mr. Cameron said that he would just assume get this one and the next one done so we can get going with those. Mr. Cameron stated that these are good projects which are beneficial to the RMLD.

Mr. Soli asked if this was to buy power and said that he heard no mention of the rate. Mr. Cameron replied that the rate was done in Executive Session and presented the rate to the CAB and to the Power & Rate Committee; the contracts are not signed yet and therefore did not want to make the rate public.

Mr. Soli asked if it was like previous solar projects. Mr. Cameron replied, yes.

Mr. Soli said that he sure did wish we had a policy to deal with this stuff. Mr. Cameron stated that he did not think that it would make a difference.

Ms. Snyder said that the philosophy behind these projects is different from the projects that we are going out for under the recent policy discussion so they are not particularly comparable.

Report of Board Committees

Power & Rate Committee – Vice Chair Snyder

Solar Energy Hub – 24 Industrial Way, Wilmington

Ms. Snyder made a motion seconded by Ms. O'Neill that the Reading Municipal Light Department (RMLD) Board of Commissioners authorize the General Manager of the RMLD to finalize negotiations and execute a contract with Solar Energy Hub for the purchase of not more than 1.5 megawatts of solar power, in a term not to exceed 15 years, on a site at 24 Industrial Way, Wilmington, Massachusetts.

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

M.G.L. Chapter 30B Bids – Material (Attachment 3)

2012-37 Puller Tensioner Trailer

Ms. Snyder made a motion seconded by Mr. Soli that bid 2012-37 for Puller Tensioner Trailer be awarded to Sherman & Reilly, Inc. for \$68,910.00 as the lowest qualified and responsive bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

Mr. Sullivan stated that the first bid is 2012-37 for a Puller Tensioner Trailer which is a piece of equipment that gets hooked up to the back of a line truck, which can pull wire underground and overhead. Mr. Sullivan said that we sent out six bids and received one back. Mr. Sullivan explained that the bid was built around looking at two different trailers both in the Commonwealth. RMLD employees went to the sites and checked out both the trailers. Mr. Sullivan stated that the resounding comment from both the utilities visited was that if you are looking to obtain something that is both compact in design and heavy duty that is the way to go. Mr. Sullivan said the thought process was that this piece of equipment hooked up to the back of a line truck would get moved out of the roadway and does not need to take up a lane and can get left there. Mr. Sullivan stated that the line truck can pull away, pull off to the side and the piece of equipment acts as a standalone. Mr. Sullivan reported that this bid was built around a single axle dual wheel trailer and the FY2012 Capital budget amount for this item is \$75,000.

Chairman Pacino asked why we only got one bidder. Mr. Sullivan replied that no one wanted to break from their current design which is usually a single wheel, dual axle trailer.

Chairman Pacino asked what are we doing different here. Mr. Sullivan replied that we actually built this around a more compact design based on our visits to the two utilities.

Chairman Pacino asked if we had the other design would we have gotten more bidders then and would it had been a lower or higher cost. Mr. Sullivan replied higher cost and that there was actually another trailer out there with a single axle but it was light duty.

Mr. Cameron said that he thought Mr. Sullivan covered it but when we do bids like this we go to the employees that have to use the equipment and they actually look at the equipment. Mr. Cameron stated that this is what they can do the job with. Mr. Sullivan said that we did put a committee together on this.

Chairman Pacino said that we seem to get a lot of one bidders on a lot of these things and it is concerning to the Board and other Commissioners have expressed that opinion. Mr. Pacino stated that we do not want to be at the point where we are saying that our specifications are so geared to just one bidder at this point and asked if anyone would like to address this. Mr. Cameron replied that we do our bids under Chapter 30B. Mr. Cameron said that answering Chapter 30B bids is cumbersome for some companies, they have to follow a lot of rules, and a lot more rules than they would have to follow in the private sector. Mr. Cameron stated that there is no requirement for bid bonds in the private sector, so some companies choose not to put the bids together. Mr. Cameron said that the fact that we had a committee put together that said this is the type of equipment we want for the Tensioner Puller Trailer and that we did not make it proprietary, it was a piece of equipment that we wanted and resulted in what we got for bidders.

Ms. Snyder wanted to further emphasize what was just said and stated that what your are indicating is that there was a committee for what the employee wants and that in this particular instance will support this and asked if there was any training that people get on 30B. Ms. Snyder stated that we have got to get more bidders to bid and that this is not working. Mr. Cameron replied that he does not think that it has to do with training. Mr. Cameron said that when they get the bids they look at what they have to respond with and a lot of these people deal with the public sector not the private sector.

M.G.L. Chapter 30B Bids – Material (Attachment 3)

2012-41 Outdoor, Pole Mounted, Solid Dielectric, Auto-Recloser (AR)

Ms. Snyder made a motion seconded by Mr. Soli to move that bid 2012-41 for Outdoor, Pole-Mounted, Solid Dielectric, Auto-Recloser (AR) be awarded to Schneider for a total cost of \$76,500.00 as the lowest qualified and responsive bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

Mr. Sullivan stated that bid 2012-41 is for an Outdoor, Pole Mounted, Solid Dielectric, Auto-Recloser which is a piece of equipment essentially a switch in the sky that operates as a circuit breaker midway between the beginning and end of the circuit. Mr. Sullivan said that this bid is for five reclosers; we sent out nine invitations and received five responses. Mr. Sullivan reported that in the Engineering notes, the initial bidder Stuart Irby was found to be nonresponsive on two separate counts; the customer list only listed two municipal utilities in Massachusetts both Chicopee and Princeton. Mr. Sullivan said that there was a third, Braintree light who actually had an issue with the recloser and that none of these units are connected to a SCADA system which ours will be and it was stated in the bid. Mr. Sullivan stated that the operator control panel of this particular recloser does not include push buttons and LEDs with the programmable functions and indications which were also required. Mr. Sullivan reported that the FY12 Capital budget allocation for reclosers is \$125,000.

2012-43 Licensed Site Professional LSP

Ms. Snyder made a motion seconded by Ms. West to move that bid 2012-43 for Licensed Site Professional (LSP) Services be awarded a contract to Cushing, Jammallo, and Wheeler, Inc., for a three year period beginning July 1, 2012 for an estimated cost of \$27,000.00 per year based on a 3 year average at the rates indicated in their price proposal, as the lowest, most qualified bidder on the recommendation of the General Manager.

Motion failed 0:3:2. Mr. Pacino, Mses. Snyder and O'Neill voted against. Mr. Soli and Ms. West abstained.

Ms. Snyder stated that she was not in support of this bid.

Mr. Sullivan reported that on April 16 we sent out sixteen invitations, two were received back for the LSP which is an individual that is licensed by the Commonwealth to provide professional guidance, to secure and mitigate hazmat situations and also give documentation over to the EPA and DEP. Mr. Sullivan stated that based on the Engineering evaluation there is minimal and comparative criteria and that between the two bidders under the minimal criteria there is no training provided by Vineyard Engineering & Environmental Services that was a provision of the spec. Mr. Sullivan said that the bidder hires outside vendors to provide training. In addition under the comparative criteria Vineyard Engineering Environmental was found not advantageous, they have less than three and one half years of experience with Massachusetts utilities.

Ms. Snyder stated that she had requested that when we went out for Licensed Site Professional Services that part of what we would request and evaluate the bids on is whether they have had any issues, orders, or penalties at the sites that they were overseeing. Ms. Snyder said that she really wanted to see that information from the bidders and stated that she could not support this particular company.

Chairman Pacino asked that Mr. Cameron address this.

Mr. Cameron said that he had talked with Commissioner O'Neill and thought that the request had come from her. Mr. Cameron believed that he must have misunderstood and thought that in making our decision we were to take into consideration that Cushing, Jammallo, and Wheeler did have a fine in the past related to our clean up. Mr. Cameron stated that he not realize that we were supposed to put it in the bid analysis and that it was not in there. Mr. Cameron said that quite frankly we will have to go back out for bid if that is what you want and that you cannot just ask two people to say what happened here. Mr. Cameron stated that he could not say that we would get more bidders. You can see right here that of the two people that responded, one of them had some concerns with the RMLD.

Ms. Snyder asked what about last year specific last year all the various clean ups. Mr. Sullivan replied that analysis is in there. Ms. Snyder said that is the average and asked if that is going up or down.

Mr. Sullivan replied that the estimated cost is only based on the three years. Ms. Snyder asked that over those three years has the cost been going up or down.

Mr. Sullivan replied that he did not know for sure and said that it depends on how often the spills occur, how bad they are, etc.

**M.G.L. Chapter 30B Bids – Material (Attachment 3)
2012-43 Licensed Site Professional LSP**

Chairman Pacino asked that if we delay on this do we have to go out for rebid. Mr. Cameron replied, yes.

Chairman Pacino asked what the affects would be for rebidding. Mr. Cameron replied that given what we would be asking he did not believe that we would get any more than two.

Chairman Pacino said you could get less than two. Mr. Cameron replied that you might.

Ms. O'Neill said that when we bid this back in 2009 we did get numerous responses and does not understand why this time we got so few. Ms. O'Neill stated that she would not be able to vote in favor of this either and would like to see a better effort made to get some more bids. Ms. O'Neill realizes that it is small but said there was more interest the last time. Ms. O'Neill said that she knows that they certainly did well by us, so maybe other people would see that some of the big things are out of the way.

Ms. West said that what she is hearing is conflicting things from members of the Board, so people are saying that they would like to see more people bidding on the business, but they would also like to put more constraints and more requests for information. Ms. West stated that she thinks what is going to happen is that the more information and the more constraints that you put in there the fewer responses you are going to see, not more. Ms. West said that given the fact that we are talking about \$27,000 a year what might be best is to go ahead and vote on this particular item and to incorporate this into future bids.

Chairman Pacino stated that the concern he has is his thought that this was asked for and just information and asked Ms. Snyder if that was correct.

Ms. Snyder replied that it was information and also a very good way to assess and that other public agencies do ask for this kind of information so that they can assess the qualifications considering the issues that we have had in the past using this LSP.

Mr. Soli said that what he would like to have seen somehow or other we know that for Cushing & Jammallo that the cost was estimated at \$27,000 the other item is there no such bottom line.

Mr. Sullivan said that the cost is estimated based on Cushing, Jammallo, and Wheeler and that they have been our LSP for the past three years so the cost had to be estimated with them. Mr. Sullivan stated that is was an historical cost based on history and that the numbers that you see under the price table those numbers from 7/1/12-6/30/13 are the exact same numbers that we have right now.

Mr. Soli said that he understands that but somehow or other you took so many of the site professional manager, blah, blah, blah and it worked out to be \$27,000 a year average. Mr. Sullivan replied, actually no sir. Mr. Sullivan stated that what we did was to take the historical spills, the total amount of historical spills and divided that into three and it came out to \$27,000 per year.

Mr. Soli said that when you are in Engineering, you would have to get similar certain person there at their billing rates and some bottom line estimate an estimated number would come out, is that so. Mr. Cameron replied yes, and it would probably be higher because their rates are higher.

Ms. West said that every one of the rates appears to be higher when comparing tables so it would certainly be higher and that she does not see anything lower.

Mr. Soli said that it would be a number that is higher but you don't know what that number is.

Chairman Pacino asked Mr. Cameron what the process would be if this bid is not affirmed, would he rebid it? Mr. Cameron replied, yes.

Ms. West asked that if we have a need for this type of service in the interim, is this for some time in the future that we are going to have this bid for. Mr. Cameron replied that the bid runs out this month.

Mr. Sullivan added June 30.

Ms. West said so then we will have a period of time when we do not have someone under contract, necessarily. Mr. Cameron stated that under the 30B rules you can extend a contract up to 25% of the original contract price and hopefully that this will carry us through until we have to do another bid.

M.G.L. Chapter 30B Bids – Material (Attachment 3)
2012-43 Licensed Site Professional LSP

Chairman Pacino said that his feeling where two members of the Commission have raised concerns that this needs to be rebid and address the concerns of the two members who have expressed concerns.

2012-44 Hazmat Remediation Services

Ms. Snyder made a motion seconded by Ms. West to move that bid 2012-44 for Hazmat Remediation Services be awarded to ENPRO for a three year period ending June 30, 2015 for an estimated budgeted cost of \$150,000.00, as the lowest qualified bidder on the recommendation of the General Manager.

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

Mr. Sullivan reported that the bid was sent out April 12, was for Hazardous Waste removal services which was sent out to twenty-five prospective bidders and received five in return. Mr. Sullivan stated that the total award is for \$150,000 for a three year period and ENPRO met all of our requirements as you see in the Engineering spreadsheet.

Ms. Snyder asked how it is that you came up with the actual number or is it the same that you did before. Mr. Sullivan asked the \$150,000. Ms. Snyder replied, yes. Mr. Sullivan added that is actually in the Operating budget for a three year period at \$50,000 per year.

Ms. Snyder asked if that number is based on previous year's experience. Mr. Sullivan replied no, that it is based on the number in the Operating budget.

Ms. Snyder asked where that number came from. Mr. Cameron replied that number is kind of historic based on regular spills that we see, not anything big or intrusive. Mr. Cameron said that it is an estimate in the budget.

2012-45 Pad-Mounted Switchgear

Ms. Snyder made a motion seconded by Ms. O'Neill to move that bid 2012-45 for Pad-Mounted Switchgear be awarded to WESCO for a total cost of \$39,483.00 as the lowest qualified bidder on the recommendation of the General Manager.

Motion carried 5:0:0.

Mr. Sullivan reported that on April 26, we sent out eleven invitations for bid, four were received in return and that this bid is for three pad-mount units which consists of two separate feeds on the pad-mount for commercial installations. Mr. Sullivan stated that there are approximately thirty of these in place system-wide and that this unit is for Reading Woods and also to replenish inventory. Mr. Sullivan said as seen on the Engineering spreadsheet that WESCO met all the requirements, although he would bring to the Board's attention that we did specify S & C and did obtain four separate bids for one manufacturer.

Chairman Pacino asked on which one. Mr. Soli replied the previous one.

Ms. Snyder stated that the vote was 4:0:1.

Mr. Soli asked who the one was. Ms. Snyder replied it was her.

Mr. Sullivan said to Chairman Pacino that before they go on he had one last note also on a bid that he wanted to re-cover from last month. Mr. Sullivan stated that a couple of the members of the Board had a question on the Fiber Optic Splicing. Mr. Sullivan reported that 2012-38 is the bid number and the question from the Board was why there were there only responses from one bidder on the Fiber Optic Splicing. Mr. Sullivan said that they had polled a couple of the other bidders that attended the pre bid here at the RMLD and found that one bidder did not have the personnel to work in the power space and they could not take the splicing cases down to the ground and put them back up and would have been financially improper to do that. Mr. Sullivan stated that the second bidder's experienced splicers are deployed with the National Guard overseas and these are the email responses from them.

Chairman Pacino said, "God bless those men".

Power Supply Report – April 2012 – Ms. Parenteau (Attachment 4)

Ms. Parenteau reported that RMLD's load for April was approximately 52.5 million kWhs and that was about a little less than 2% increase when compared to April 2011. RMLD's energy cost came in at approximately \$2.15 million and that is equivalent to a little over \$.04 per kilowatt hour.

Power Supply Report – April 2012 – Ms. Parenteau (Attachment 4)

The Fuel Charge adjustment which the customers pay was set at \$.0475 per kilowatt hour for the month of April, the sales totaled 53.2 million kilowatt hours, as a result of that the RMLD over collected by approximately \$334,000 resulting in a Deferred Fuel Cash Reserve balance of \$2.4 million. The Fuel Charge remained at \$.0475 for the month of May and it is currently projected to be increased slightly to \$.05 for the month of June.

The RMLD purchased about 13.6% of our energy requirements from the ISO New England Spot Market and that was at an approximate cost of about \$28 per megawatt hour. Ms. Parenteau reported on the Capacity side the RMLD hit a peak demand of 104 megawatts on April 16, 2012 at 5:00 p.m., the average temperature was about 90 degrees and this compares to a peak demand of 93 megawatts last year where the average temperature was about 67 degrees. Ms. Parenteau stated that in April we had a string of considerably hot weather. The RMLD's monthly capacity requirement was set at 200.9 megawatts; the total dollars paid for capacity totaled \$1.35 million which is equivalent to approximately \$6.73 per kilowatt month.

Table 4 shows capacity and energy as well as the amount of energy in kilowatt hours. The April average cost for capacity and energy came in a little over \$.066/Kwh.

Table 5 shows the transmission costs for April came in at \$613,000 and that is approximately a 4% increase when compared to the previous month of March.

Tables 6 and 7 are the energy efficiency reports where table 6 shows the commercial side savings are a result of work with the commercial/industrial customers by the Energy Efficiency Engineer and Key Account Managers. Ms. Parenteau stated that they are utilizing the Customized Rebate Program as well as lighting rebates, for FY12 they have rebated 35 projects and that resulted in project savings of up to 150 kW which included one solar commercial installation and the account projected kilowatt hour sales were 3,531,000.

Ms. Parenteau reported on the residential side for tables 6 and 7 these savings are a result of our Residential Energy Audits and Appliance Rebates. For FY12 there have been approximately 173 residential audits performed, on the Appliance Rebate side for FY12 we have totaled 1,082 rebates and the value of rebates returned to our customers has been \$51,540. Ms. Parenteau stated that the current estimated demand savings for the residential program is 186 kW and the energy savings are projected at 90 megawatt hours.

Chairman Pacino asked if there was anything unusual or unexpected in the Power Supply Report.

Ms. Parenteau replied that she would like to report to the Board, that on May 18, the Energy Services and the General Manager went out for the annual RFP and received final prices, as a result of that they selected Constellation and the total four year megawatt hour purchase was 467,000 and that came in under \$.045, they have very attractive prices.

Ms. West requested that in table 4 where they are getting the energy information she would like to see an indicator on here if any of these energy sources meet the state definition of renewable energy sources, so if we are purchasing any of our energy from that she would like to see an indicator that says yes, that it meets the state definition.

Engineering and Operations Report – April 2012 - Mr. Sullivan (Attachment 5)
Gaw Update

Mr. Sullivan reported that Projects 1 and 2 are complete. Project 3 – Upgrading Old Lynnfield Center URD's – the excavation contract is mobilized and the work will begin tomorrow. Project 4 – RTU Replacement – the equipment delivery is expected on June 4 and the install FY13. Project 5 – Reclosers – we began preparation for two recloser installs today and the balance will be done in June. Project 6 – Capacitor Banks – will be complete next month. Project 7 – SCADA Radio Communication System – has been postponed until FY14. Project 8 – Relay Replacement Project – all the relays have been received and the installation will take place in FY13. Project 9 – 115kV Disconnect Replacement – the third disconnect was installed between May 1-3, the last unit will be installed during the July Fourth week.

There were two new commercial installations this past month condos at 30 Haven Street, Reading and 911 Main Street, Wilmington, and twenty-five residential installations for the month.

Mr. Sullivan reported that 40 cutouts were replaced the past month bringing the total to 278 fiscal year to date.

Mr. Sullivan reported on the Reliability Report and the Customer Average Interruption Duration Index (CAIDI) is very static for the month it is virtually exact to the prior month, also monthly value and the rolling average.

Engineering and Operations Report – April 2012 - Mr. Sullivan (Attachment 5)
Law Update

The System Average Interruption Frequency Index (SAIFI) rolling average and incidents numbers for the month are just about the same with the monthly number being lower than the previous month other than that things are exact.

The Months Between Interruptions (MBTI) remains static at 29.3 months between interruptions.

Number of calls for the month was 95; outage incidents 9; customers affected 260; feeder outages 1; area outages 10; and 1 service outages. Causes of outages were the normal distribution that we have had over several months.

The meter project has approximately 19,000 residential meters installed.

Chairman Pacino asked if there was anything unusual or unexpected in the Engineering and Operations Report. Mr. Sullivan replied, no.

Mr. Soli said that he noticed that Mr. Sullivan did not say anything about Gaw. Mr. Sullivan apologized and reported that it will actually be closed out next month.

Chairman Pacino asked if everything is done. Mr. Sullivan replied just billing retainage that is it. Mr. Sullivan said that we got the last invoice this month.

Mr. Soli asked if it would be closed out in the June report. Mr. Sullivan replied that it should be closed out in the June report.

Chairman Pacino asked so all you are doing is holding retainage on the contract and that there is no work being done. Mr. Sullivan replied that all the work for the project was completed months ago.

Ms. Snyder asked for clarification on Project 4, if Mr. Sullivan said that the equipment is coming on June 4, but the project is being started in FY14.

Mr. Sullivan replied, correct.

Ms. Snyder asked if all the equipment is here are we going to store it until FY14.

Mr. Sullivan replied that the equipment is not here the expected arrival is the week of June 4

Ms. Snyder asked if we were going to store it for a year. Mr. Sullivan replied FY13.

Ms. Snyder said that she thought Mr. Sullivan said FY14. Mr. Sullivan stated that it is FY13.

Financial Report – April 2012 – Mr. Fournier (Attachment 6)

Mr. Fournier reported on the Financial Report for April 2012. Mr. Fournier said that there was nothing unusual or unexpected to be reported on for the first ten months of the year. Mr. Fournier stated that he would be reporting on the April 30 financials for the first ten months of this fiscal year.

Mr. Fournier reported that the Net Income or the positive change in Net Assets was approximately \$600,000 increasing the year to date Net Income to a little over \$3 million; year to date budgeted Net Income is \$5 million resulting Net Income being under budget by \$2 million or 40%.

Mr. Fournier stated that actual year to date Fuel Expenses exceeded Fuel Revenues by \$622,000. Year to date Base Revenues are under budget by \$2.3 million or about 6%. Actual Base Revenues are at \$37.6 million compared to the budgeted amount of \$40 million. Year to date Purchase Power Base expense is under budget by \$1.5 million or about 7%. Actual Purchase Power Base costs were at \$20.7 million compared to the budgeted amount of \$22.2 million.

Mr. Fournier reported that the year to date Operating and Maintenance expenses combined are under budget by a little less than \$300,000 or 3%. Actual Operating and Maintenance expenses were at \$9.5 million compared to the budgeted amount of \$9.8 million. Depreciation Expense and Voluntary Payments to the Towns were on budget and those payments will be going out next month to the four towns. Operating Fund balance was at \$10.1 million, Capital Fund \$3.8 million, Rate Stabilization Fund a little over \$6,072,000, Deferred Fuel Fund \$2.4 million, and the Energy Conservation Fund balance was at \$238,000.

Financial Report – April 2012 – Mr. Fournier (Attachment 6)

Year to date kilowatt hour sales were 577 million which is about 23.1 million kilowatt hours or 4% behind last year's actual figure.

The Gaw revenues collected year to date were \$577,000 bringing the total collected since the inception of the Gaw rate to \$1.1 million.

Mr. Fournier reported that on the budget variance side, cumulatively the five divisions are under budget by \$348,000 or 2.2%.

General Manager's Report – Mr. Cameron

Northeast Public Power Association Annual Conference – Annual Conference (Attachment 7)

September 16 to September 19 - Sunday River Resort Bethel, Maine

Mr. Cameron reported that the Annual NEPPA Conference is September 16-19, Sunday River Resort in Bethel, Maine and for any Commissioners that would like to attend please let him know so reservations can be made.

US-Pakistan Exchange Program for Young Public Officials

Mr. Cameron reported that the Town of Reading hosted an exchange program with Pakistan for young public officials. On May 11, Altaf Gohar, of the Inspector Federal Investigation Agency from Lahore, Pakistan and Sheyrrar Sikander, Superintendent of Police, of the Azad Jammu & Kashmir visited the RMLD. Mr. Cameron stated that they were in Reading for about seven or eight days and on May 11 the RMLD had them for just the morning where they talked with each one of the departments, got an idea of how the RMLD managed each department, and then took them out and showed them the system. Mr. Cameron said that they culturally they were interesting to talk to and believed that their next stop would be Melrose.

Friends and Family Day – June 16

RMLD will have a booth and distribute safety and conservation materials.

RMLD Open Positions

Mr. Cameron stated that there are two open positions at the RMLD, Facilities Manager and Materials Management Manager.

Chairman Pacino asked Mr. Cameron to address what he would be doing with each of those positions. Mr. Cameron said that we are filling the positions and that hopefully we will have both of those positions filled before the end of June.

Mr. Soli said that it looked like the profit for the year is problematical and there should be some discussion in June. Mr. Cameron asked Mr. Soli if he meant the Net Income or change in Net Assets and that we could have a discussion in June.

Mr. Soli said that we would hope for hot weather, right. Mr. Cameron stated that wouldn't be bad and that we would just have to see where we are for the end of the year, what we are looking like as far as a change in Net Assets go and have to see what our Operating Fund looks like. Mr. Cameron said that we will not know as far as transfers until sometime in July or early August, after we have the auditors come in. Mr. Cameron stated that we will have a Budget Committee meeting for that purpose.

Chairman Pacino said that at the last meeting that he did propose to put on the agenda questions for the General Manager and after thinking about it and getting input from the other Commissioners, he decided that it was not a good idea and took it off.

General Discussion

Mr. Soli asked what National Grid is doing and that they beat us under three of the categories, three of the seven. Mr. Cameron replied that he believed that they have lowered their fuel charge, having to do with natural gas prices.

Mr. Soli asked if they only have short duration contracts. Mr. Cameron replied that they can only go out for contract based on rules pertaining to deregulation but does not know what the details are.

Mr. Soli commented that they are pretty dramatic numbers. Chairman Pacino asked if there was anything else for general discussion, there was none.

BOARD MATERIAL AVAILABLE BUT NOT DISCUSSED

Rate Comparisons, May 2012

E-Mail responses to Account Payable/Payroll Questions

RMLD Board Meetings

Wednesday, June 27, 2012 and Wednesday, July 25, 2012

Citizens' Advisory Board Meeting
Tuesday, June 12, 2012, 6:30 p.m.

Adjournment

At 9:02 p.m. Mr. Soli made a motion seconded by Ms. O'Neill to adjourn the Regular Session.

Motion carried 5:0:0.

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

Philip B. Pacino, Secretary
RMLD Board of Commissioners



ENGINEERING AND OPERATIONS
REPORT
BOARD REFERENCE TAB C



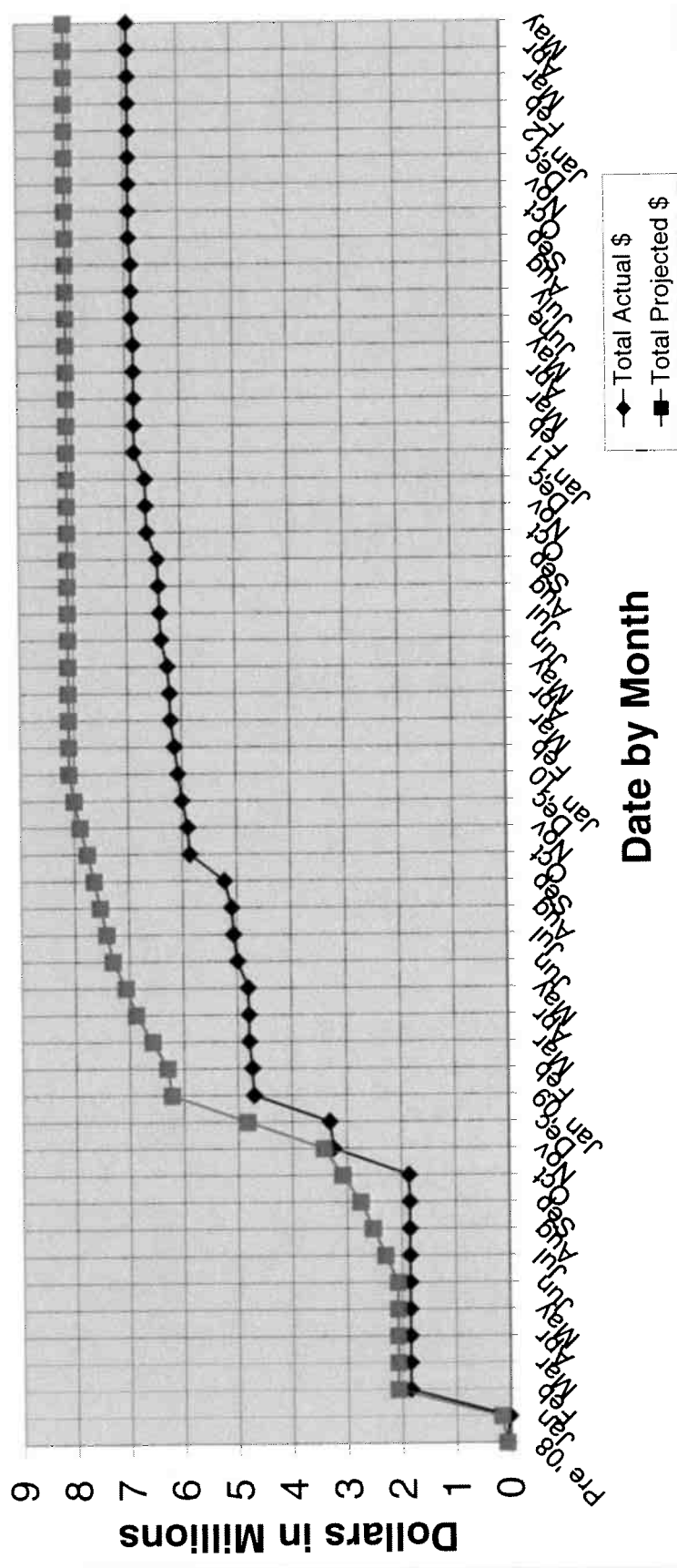
Gaw Transformer Upgrade Project

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

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

Changes highlighted in bold

Gaw Transformer Upgrade Project



Reconciling the Gaw Upgrade Project

<u>Capital Item</u> Description	Fiscal Yr	<u>Budget</u>		<u>Expenditure</u>		<u>Delta</u> by FY
		Item	Cumulative	Actual	Cumulative	
Transformer Payment	2008	2.080	2.080	1.836	1.836	-0.244
Contract Labor	2009	1.380		0.170		
Procured Equipment		0.360		0.101		
RMLD Labor		0.446		0.111		
Feeder Reassignment		0.282		0.000		
Transformer Payments		2.757	7.305	2.755	4.973	-2.332
Contract Labor	2010	0.285		0.838		
Procured Equipment		0.195		0.155		
RMLD Labor		0.200		0.380		
Feeder Reassignment		0.110	8.095	0.000	6.346	-1.749
Contract Labor	2011	0.545		0.369		
Procured Equipment		0.030		0.007		
RMLD Labor		0.064		0.109		
Feeder Reassignment		0.236	8.095	0.048	6.879	-1.216
Contract Labor	2012	0.000		0.042		
Procured Equipment		0.000		0.000		
RMLD Labor		0.000		0.001		
Feeder Reassignment		0.000	8.095	0.000	6.922	-1.173
Project Sub-Total		0.000	8.095	6.922	6.922	
Project Total				6.922	6.922	-1.173



READING MUNICIPAL LIGHT DEPARTMENT
FY 12 CAPITAL BUDGET VARIANCE REPORT
FOR PERIOD ENDING MAY 31, 2012

#	PROJECT DESCRIPTION	TOWN	ACTUAL COST MAY	YTD ACTUAL COST THRU 5/31/12	ANNUAL BUDGET AMOUNT	VARIANCE
<u>E&O Construction - System Projects</u>						
* 1	5W9 Reconductoring - Ballardvale Street	W		160,588	242,649	82,061
* 2	High Capacity Tie 4W18 and 3W8 Franklin Street	R		122,873	157,766	34,893
3	Upgrading Old Lynnfield Ctr URDs	LC	1,632	2,642	579,927	577,285
<u>SCADA Projects</u>						
4	RTU Replacement	R		1,640	130,255	128,615
<u>Distribution Automation Projects</u>						
5	Reclosures	ALL	4,881	4,881	197,901	193,020
6	Capacitor Banks	ALL	30,630	78,225	105,052	26,827
7	SCADA Radio Communication System	ALL			231,386	231,386
<u>Station Upgrades (Station #4 GAW)</u>						
8	Relay Replacement Project	R	62,068	64,871	99,656	34,785
9	115kV Disconnect Replacement	R	3,232	52,970	88,585	35,615
<u>New Customer Service Connections</u>						
12	Service Installations - Commercial/Industrial Customers	ALL	10,299	54,710	62,530	7,820
13	Service Installations - Residential Customers	ALL	11,098	160,820	206,017	45,197
<u>14 Routine Construction</u>						
	Various Routine Construction	ALL	153,404	2,191,744	1,016,382	(1,175,362)
Total Construction Projects			277,244	2,895,964	3,118,106	222,142
<u>Other Projects</u>						
15	GIS		9,750	20,496	50,000	29,504
16	Transformers/Capacitors Annual Purchases			157,352	198,800	41,448
17	Meter Annual Purchases		12,123	57,528	46,360	(11,168)
17A	Meter Upgrade Project		475,666	970,577	1,740,656	770,079
18	Purchase New Small Vehicle			31,544	36,000	4,456
19	Purchase Line Department Vehicle				386,000	386,000
20	Purchase Puller Trailer				75,000	75,000
21	Roof Top Units		20,845	20,845	30,000	9,155
22	Engineering Software and Data Conversion				76,690	76,690
23	Plotter				18,000	18,000
27	Hardware Upgrades		5,755	66,466	40,000	(26,466)
28	Software and Licensing		8,109	38,804	94,435	55,631
OTH	Cooling Tower Replacement			18,706	-	(18,706)
Total Other Projects			532,247	1,382,317	2,791,941	1,409,624
TOTAL RMLD CAPITAL PROJECT EXPENDITURES			809,492	4,278,281	5,910,047	1,631,766
29	Force Account/Reimbursable Projects	ALL	-	-	-	-
TOTAL FY 12 CAPITAL PROJECT EXPENDITURES			809,492	4,278,281	5,910,047	1,631,766

* completed projects



**Reading Municipal Light Department
Engineering and Operations
Monthly Report
May 2012**

FY 2012 Capital Plan

E&O Construction – System Projects

1. **5W9 Reconductoring – Ballardvale Street - Wilmington – Complete**
2. **High Capacity Tie 4W18/3W8 Franklin Street – Reading – Complete**
3. **Upgrading of Old Lynnfield Center URDs – Engineering labor.**

SCADA Projects

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

Distribution Automation (DA) Projects

5. **Reclosers – Engineering labor; built and assembled frames for reclosers; installed disconnect switches;**
6. **Capacitor Banks – Install and energize new capacitor banks on Lowell Road and Elm Street, North Reading; Main Street, Lynnfield; and Fordham Road, Wilmington; Line Crew, Engineering, and Senior Techs labor**
7. **SCADA Radio Communication System – No activity.**

Station Upgrades

8. **Relay Replacement Project – Station 4 – Reading – Purchased relays.**
9. **115 kV Disconnect Replacement – Station 4 – Reading – Senior Techs and Line Crew labor to install disconnect switches.**

New Customer Service Connections

12. **Service Installations – Commercial/Industrial Customers – This item includes new service connections, upgrades, and service replacements for the commercial and industrial customers. This represents the time and materials associated with the replacement of an existing or installation of a new overhead service, the connection of an underground service, etc. This does not include the time and materials associated with pole replacements/installations, transformer replacement/installations, primary or secondary cable replacement/installations etc. This portion of the project comes under routine construction. *Notable: 30 Haven Street Condos, Reading; 35 Upton Drive, Wilmington (Solar Project), and 1 Burlington Avenue, Wilmington (Solar Project).***

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

<i>Pole Setting/Transfers</i>	\$295,182
<i>Maintenance Overhead/Underground</i>	\$769,343
<i>Projects Assigned as Required</i>	\$426,731
<i>Pole Damage (includes knockdowns) some reimbursable</i>	\$41,694
<i>Station Group</i>	\$2,967
<i>Hazmat/Oil Spills</i>	\$3,118
<i>Porcelain Cutout Replacement Program</i>	\$7,642
<i>Lighting (Street Light Connections)</i>	\$101,114
<i>Storm Trouble</i>	\$80,356
<i>Underground Subdivisions</i>	\$57,760
<i>Animal Guard Installation</i>	\$66,982
<i>Miscellaneous Capital Costs</i>	\$338,855
TOTAL	\$2,191,744

*In the month of May three cutouts were charged under this program. Approximately 32 cutouts were installed new or replaced because of damage making a total of 35 cutouts replaced this month.

Reliability Report

Two key industry standard metrics have been identified to enable the RMLD to measure and track system reliability. A rolling 12-month view is being used for the purposes of this report.

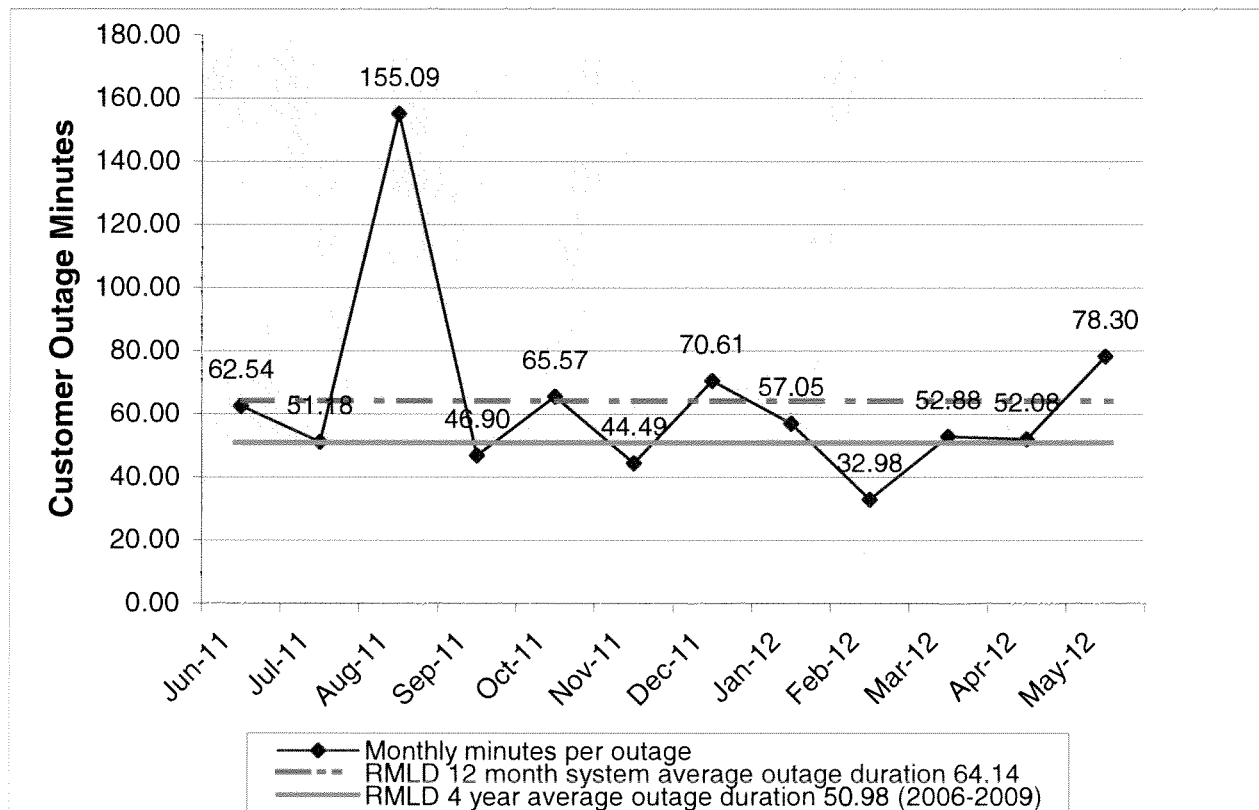
Customer Average Interruption Duration Index (CAIDI) – Measures how quickly the RMLD restores power to customers when their power goes out.

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

RMLD 12 month system average outage duration – 64.14 minutes

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

On average, RMLD customers that experience an outage are restored in 64.14 minutes.



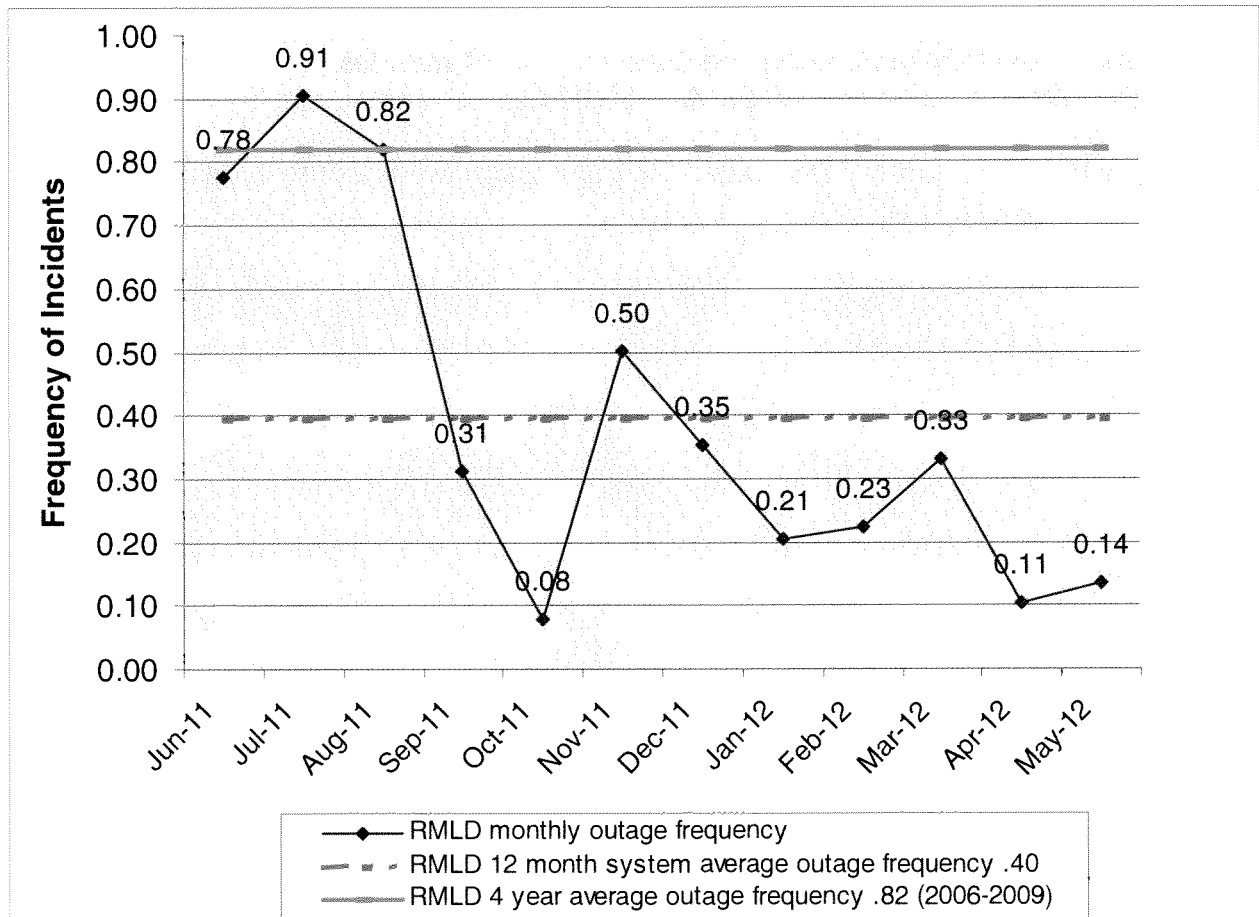
System Average Interruption Frequency (SAIFI) – Measures how many outages each customer experiences per year on average.

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

RMLD 12 month system average - .40 outages per year

RMLD 4 year average outage frequency - .82

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



Months Between Interruptions (MBTI)

Another view of the SAIFI data is the number of months Reading customers have no interruptions. At this time, the average RMLD customer experiences an outage approximately every 30 months.

POWER SUPPLY REPORT
BOARD REFERENCE TAB D



To: Vincent Cameron
 From: Energy Services
 Date: June 20, 2012
 Subject: Purchase Power Summary – May, 2012

Energy Services Division (ESD) has completed the Purchase Power Summary for the month of May, 2012.

ENERGY

The RMLD's total metered load for the month was 57,990,756 kwh, which was relatively flat (0.6% increase), compared to the May, 2011 figures.

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

TABLE 1

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy	Total \$ Costs	\$ as a %
Millstone #3	3,691,155	\$6.99	6.35%	\$25,792	1.23%
Seabrook	4,985,534	\$8.12	8.58%	\$40,504	1.93%
Stonybrook Intermediate	693,742	\$54.76	1.19%	\$37,989	1.81%
JP Morgan	5,193,000	\$55.52	8.94%	\$288,335	13.74%
NextEra	5,819,000	\$43.57	10.02%	\$253,526	12.08%
NYPA	2,174,687	\$4.92	3.74%	\$10,699	0.51%
ISO Interchange	12,296,775	\$22.47	21.17%	\$276,255	13.16%
NEMA Congestion	0	\$0.00	0.00%	\$303,952	-14.48%
Coop Resales	94,307	\$143.62	0.16%	\$13,544	0.65%
MacQuarie	19,948,800	\$58.55	34.34%	\$1,168,055	55.66%
Braintree Watson Unit	544,711	\$52.98	0.94%	\$28,861	1.38%
Swift River Projects	2,643,823	\$97.93	4.55%	\$258,907	12.34%
Stonybrook Peaking	0	\$0.00	0.00%	\$34	0.00%
Monthly Total	58,085,534	\$36.13	100.00%	\$2,098,551	100.00%

Table 2 breaks down the ISO interchange between the DA LMP Settlement and the RT Net Energy for the month of May, 2012.

Table 2

Resource	Amount of Energy (kWh)	Cost of Energy (\$/Mwh)	% of Total Energy
ISO DA LMP * Settlement	12,504,915	28.89	21.53%
RT Net Energy ** Settlement	-208,140	367.79	-0.36%
ISO Interchange (subtotal)	12,296,775	22.47	21.17%

* Independent System Operator Day-Ahead Locational Marginal Price

** Real Time Net Energy

CAPACITY

The RMLD hit a demand of 112,240 kW, which occurred on May 31, 2012 at 5 pm. The RMLD's monthly UCAP requirement for May, 2012 was 200,926 kW.

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

Table 3

Source	Amount (kWs)	Cost (\$/kW-month)	Total Cost \$	% of Total Cost
Millstone #3	4,991	51.72	\$258,126	19.13%
Seabrook	7,910	49.81	\$393,987	29.20%
Stonybrook Peaking	24,981	2.01	\$50,292	3.73%
Stonybrook CC	42,925	3.87	\$166,056	12.31%
NYPA	4,666	3.07	\$14,347	1.06%
Hydro Quebec	4,274	0.00	\$15,146	1.12%
Braintree Watson Unit	10,520	10.61	\$111,641	8.27%
ISO-NE Supply Auction	100,659	3.37	\$339,627	25.17%
Total	200,926	\$6.72	\$1,349,221	100.00%

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

Table 4

Resource	Energy	Capacity	Total cost	% of Total Cost	Amt of Energy (kWh)	Cost of Power (\$/kWh)
Millstone #3	\$25,792	\$258,126	\$283,918	8.23%	3,691,155	0.0769
Seabrook	\$40,504	\$393,987	\$434,491	12.60%	4,985,534	0.0872
Stonybrook Intermediate	\$37,989	\$166,056	\$204,045	5.92%	693,742	0.2941
Hydro Quebec	\$0	\$15,146	\$15,146	0.44%	-	0.0000
JP Morgan	\$288,335	\$0	\$288,335	8.36%	5,193,000	0.0555
NextEra	\$253,526	\$0	\$253,526	7.35%	5,819,000	0.0436
* NYPA	\$10,699	\$14,347	\$25,047	0.73%	2,174,687	0.0115
ISO Interchange	\$276,255	\$339,627	\$615,882	17.86%	12,296,775	0.0501
Nema Congestion	-\$303,952	\$0	-\$303,952	-8.82%	-	0.0000
MacQuarie	\$1,168,055	\$0	\$1,168,055	33.88%	19,948,800	0.0586
Braintree Watson Unit	\$28,861	\$111,641	\$140,502	4.08%	544,711	0.2579
* Swift River Projects	\$258,907	\$0	\$258,907	7.51%	2,643,823	0.0979
Coop Resales	\$13,544	\$0	\$13,544	0.39%	94,307	0.1436
Stonybrook Peaking	\$34	\$50,292	\$50,326	1.46%	-	0.0000
Monthly Total	\$2,098,551	\$1,349,221	\$3,447,772	100.00%	58,085,534	0.0594

* Renewable Resources

TRANSMISSION

The RMLD's total transmission costs for the month of May were \$600,009. This is a decrease of 2% from the April transmission cost of \$613,473. In May, 2011 the transmission cost were \$574,627.

Table 5

	Current Month	Last Month	Last Year
Peak Demand (kW)	112,240	104,469	121,532
Energy (kWh)	58,085,534	52,565,631	57,739,678
Energy (\$)	\$2,098,551	\$2,154,730	\$3,015,862
Capacity (\$)	\$1,349,221	\$1,352,937	\$1,524,643
Transmission (\$)	\$600,009	\$613,473	\$574,627
Total	\$4,047,782	\$4,121,140	\$5,115,132

ENERGY EFFICIENCY

Table 6 shows the comprehensive results from the Energy Conservation program. The amount of savings is broken down by both demand and energy, for the Commercial and Residential sectors.

Commercial	Year	Capacity Saved (kW)		Energy Saved (kwh)		Total \$		Total		Total \$		Rebate		Rebate/kWh		Rebate/kW		Cost Benefit		
		QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY
Total to date	FY07-11			5,351	\$ 447,584	22,461,456	\$ 447,584		141,887.6				\$ 742,938		\$ 0.03		\$ 138.84		\$ 1,123,522	
Current	FY12			964	\$ 104,076	4,189,400	\$ 9.00		167,576		\$ 0.04		\$ 276,698		\$ 0.07		\$ 287.13		\$ (5,046)	
Residential																				
Total to date	FY07-11			832	\$ 71,587	893,638			48,794			\$ 331,385		\$ 0.37		\$ 398.49		\$ (211,003.77)		
Current	FY12			201	\$ 21,660	78,979	\$ 9.00		3,159		\$ 0.04		\$ 88,813		\$ 1.12		\$ 442.84		\$ (63,994)	
Total																				
Total to date	FY07-11			6,182	\$ 519,171	23,355,094			1,467,670			\$ 1,099,323		\$ 0.05		\$ 177.81		\$ 887,518.27		
Current	FY12			1,164	\$ 125,736	4,268,379	\$ 9.00		170,735		\$ 0.04		\$ 365,511		\$ 0.09		\$ 313.95		\$ (69,040)	

Table 7 shows the breakdown for residential appliance rebates by type and year.

Year	Washing Machine	QTY	Dollars	Refrigerator	QTY	Dollars	Dishwasher	QTY	Dollars	Dehumidifier	QTY	Dollars	Central A/C		Window A/C		Thermostat		Audits		Renewable		HP Water Heater	Fan		
													QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars	QTY	Dollars			QTY	Dollars
2007																										
2008	86	\$ 4,300		47	\$ 2,350		55	\$ 2,750	7	\$ 175	17	\$ 1,700	10	\$ 250	23	\$ 230										
2009	406	\$ 20,300		259	\$ 12,950		235	\$ 11,750	40	\$ 1,000	41	\$ 4,100	50	\$ 1,250	114	\$ 1,140										
2010	519	\$ 25,950		371	\$ 18,550		382	\$ 19,100	37	\$ 925	64	\$ 6,400	49	\$ 1,225	127	\$ 1,270										
2011	425	\$ 21,250		383	\$ 19,150		313	\$ 15,650	47	\$ 1,175	57	\$ 5,700	65	\$ 1,625	118	\$ 1,180					6	\$ 20,700				
2012	333	\$ 16,650		347	\$ 17,350		285	\$ 14,250	37	\$ 925	43	\$ 4,300	48	\$ 1,200	103	\$ 1,030					4	\$ 18,000				
Total	1769	\$ 88,450		1407	\$ 70,350		1270	\$ 63,500	168	\$ 4,200	222	\$ 22,200	222	\$ 5,550	485	\$ 4,850					13	\$ 52,700	9	\$ 2,250	2	\$ 20

FINANCIAL REPORT
BOARD REFERENCE TABLE



Dt: June 21, 2012

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

Fr: Bob Fournier

Sj: May 31, 2012 Report

The results for the eleven months ending May 31, 2012, for the fiscal year 2012 will be summarized in the following paragraphs.

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

For the month of May, the net income or the positive change in net assets was \$168,536, increasing the year to date net income to \$3,193,230. The year to date budgeted net income was \$4,688,354, resulting in net income being under budget by \$1,495,123 or 31.89%. Actual year to date fuel expenses exceeded fuel revenues by \$409,603.

2) Revenues: (Page 11B)

Year to date base revenues were under budget by \$2,614,771 or 6.01%. Actual base revenues were \$40.8 million compared to the budgeted amount of \$43.4 million.

3) Expenses: (Page 12A)

*Year to date purchased power base expense was under budget by \$1,971,863 or 7.99%. Actual purchased power base costs were \$22.7 million compared to the budgeted amount of \$24.7 million.

*Year to date operating and maintenance (O&M) expenses combined were under budget by \$286,843 or 2.69%. Actual O&M expenses were \$10.3 million compared to the budgeted amount of \$10.6 million.

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

4) Cash (Page 9)

*Operating Fund was at \$9,892,165.

*Capital Fund balance was at \$3,286,854.

*Rate Stabilization Fund was at \$6,074,335.

*Deferred Fuel Fund balance was at \$2,645,621.

*Energy Conservation Fund balance was at \$262,121.

5) General Information:

Year to date kwh sales (Page 5) were 626,748,638 which is 23.9 million kwh or 3.67%, behind last year's actual figure. GAW revenues collected ytd were \$626,798 bringing the total collected since inception to \$1,233,970.

6) Budget Variance:

Cumulatively, the five divisions were under budget by \$345,480 or 2.0%.



FINANCIAL REPORT

MAY 31, 2012

ISSUE DATE: JUNE 21, 2012



TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF NET ASSETS
5/31/12

	PREVIOUS YEAR	CURRENT YEAR
ASSETS		
CURRENT		
UNRESTRICTED CASH (SCH A P.9)	8,590,981.06	9,895,165.01
RESTRICTED CASH (SCH A P.9)	16,387,792.35	19,162,596.07
RESTRICTED INVESTMENTS (SCH A P.9)	2,200,000.00	0.00
RECEIVABLES, NET (SCH B P.10)	6,809,951.83	6,276,981.98
PREPAID EXPENSES (SCH B P.10)	915,909.52	1,029,152.23
INVENTORY	1,652,115.35	1,504,841.60
TOTAL CURRENT ASSETS	36,556,750.11	37,868,736.89
NONCURRENT		
INVESTMENT IN ASSOCIATED CO (SCH C P.2)	85,253.67	61,574.36
CAPITAL ASSETS, NET (SCH C P.2)	67,709,105.13	68,582,488.36
TOTAL NONCURRENT ASSETS	67,794,358.80	68,644,062.72
TOTAL ASSETS	104,351,108.91	106,512,799.61
 LIABILITIES		
CURRENT		
ACCOUNTS PAYABLE	6,055,263.53	4,583,936.92
CUSTOMER DEPOSITS	559,235.03	625,662.49
CUSTOMER ADVANCES FOR CONSTRUCTION	294,124.56	348,505.17
ACCRUED LIABILITIES	1,366,953.66	1,223,183.70
TOTAL CURRENT LIABILITIES	8,275,576.78	6,781,288.28
NONCURRENT		
ACCRUED EMPLOYEE COMPENSATED ABSENCES	3,020,032.75	2,934,698.58
TOTAL NONCURRENT LIABILITIES	3,020,032.75	2,934,698.58
TOTAL LIABILITIES	11,295,609.53	9,715,986.86
 NET ASSETS		
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	67,709,105.13	68,582,488.36
RESTRICTED FOR DEPRECIATION FUND (P.9)	4,487,842.36	3,286,854.31
UNRESTRICTED	20,858,551.89	24,927,470.08
TOTAL NET ASSETS (P.3)	93,055,499.38	96,796,812.75
TOTAL LIABILITIES AND NET ASSETS	104,351,108.91	106,512,799.61

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
NONCURRENT ASSET SCHEDULE
5/31/12

SCHEDULE C

	PREVIOUS YEAR	CURRENT YEAR
SCHEDULE OF INVESTMENTS IN ASSOCIATED COMPANIES		
NEW ENGLAND HYDRO ELECTRIC	23,538.60	12,631.19
NEW ENGLAND HYDRO TRANSMISSION	61,715.07	48,943.17
TOTAL INVESTMENTS IN ASSOCIATED COMPANIES	85,253.67	61,574.36
SCHEDULE OF CAPITAL ASSETS		
LAND	1,265,842.23	1,265,842.23
STRUCTURES AND IMPROVEMENTS	6,886,443.43	6,778,053.52
EQUIPMENT AND FURNISHINGS	13,499,188.19	13,032,604.15
INFRASTRUCTURE	46,057,631.28	47,505,988.46
TOTAL CAPITAL ASSETS, NET	67,709,105.13	68,582,488.36
TOTAL NONCURRENT ASSETS	67,794,358.80	68,644,062.72

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
5/31/12

	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
OPERATING REVENUES: (SCH D P.11)					
BASE REVENUE	3,320,456.79	3,230,775.49	41,629,209.20	40,872,659.51	-1.82%
FUEL REVENUE	2,681,181.10	2,344,120.24	36,985,800.09	32,653,406.45	-11.71%
PURCHASED POWER CAPACITY	37,591.24	(9,376.89)	1,318,688.36	(119,068.00)	-109.03%
FORFEITED DISCOUNTS	72,044.18	55,711.23	934,577.34	829,403.37	-11.25%
ENERGY CONSERVATION REVENUE	34,534.58	48,567.85	460,055.02	557,251.34	21.13%
GAW REVENUE	50,129.95	49,363.61	510,743.82	626,798.83	22.72%
NYPA CREDIT	(37,496.39)	(33,019.19)	(682,791.67)	(596,184.54)	-12.68%
TOTAL OPERATING REVENUES	6,158,441.45	5,686,142.34	81,156,282.16	74,824,266.96	-7.80%
OPERATING EXPENSES: (SCH E P.12)					
PURCHASED POWER BASE	2,100,655.69	1,952,992.83	25,181,471.63	22,707,982.18	-9.82%
PURCHASED POWER FUEL	3,015,861.75	2,098,550.90	36,336,953.37	32,466,825.39	-10.65%
OPERATING MAINTENANCE	625,589.44	720,722.99	7,774,527.39	7,846,508.34	0.93%
DEPRECIATION	228,341.75	180,748.53	3,592,025.07	2,530,198.77	-29.56%
VOLUNTARY PAYMENTS TO TOWNS	287,729.05	296,027.47	3,165,019.55	3,256,302.17	2.88%
	110,000.00	113,000.00	1,205,885.00	1,239,186.00	2.76%
TOTAL OPERATING EXPENSES	6,368,177.68	5,362,042.72	77,255,882.01	70,047,002.85	-9.33%
OPERATING INCOME	(209,736.23)	324,099.62	3,900,400.15	4,777,264.11	22.48%
NONOPERATING REVENUES (EXPENSES)					
CONTRIBUTIONS IN AID OF CONST	14,720.64	0.00	61,884.66	54,965.54	-11.18%
RETURN ON INVESTMENT TO READING	(180,990.00)	(183,829.75)	(1,990,890.00)	(2,022,127.25)	1.57%
INTEREST INCOME	3,089.09	3,572.46	98,278.65	77,135.65	-21.51%
INTEREST EXPENSE	(1,003.48)	(503.00)	(13,311.11)	(7,234.50)	-45.65%
OTHER (MDSE AND AMORT)	2,405.00	25,197.40	179,272.42	313,226.73	74.72%
TOTAL NONOPERATING REV (EXP)	(161,778.75)	(155,562.89)	(1,664,765.38)	(1,584,033.83)	-4.85%
CHANGE IN NET ASSETS	(371,514.98)	168,536.73	2,235,634.77	3,193,230.28	42.83%
NET ASSETS AT BEGINNING OF YEAR			90,819,864.61	93,603,582.47	3.07%
NET ASSETS AT END OF MAY			93,055,499.38	96,796,812.75	4.02%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUSINESS-TYPE PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
5/31/12

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE*	% CHANGE
OPERATING REVENUES: (SCH F P.11B)				
BASE REVENUE	40,872,659.51	43,487,431.00	(2,614,771.49)	-6.01%
FUEL REVENUE	32,653,406.45	37,373,802.00	(4,720,395.55)	-12.63%
PURCHASED POWER CAPACITY	(119,068.00)	(123,503.00)	4,435.00	-3.59%
FORFEITED DISCOUNTS	829,403.37	956,724.00	(127,320.63)	-13.31%
ENERGY CONSERVATION REVENUE	557,251.34	481,717.00	75,534.34	15.68%
GAW REVENUE	626,798.83	635,943.00	(9,144.17)	-1.44%
NYPA CREDIT	(596,184.54)	(550,000.00)	(46,184.54)	8.40%
TOTAL OPERATING REVENUES	74,824,266.96	82,262,114.00	(7,437,847.04)	-9.04%
OPERATING EXPENSES: (SCH G P.12A)				
PURCHASED POWER BASE	22,707,982.18	24,679,846.00	(1,971,863.82)	-7.99%
PURCHASED POWER FUEL	32,466,825.39	36,321,863.00	(3,855,037.61)	-10.61%
OPERATING MAINTENANCE	7,846,508.34	8,100,129.00	(253,620.66)	-3.13%
DEPRECIATION	2,530,198.77	2,563,422.00	(33,223.23)	-1.30%
VOLUNTARY PAYMENTS TO TOWNS	3,256,302.17	3,300,000.00	(43,697.83)	-1.32%
	1,239,186.00	1,243,000.00	(3,814.00)	-0.31%
TOTAL OPERATING EXPENSES	70,047,002.85	76,208,260.00	(6,161,257.15)	-8.08%
OPERATING INCOME	4,777,264.11	6,053,854.00	(1,276,589.89)	-21.09%
NONOPERATING REVENUES (EXPENSES)				
CONTRIBUTIONS IN AID OF CONST	54,965.54	400,000.00	(345,034.46)	-86.26%
RETURN ON INVESTMENT TO READING	(2,022,127.25)	(2,035,000.00)	12,872.75	-0.63%
INTEREST INCOME	77,135.65	165,000.00	(87,864.35)	-53.25%
INTEREST EXPENSE	(7,234.50)	(5,500.00)	(1,734.50)	31.54%
OTHER (MDSE AND AMORT)	313,226.73	110,000.00	203,226.73	184.75%
TOTAL NONOPERATING REV (EXP)	(1,584,033.83)	(1,365,500.00)	(218,533.83)	16.00%
CHANGE IN NET ASSETS	3,193,230.28	4,688,354.00	(1,495,123.72)	-31.89%
NET ASSETS AT BEGINNING OF YEAR	93,603,582.47	93,603,582.47	0.00	0.00%
NET ASSETS AT END OF MAY	96,796,812.75	98,291,936.47	(1,495,123.72)	-1.52%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
RECONCILIATION OF CAPITAL FUNDS
5/31/12

SOURCE OF CAPITAL FUNDS:

DEPRECIATION FUND BALANCE 7/1/11	4,297,944.13
CONSTRUCTION FUND BALANCE 7/1/11	0.00
INTEREST ON DEPRECIATION FUND FY 12	10,888.95
DEPRECIATION TRANSFER FY 12	3,256,302.17
FORCED ACCOUNTS REIMBURSEMENT	0.00
GAW SUBSTATION (FY 12)	<u>0.00</u>
TOTAL SOURCE OF CAPITAL FUNDS	7,565,135.25

USE OF CAPITAL FUNDS:

PAID ADDITIONS TO PLANT THRU MAY	4,293,280.94
PAID ADDITIONS TO GAW THRU MAY	(15,000.00)
TOTAL USE OF CAPITAL FUNDS	<u>4,278,280.94</u>

GENERAL LEDGER CAPITAL FUNDS BALANCE 5/31/12	<u><u>3,286,854.31</u></u>
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PAID ADDITIONS TO GAW FROM FY 12	(15,000.00)
PAID ADDITIONS TO GAW FROM FY 11	531,784.00
PAID ADDITIONS TO GAW FROM FY 10	1,372,876.00
PAID ADDITIONS TO GAW FROM FY 09	3,136,764.00
PAID ADDITIONS TO GAW FROM FY 08	1,895,975.00
TOTAL	<u><u>6,922,399.00</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SALES OF KILOWATT HOURS
5/31/12

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	16,024,893	15,722,953	239,846,917	228,226,577	-4.84%
COMM. AND INDUSTRIAL SALES	32,784,610	31,290,950	381,689,568	370,441,334	-2.95%
PRIVATE STREET LIGHTING	72,646	73,075	792,756	804,208	1.44%
TOTAL PRIVATE CONSUMERS	<u>48,882,149</u>	<u>47,086,978</u>	<u>622,329,241</u>	<u>599,472,119</u>	-3.67%
MUNICIPAL SALES:					
STREET LIGHTING	239,009	237,586	2,627,623	2,625,863	-0.07%
MUNICIPAL BUILDINGS	675,781	713,339	9,137,773	8,740,381	-4.35%
TOTAL MUNICIPAL CONSUMERS	<u>914,790</u>	<u>950,925</u>	<u>11,765,396</u>	<u>11,366,244</u>	-3.39%
SALES FOR RESALE	195,043	202,644	3,172,498	2,960,202	-6.69%
SCHOOL	1,126,807	1,111,885	13,355,501	12,950,073	-3.04%
TOTAL KILOWATT HOURS SOLD	<u>51,118,789</u>	<u>49,352,432</u>	<u>650,622,636</u>	<u>626,748,638</u>	-3.67%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
KILOWATT HOURS SOLD BY TOWN
5/31/12

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	15,722,953	5,068,403	2,160,765	3,665,493	4,828,292
COMM & IND	31,290,950	3,938,431	234,657	4,784,753	22,333,109
PVT ST LIGHTS	73,075	13,737	1,360	21,276	36,702
PUB ST LIGHTS	237,586	80,536	32,480	40,043	84,527
MUNI BLDGS	713,339	173,208	123,698	145,134	271,299
SALES/RESALE	202,644	202,644	0	0	0
SCHOOL	1,111,885	395,514	238,889	140,760	336,722
TOTAL	49,352,432	9,872,473	2,791,849	8,797,459	27,890,651

YEAR TO DATE

RESIDENTIAL	228,226,577	71,862,373	31,961,479	53,304,898	71,097,827
COMM & IND	370,441,334	46,938,641	2,962,600	57,312,471	263,227,622
PVT ST LIGHTS	804,208	152,727	14,960	237,416	399,105
PUB ST LIGHTS	2,625,863	885,396	357,022	439,172	944,273
MUNI BLDGS	8,740,381	2,274,894	1,491,155	1,697,173	3,277,159
SALES/RESALE	2,960,202	2,960,202	0	0	0
SCHOOL	12,950,073	4,619,844	2,808,363	1,662,200	3,859,666
TOTAL	626,748,638	129,694,077	39,595,579	114,653,330	342,805,652

LAST YEAR TO DATE

RESIDENTIAL	239,846,917	75,421,333	33,628,627	56,042,692	74,754,265
COMM & IND	381,689,568	47,593,444	3,079,588	57,811,502	273,205,034
PVT ST LIGHTS	792,756	154,129	14,960	232,489	391,178
PUB ST LIGHTS	2,627,623	884,796	356,959	437,167	948,701
MUNI BLDGS	9,137,773	2,487,520	1,582,051	1,817,926	3,250,276
SALES/RESALE	3,172,498	3,172,498	0	0	0
SCHOOL	13,355,501	4,729,818	2,836,157	1,757,040	4,032,486
TOTAL	650,622,636	134,443,538	41,498,342	118,098,816	356,581,940

KILOWATT HOURS SOLD TO TOTAL

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	31.86%	10.27%	4.38%	7.43%	9.78%
COMM & IND	63.40%	7.98%	0.48%	9.70%	45.25%
PVT ST LIGHTS	0.15%	0.03%	0.00%	0.04%	0.07%
PUB ST LIGHTS	0.48%	0.16%	0.07%	0.08%	0.17%
MUNI BLDGS	1.45%	0.35%	0.25%	0.29%	0.55%
SALES/RESALE	0.41%	0.41%	0.00%	0.00%	0.00%
SCHOOL	2.25%	0.80%	0.48%	0.29%	0.68%
TOTAL	100.00%	20.00%	5.66%	17.83%	56.51%

YEAR TO DATE

RESIDENTIAL	36.41%	11.47%	5.10%	8.50%	11.34%
COMM & IND	59.11%	7.49%	0.47%	9.14%	42.00%
PVT ST LIGHTS	0.13%	0.02%	0.00%	0.04%	0.06%
PUB ST LIGHTS	0.42%	0.14%	0.06%	0.07%	0.15%
MUNI BLDGS	1.39%	0.36%	0.24%	0.27%	0.52%
SALES/RESALE	0.47%	0.47%	0.00%	0.00%	0.00%
SCHOOL	2.07%	0.74%	0.45%	0.27%	0.62%
TOTAL	100.00%	20.69%	6.32%	18.29%	54.70%

LAST YEAR TO DATE

RESIDENTIAL	36.86%	11.59%	5.17%	8.61%	11.49%
COMM & IND	58.67%	7.32%	0.47%	8.89%	41.99%
PVT ST LIGHTS	0.12%	0.02%	0.00%	0.04%	0.06%
PUB ST LIGHTS	0.41%	0.14%	0.05%	0.07%	0.15%
MUNI BLDGS	1.40%	0.38%	0.24%	0.28%	0.50%
SALES/RESALE	0.49%	0.49%	0.00%	0.00%	0.00%
SCHOOL	2.05%	0.73%	0.44%	0.27%	0.61%
TOTAL	100.00%	20.67%	6.37%	18.16%	54.80%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
FORMULA INCOME
5/31/12

TOTAL OPERATING REVENUES	(P.3)	74,824,266.96
ADD:		
POLE RENTAL		1,455.00
INTEREST INCOME ON CUSTOMER DEPOSITS		1,342.91
LESS:		
OPERATING EXPENSES	(P.3)	(70,047,002.85)
CUSTOMER DEPOSIT INTEREST EXPENSE		(7,234.50)
FORMULA INCOME (LOSS)		<u><u>4,772,827.52</u></u>

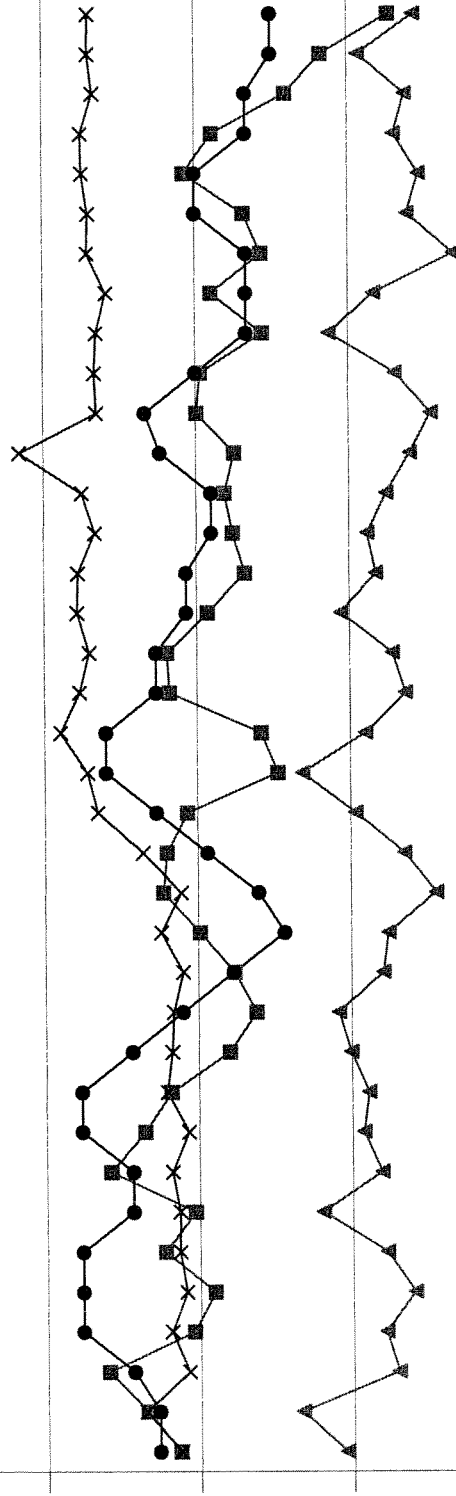
TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
GENERAL STATISTICS
5/31/12

		MONTH OF MAY 2011	MONTH OF MAY 2012	% CHANGE		YEAR MAY 2011	THRU MAY 2012
				2011	2012		
SALE OF KWH	(P.5)	51,118,789	49,352,432	4.95%	-3.67%	650,622,636	626,748,638
KWH PURCHASED		53,431,859	58,267,384	4.12%	6.32%	613,733,632	652,543,829
AVE BASE COST PER KWH		0.041910	0.033518	-3.74%	-7.47%	0.037607	0.034799
AVE BASE SALE PER KWH		0.065007	0.065463	11.82%	2.23%	0.063794	0.065214
AVE COST PER KWH		0.093353	0.069534	-4.51%	-7.99%	0.091900	0.084553
AVE SALE PER KWH		0.118479	0.112961	0.16%	-2.98%	0.120921	0.117313
FUEL CHARGE REVENUE	(P.3)	2,681,181.10	2,344,120.24	-6.46%	-11.71%	36,985,800.09	32,653,406.45
LOAD FACTOR		79.06%	71.11%				
PEAK LOAD		92,584	112,240				

kwh analysis

- ▲ base cost
- fuel cost
- fuel revenue
- × base revenue

\$0.085
 \$0.070
 \$0.055
 \$0.040
 \$0.025
 \$0.010



MAY 09
 JUN 09
 JUL 09
 AUG 09
 SEP 09
 OCT 09
 NOV 09
 DEC 09
 JAN 10
 FEB 10
 MAR 10
 APR 10
 MAY 10
 JUN 10
 JUL 10
 AUG 10
 SEP 10
 OCT 10
 NOV 10
 DEC 10
 JAN 11
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 MAR 11
 APR 11
 MAY 11
 JUN 11
 JUL 11
 AUG 11
 SEP 11
 OCT 11
 NOV 11
 DEC 11
 JAN 12
 FEB 12
 MAR 12
 APR 12
 MAY 12

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF CASH AND INVESTMENTS
5/31/12

SCHEDULE A

	PREVIOUS YEAR	CURRENT YEAR
<u>UNRESTRICTED CASH:</u>		
CASH - OPERATING FUND	8,587,981.06	9,892,165.01
CASH - PETTY CASH	3,000.00	3,000.00
TOTAL UNRESTRICTED CASH	8,590,981.06	9,895,165.01
 <u>RESTRICTED CASH:</u>		
CASH - DEPRECIATION FUND	4,487,842.36	3,286,854.31
CASH - TOWN PAYMENT	1,456,250.00	1,788,000.00
CASH - DEFERRED FUEL RESERVE	2,292,167.14	2,645,621.30
CASH - RATE STABILIZATION FUND	4,395,421.49	6,074,335.60
CASH - UNCOLLECTIBLE ACCTS RESERVE	200,000.00	200,000.00
CASH - SICK LEAVE BENEFITS	2,036,980.50	2,955,744.59
CASH - HAZARD WASTE RESERVE	150,000.00	150,000.00
CASH - CUSTOMER DEPOSITS	559,235.03	625,662.49
CASH - ENERGY CONSERVATION	194,779.06	262,121.28
CASH - OPEB	615,116.77	1,174,256.50
TOTAL RESTRICTED CASH	16,387,792.35	19,162,596.07
 <u>RESTRICTED INVESTMENTS:</u>		
RATE STABILIZATION *	1,000,000.00	0.00
SICK LEAVE BUYBACK **	1,000,000.00	0.00
OPEB ***	200,000.00	0.00
TOTAL RESTRICTED INVESTMENTS	2,200,000.00	0.00
TOTAL CASH BALANCE	27,178,773.41	29,057,761.08

MAY 2011:

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

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF ACCOUNTS RECEIVABLE
5/31/12

SCHEDULE B

SCHEDULE OF ACCOUNTS RECEIVABLE	PREVIOUS YEAR	CURRENT YEAR
RESIDENTIAL AND COMMERCIAL	3,209,896.38	1,818,577.57
ACCOUNTS RECEIVABLE - OTHER	124,343.83	130,727.23
ACCOUNTS RECEIVABLE - LIENS	83,925.83	33,509.80
ACCOUNTS RECEIVABLE - EMPLOYEE ADVANCES	892.14	892.14
SALES DISCOUNT LIABILITY	(304,636.06)	(219,729.88)
RESERVE FOR UNCOLLECTIBLE ACCOUNTS	(359,629.40)	(317,289.25)
TOTAL ACCOUNTS RECEIVABLE BILLED	<u>2,754,792.72</u>	<u>1,446,687.61</u>
UNBILLED ACCOUNTS RECEIVABLE	4,055,159.11	4,830,294.37
TOTAL ACCOUNTS RECEIVABLE, NET	<u><u>6,809,951.83</u></u>	<u><u>6,276,981.98</u></u>

SCHEDULE OF PREPAYMENTS

PREPAID INSURANCE	520,364.13	553,126.44
PREPAYMENT PURCHASED POWER	22,046.35	87,324.59
PREPAYMENT PASNY	239,666.63	240,782.65
PREPAYMENT WATSON	119,308.71	133,394.85
PURCHASED POWER WORKING CAPITAL	14,523.70	14,523.70
TOTAL PREPAYMENT	<u><u>915,909.52</u></u>	<u><u>1,029,152.23</u></u>

ACCOUNTS RECEIVABLE AGING MAY 2012:

RESIDENTIAL AND COMMERCIAL	1,818,577.57
LESS: SALES DISCOUNT LIABILITY	(219,729.88)
GENERAL LEDGER BALANCE	<u><u>1,598,847.69</u></u>

CURRENT	1,263,833.32	79.05%
30 DAYS	206,918.02	12.94%
60 DAYS	47,951.00	3.00%
90 DAYS	14,219.51	0.89%
OVER 90 DAYS	65,925.84	4.12%
TOTAL	<u><u>1,598,847.69</u></u>	<u><u>100.00%</u></u>

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE
5/31/12

SCHEDULE D

SALES OF ELECTRICITY:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
RESIDENTIAL SALES	2,127,214.61	1,995,338.55	31,765,231.41	29,803,994.27	-6.17%
COMM AND INDUSTRIAL SALES	3,577,773.61	3,315,297.13	43,118,367.69	40,426,798.03	-6.24%
PRIVATE STREET LIGHTING	10,489.65	5,714.54	116,342.15	71,212.93	-38.79%
TOTAL PRIVATE CONSUMERS	<u>5,715,477.87</u>	<u>5,316,350.22</u>	<u>74,999,941.25</u>	<u>70,302,005.23</u>	-6.26%
MUNICIPAL SALES:					
STREET LIGHTING	45,837.15	27,990.59	509,508.84	340,283.60	-33.21%
MUNICIPAL BUILDINGS	85,094.92	84,132.10	1,118,928.43	1,051,070.67	-6.06%
TOTAL MUNICIPAL CONSUMERS	<u>130,932.07</u>	<u>112,122.69</u>	<u>1,628,437.27</u>	<u>1,391,354.27</u>	-14.56%
SALES FOR RESALE	23,907.42	23,639.92	392,677.44	359,439.96	-8.46%
SCHOOL	131,320.53	122,782.90	1,593,953.33	1,473,266.50	-7.57%
SUB-TOTAL	<u>6,001,637.89</u>	<u>5,574,895.73</u>	<u>78,615,009.29</u>	<u>73,526,065.96</u>	-6.47%
FORFEITED DISCOUNTS	72,044.18	55,711.23	934,577.34	829,403.37	-11.25%
PURCHASED POWER CAPACITY	37,591.24	(9,376.89)	1,318,688.36	(119,068.00)	-109.03%
ENERGY CONSERVATION - RESIDENTIAL	11,216.78	15,733.46	135,206.81	204,903.86	51.55%
ENERGY CONSERVATION - COMMERCIAL	23,317.80	32,834.39	324,848.21	352,347.48	8.47%
GAW REVENUE	50,129.95	49,363.61	510,743.82	626,798.83	22.72%
NYPA CREDIT	(37,496.39)	(33,019.19)	(682,791.67)	(596,184.54)	-12.68%
TOTAL REVENUE	<u>6,158,441.45</u>	<u>5,686,142.34</u>	<u>81,156,282.16</u>	<u>74,824,266.96</u>	-7.80%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING REVENUE BY TOWN
5/31/12

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	1,995,338.55	645,560.75	272,291.64	464,523.23	612,962.93
INDUS/MUNI BLDG	3,399,429.23	463,548.93	41,673.41	539,192.78	2,355,014.11
PUB. ST. LIGHTS	27,990.59	9,002.25	3,559.25	5,242.40	10,186.69
PRV. ST. LIGHTS	5,714.54	1,056.81	104.71	1,722.65	2,830.37
CO-OP RESALE	23,639.92	23,639.92	0.00	0.00	0.00
SCHOOL	122,782.90	44,081.99	25,773.20	16,064.35	36,863.36
TOTAL	5,574,895.73	1,186,890.65	343,402.21	1,026,745.41	3,017,857.46

THIS YEAR TO DATE	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	29,803,994.27	9,407,736.10	4,161,868.48	6,946,909.56	9,287,480.13
INDUS/MUNI BLDG	41,477,868.70	5,727,780.65	528,376.70	6,615,925.41	28,605,785.94
PUB. ST. LIGHTS	340,283.60	109,336.70	42,486.44	61,507.93	126,952.53
PRV. ST. LIGHTS	71,212.93	13,231.70	1,298.62	22,054.77	34,627.84
CO-OP RESALE	359,439.96	359,439.96	0.00	0.00	0.00
SCHOOL	1,473,266.50	530,136.60	314,015.63	193,965.41	435,148.86
TOTAL	73,526,065.96	16,147,661.71	5,048,045.85	13,840,363.09	38,489,995.31

LAST YEAR TO DATE	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	31,765,231.41	10,030,157.48	4,421,931.22	7,425,291.94	9,887,850.77
INDUS/MUNI BLDG	44,237,296.12	6,006,467.96	563,212.57	6,913,481.51	30,754,134.08
PUB. ST. LIGHTS	509,508.84	178,284.33	62,070.21	84,044.57	185,109.73
PRV. ST. LIGHTS	116,342.15	21,952.74	2,178.95	35,981.95	56,228.51
CO-OP RESALE	392,677.44	392,677.44	0.00	0.00	0.00
SCHOOL	1,593,953.33	566,765.36	332,874.25	214,407.65	479,906.07
TOTAL	78,615,009.29	17,196,305.31	5,382,267.20	14,673,207.62	41,363,229.16

PERCENTAGE OF OPERATING INCOME TO TOTAL

MONTH	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	35.81%	11.58%	4.88%	8.33%	11.02%
INDUS/MUNI BLDG	60.98%	8.31%	0.75%	9.67%	42.25%
PUB. ST. LIGHTS	0.49%	0.16%	0.06%	0.09%	0.18%
PRV. ST. LIGHTS	0.10%	0.02%	0.00%	0.03%	0.05%
CO-OP RESALE	0.42%	0.42%	0.00%	0.00%	0.00%
SCHOOL	2.20%	0.79%	0.46%	0.29%	0.66%
TOTAL	100.00%	21.28%	6.15%	18.41%	54.16%

THIS YEAR TO DATE	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	40.54%	12.80%	5.66%	9.45%	12.63%
INDUS/MUNI BLDG	56.41%	7.79%	0.72%	9.00%	38.91%
PUB. ST. LIGHTS	0.46%	0.15%	0.06%	0.08%	0.17%
PRV. ST. LIGHTS	0.10%	0.02%	0.00%	0.03%	0.05%
CO-OP RESALE	0.49%	0.49%	0.00%	0.00%	0.00%
SCHOOL	2.00%	0.72%	0.43%	0.26%	0.59%
TOTAL	100.00%	21.96%	6.87%	18.82%	52.35%

LAST YEAR TO DATE	TOTAL	READING	LYNNFIELD	NO. READING	WILMINGTON
RESIDENTIAL	40.41%	12.76%	5.62%	9.45%	12.58%
INDUS/MUNI BLDG	56.27%	7.64%	0.72%	8.79%	39.12%
PUB. ST. LIGHTS	0.65%	0.23%	0.08%	0.11%	0.23%
PRV. ST. LIGHTS	0.15%	0.03%	0.00%	0.05%	0.07%
CO-OP RESALE	0.50%	0.50%	0.00%	0.00%	0.00%
SCHOOL	2.02%	0.72%	0.42%	0.27%	0.61%
TOTAL	100.00%	21.88%	6.84%	18.67%	52.61%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED REVENUE VARIANCE REPORT
5/31/12

SCHEDULE F

	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	% CHANGE
SALES OF ELECTRICITY:				
RESIDENTIAL	17,874,237.36	19,157,548.00	(1,283,310.64)	-6.70%
COMM AND INDUSTRIAL SALES PRIVATE STREET LIGHTING MUNICIPAL BUILDINGS	21,785,419.93	22,769,432.00	(984,012.07)	-4.32%
PUBLIC STREET LIGHTING	204,199.36	471,849.00	(267,649.64)	-56.72%
SALES FOR RESALE	204,501.77	257,916.00	(53,414.23)	-20.71%
SCHOOL	<u>804,301.09</u>	<u>830,686.00</u>	<u>(26,384.91)</u>	-3.18%
TOTAL BASE SALES	40,872,659.51	43,487,431.00	(2,614,771.49)	-6.01%
TOTAL FUEL SALES	<u>32,653,406.45</u>	<u>37,373,802.00</u>	<u>(4,720,395.55)</u>	-12.63%
TOTAL OPERATING REVENUE	73,526,065.96	80,861,233.00	(7,335,167.04)	-9.07%
FORFEITED DISCOUNTS	829,403.37	956,724.00	(127,320.63)	-13.31%
PURCHASED POWER CAPACITY	(119,068.00)	(123,503.00)	4,435.00	-3.59%
ENERGY CONSERVATION - RESIDENTIAL	204,903.86	178,079.00	26,824.86	15.06%
ENERGY CONSERVATION - COMMERCIAL	352,347.48	303,638.00	48,709.48	16.04%
GAW REVENUE	626,798.83	635,943.00	(9,144.17)	-1.44%
NYPA CREDIT	(596,184.54)	(550,000.00)	(46,184.54)	8.40%
TOTAL OPERATING REVENUES	<u><u>74,824,266.96</u></u>	<u><u>82,262,114.00</u></u>	<u><u>(7,437,847.04)</u></u>	-9.04%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
SCHEDULE OF OPERATING EXPENSES
5/31/12

SCHEDULE E

OPERATION EXPENSES:	MONTH LAST YEAR	MONTH CURRENT YEAR	LAST YEAR TO DATE	CURRENT YEAR TO DATE	YTD % CHANGE
PURCHASED POWER BASE EXPENSE	2,100,655.69	1,952,992.83	25,181,471.63	22,707,982.18	-9.82%
OPERATION SUPER AND ENGIN-TRANS	0.00	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	33,780.07	50,553.46	412,397.65	473,678.54	14.86%
STATION SUP LABOR AND MISC	9,123.52	10,524.35	100,951.73	104,149.30	3.17%
LINE MISC LABOR AND EXPENSE	46,093.19	93,926.08	574,949.03	643,156.73	11.86%
STATION LABOR AND EXPENSE	34,256.19	41,463.01	410,292.82	425,893.18	3.80%
STREET LIGHTING EXPENSE	6,167.29	10,870.27	84,432.41	109,931.67	30.20%
METER EXPENSE	17,363.04	16,068.53	283,699.00	218,330.81	-23.04%
MISC DISTRIBUTION EXPENSE	27,134.05	32,736.72	300,667.52	312,358.96	3.89%
METER READING LABOR & EXPENSE	5,204.40	8,126.42	65,118.12	84,453.62	29.69%
ACCT & COLL LABOR & EXPENSE	100,564.06	115,035.18	1,166,946.25	1,306,784.02	11.98%
UNCOLLECTIBLE ACCOUNTS	15,000.00	16,000.00	165,000.00	176,000.00	6.67%
ENERGY AUDIT EXPENSE	36,191.41	48,639.40	353,584.74	402,167.98	13.74%
ADMIN & GEN SALARIES	51,528.69	69,319.75	637,396.00	697,512.35	9.43%
OFFICE SUPPLIES & EXPENSE	26,749.47	14,904.97	249,893.47	202,661.97	-18.90%
OUTSIDE SERVICES	41,407.88	18,775.00	239,348.53	360,652.62	50.68%
PROPERTY INSURANCE	31,705.39	32,864.72	342,888.27	354,882.05	3.50%
INJURIES AND DAMAGES	2,671.18	3,920.56	40,433.57	21,897.12	-45.84%
EMPLOYEES PENSIONS & BENEFITS	99,279.08	86,095.48	1,440,789.06	1,145,120.23	-20.52%
MISC GENERAL EXPENSE	7,514.38	7,187.32	146,943.21	157,067.02	6.89%
RENT EXPENSE	14,644.67	18,569.82	184,637.59	183,891.83	-0.40%
ENERGY CONSERVATION	19,211.48	25,141.95	574,158.42	465,918.34	-18.85%
TOTAL OPERATION EXPENSES	625,589.44	720,722.99	7,774,527.39	7,846,508.34	0.93%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	227.08	227.08	2,497.92	2,497.90	0.00%
MAINT OF STRUCT AND EQUIPMT	12,424.35	8,600.18	148,965.76	214,120.41	43.74%
MAINT OF LINES - OH	123,706.48	94,299.59	1,268,619.79	1,459,517.16	15.05%
MAINT OF LINES - UG	19,538.64	17,900.35	147,199.32	167,159.09	13.56%
MAINT OF LINE TRANSFORMERS	18,346.01	9,882.25	1,335,288.65	47,451.61	-96.45%
MAINT OF ST LT & SIG SYSTEM	(33.28)	(15.90)	(162.35)	(361.38)	122.59%
MAINT OF GARAGE AND STOCKROOM	37,940.20	35,718.68	560,785.91	479,423.18	-14.51%
MAINT OF METERS	7,901.38	3,014.23	29,566.24	74,610.06	152.35%
MAINT OF GEN PLANT	8,290.89	11,122.07	99,263.83	85,780.74	-13.58%
TOTAL MAINTENANCE EXPENSES	228,341.75	180,748.53	3,592,025.07	2,530,198.77	-29.56%
DEPRECIATION EXPENSE	287,729.05	296,027.47	3,165,019.55	3,256,302.17	2.88%
PURCHASED POWER FUEL EXPENSE	3,015,861.75	2,098,550.90	36,336,953.37	32,466,825.39	-10.65%
VOLUNTARY PAYMENTS TO TOWNS	110,000.00	113,000.00	1,205,885.00	1,239,186.00	2.76%
TOTAL OPERATING EXPENSES	6,368,177.68	5,362,042.72	77,255,882.01	70,047,002.85	-9.33%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
5/31/12

SCHEDULE G

OPERATION EXPENSES:	ACTUAL YEAR TO DATE	BUDGET YEAR TO DATE	VARIANCE *	%
				CHANGE
PURCHASED POWER BASE EXPENSE	<u>22,707,982.18</u>	<u>24,679,846.00</u>	<u>(1,971,863.82)</u>	-7.99%
OPERATION SUPER AND ENGIN-TRANS	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	473,678.54	398,184.00	75,494.54	18.96%
STATION SUP LABOR AND MISC	104,149.30	56,171.00	47,978.30	85.41%
LINE MISC LABOR AND EXPENSE	643,156.73	644,898.00	(1,741.27)	-0.27%
STATION LABOR AND EXPENSE	425,893.18	401,756.00	24,137.18	6.01%
STREET LIGHTING EXPENSE	109,931.67	77,588.00	32,343.67	41.69%
METER EXPENSE	218,330.81	137,081.00	81,249.81	59.27%
MISC DISTRIBUTION EXPENSE	312,358.96	318,834.00	(6,475.04)	-2.03%
METER READING LABOR & EXPENSE	84,453.62	69,040.00	15,413.62	22.33%
ACCT & COLL LABOR & EXPENSE	1,306,784.02	1,295,441.00	11,343.02	0.88%
UNCOLLECTIBLE ACCOUNTS	176,000.00	176,000.00	0.00	0.00%
ENERGY AUDIT EXPENSE	402,167.98	377,767.00	24,400.98	6.46%
ADMIN & GEN SALARIES	697,512.35	674,030.00	23,482.35	3.48%
OFFICE SUPPLIES & EXPENSE	202,661.97	243,646.00	(40,984.03)	-16.82%
OUTSIDE SERVICES	360,652.62	433,260.00	(72,607.38)	-16.76%
PROPERTY INSURANCE	354,882.05	426,272.00	(71,389.95)	-16.75%
INJURIES AND DAMAGES	21,897.12	51,173.00	(29,275.88)	-57.21%
EMPLOYEES PENSIONS & BENEFITS	1,145,120.23	1,340,122.00	(195,001.77)	-14.55%
MISC GENERAL EXPENSE	157,067.02	193,882.00	(36,814.98)	-18.99%
RENT EXPENSE	183,891.83	194,337.00	(10,445.17)	-5.37%
ENERGY CONSERVATION	465,918.34	590,647.00	(124,728.66)	-21.12%
TOTAL OPERATION EXPENSES	<u>7,846,508.34</u>	<u>8,100,129.00</u>	<u>(253,620.66)</u>	-3.13%
MAINTENANCE EXPENSES:				
MAINT OF TRANSMISSION PLANT	2,497.90	2,750.00	(252.10)	-9.17%
MAINT OF STRUCT AND EQUIPMENT	214,120.41	96,649.00	117,471.41	121.54%
MAINT OF LINES - OH	1,459,517.16	1,275,545.00	183,972.16	14.42%
MAINT OF LINES - UG	167,159.09	196,002.00	(28,842.91)	-14.72%
MAINT OF LINE TRANSFORMERS	47,451.61	180,277.00	(132,825.39)	-73.68%
MAINT OF ST LT & SIG SYSTEM	(361.38)	8,753.00	(9,114.38)	-104.13%
MAINT OF GARAGE AND STOCKROOM	479,423.18	608,345.00	(128,921.82)	-21.19%
MAINT OF METERS	74,610.06	78,303.00	(3,692.94)	-4.72%
MAINT OF GEN PLANT	85,780.74	116,798.00	(31,017.26)	-26.56%
TOTAL MAINTENANCE EXPENSES	<u>2,530,198.77</u>	<u>2,563,422.00</u>	<u>(33,223.23)</u>	-1.30%
DEPRECIATION EXPENSE	3,256,302.17	3,300,000.00	(43,697.83)	-1.32%
PURCHASED POWER FUEL EXPENSE	32,466,825.39	36,321,863.00	(3,855,037.61)	-10.61%
VOLUNTARY PAYMENTS TO TOWNS	1,239,186.00	1,243,000.00	(3,814.00)	-0.31%
TOTAL OPERATING EXPENSES	<u>70,047,002.85</u>	<u>76,208,260.00</u>	<u>(6,161,257.15)</u>	-8.08%

* () = ACTUAL UNDER BUDGET

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
BUDGETED OPERATING EXPENSE VARIANCE REPORT
5/31/12

OPERATION EXPENSES:	RESPONSIBLE SENIOR MANAGER	2012 ANNUAL BUDGET	ACTUAL YEAR TO DATE	REMAINING BUDGET BALANCE	REMAINING BUDGET %
PURCHASED POWER BASE EXPENSE	JP	27,402,177.00	22,707,982.18	4,694,194.82	17.13%
OPERATION SUPER AND ENGIN-TRANS	KS	0.00	0.00	0.00	0.00%
OPERATION SUP AND ENGINEERING EXP	KS	438,974.00	473,678.54	(34,704.54)	-7.91%
STATION SUP LABOR AND MISC	KS	62,909.00	104,149.30	(41,240.30)	-65.56%
LINE MISC LABOR AND EXPENSE	KS	692,484.00	643,156.73	49,327.27	7.12%
STATION LABOR AND EXPENSE	KS	441,924.00	425,893.18	16,030.82	3.63%
STREET LIGHTING EXPENSE	KS	85,338.00	109,931.67	(24,593.67)	-28.82%
METER EXPENSE	KS	152,130.00	218,330.81	(66,200.81)	-43.52%
MISC DISTRIBUTION EXPENSE	JD	352,508.00	312,358.96	40,149.04	11.39%
METER READING LABOR & EXPENSE	KS	76,220.00	84,453.62	(8,233.62)	-10.80%
ACCT & COLL LABOR & EXPENSE	RF	1,427,255.00	1,306,784.02	120,470.98	8.44%
UNCOLLECTIBLE ACCOUNTS	RF	192,000.00	176,000.00	16,000.00	8.33%
ENERGY AUDIT EXPENSE	JP	414,098.00	402,167.98	11,930.02	2.88%
ADMIN & GEN SALARIES	VC	745,939.00	697,512.35	48,426.65	6.49%
OFFICE SUPPLIES & EXPENSE	VC	265,700.00	202,661.97	63,038.03	23.73%
OUTSIDE SERVICES	VC	454,250.00	360,652.62	93,597.38	20.60%
PROPERTY INSURANCE	JD	465,000.00	354,882.05	110,117.95	23.68%
INJURIES AND DAMAGES	JD	55,859.00	21,897.12	33,961.88	60.80%
EMPLOYEES PENSIONS & BENEFITS	JD	1,441,637.00	1,145,120.23	296,516.77	20.57%
MISC GENERAL EXPENSE	VC	203,091.00	157,067.02	46,023.98	22.66%
RENT EXPENSE	JD	212,000.00	183,891.83	28,108.17	13.26%
ENERGY CONSERVATION	JP	643,789.00	465,918.34	177,870.66	27.63%
TOTAL OPERATION EXPENSES		8,823,105.00	7,846,508.34	976,596.66	11.07%
MAINTENANCE EXPENSES:					
MAINT OF TRANSMISSION PLANT	KS	3,000.00	2,497.90	502.10	16.74%
MAINT OF STRUCT AND EQUIPMT	KS	107,072.00	214,120.41	(107,048.41)	-99.98%
MAINT OF LINES - OH	KS	1,419,953.00	1,459,517.16	(39,564.16)	-2.79%
MAINT OF LINES - UG	KS	214,037.00	167,159.09	46,877.91	21.90%
MAINT OF LINE TRANSFORMERS	KS	188,500.00	47,451.61	141,048.39	74.83%
MAINT OF ST LT & SIG SYSTEM	JD	9,636.00	(361.38)	9,997.38	103.75%
MAINT OF GARAGE AND STOCKROOM	JD	662,139.00	479,423.18	182,715.82	27.59%
MAINT OF METERS	KS	85,444.00	74,610.06	10,833.94	12.68%
MAINT OF GEN PLANT	RF	127,620.00	85,780.74	41,839.26	32.78%
TOTAL MAINTENANCE EXPENSES		2,817,401.00	2,530,198.77	287,202.23	10.19%
DEPRECIATION EXPENSE	RF	3,600,000.00	3,256,302.17	343,697.83	9.55%
PURCHASED POWER FUEL EXPENSE	JP	39,768,817.00	32,466,825.39	7,301,991.61	18.36%
VOLUNTARY PAYMENTS TO TOWNS	RF	1,356,000.00	1,239,186.00	116,814.00	8.61%
TOTAL OPERATING EXPENSES		83,767,500.00	70,047,002.85	13,720,497.15	16.38%

TOWN OF READING, MASSACHUSETTS
MUNICIPAL LIGHT DEPARTMENT
PROFESSIONAL SERVICES
05/31/2012

PROFESSIONAL SERVICES BY PROJECT

ITEM	DEPARTMENT	ACTUAL	BUDGET	VARIANCE
1 RMLD AND PENSION TRUST AUDIT FEES	ACCOUNTING	34,940.00	32,250.00	2,690.00
2 PENSION ACTUARIAL EVALUATION	ACCOUNTING	0.00	6,000.00	(6,000.00)
3 LEGAL- FERC/ISO ISSUES	ENERGY SERVICE	0.00	16,500.00	(16,500.00)
4 LEGAL- POWER SUPPLY ISSUES	ENERGY SERVICE	51,488.90	41,250.00	10,238.90
5 PROFESSIONAL SERVICES	ENERGY SERVICE	7,484.32	22,000.00	(14,515.68)
6 NERC COMPLIANCE	E & O	17,092.40	14,200.00	2,892.40
7 LOAD CAPACITY STUDY/GIS	ENGINEERING	0.00	15,000.00	(15,000.00)
8 LEGAL SERVICES- GENERAL	GM	107,279.22	45,837.00	61,442.22
9 LEGAL SERVICES-GENERAL	HR	51,561.24	38,500.00	13,061.24
10 LEGAL SERVICES-NEGOTIATIONS	HR	16,037.52	7,000.00	9,037.52
11 LEGAL GENERAL	BLDG. MAINT.	2,312.50	1,375.00	937.50
12 SURVEY RIGHT OF WAY	BLDG. MAINT.	0.00	4,587.00	(4,587.00)
13 ENVIRONMENTAL	BLDG. MAINT.	7,350.69	4,587.00	2,763.69
14 STATION 1 STRUCTURAL FEASABILITY	BLDG. MAINT.	665.00	75,000.00	(74,335.00)
15 DEMOLITION OF CONTROL CENTER	BLDG. MAINT.	57,982.50	100,000.00	(42,017.50)
16 INSURANCE CONSULTANT	GEN. BENEFIT	6,458.33	4,587.00	1,871.33
17 LEGAL	GEN. BENEFIT	0.00	4,587.00	(4,587.00)
TOTAL		<u>360,652.62</u>	<u>433,260.00</u>	<u>(72,607.38)</u>

PROFESSIONAL SERVICES BY VENDOR

	ACTUAL
ROMARKE INSURANCE	6,041.66
RUBIN AND RUDMAN	146,676.03
UTILITY SERVICES INC.	16,406.67
MELANSON HEATH & COMPANY	44,153.62
DUNCAN AND ALLEN	9,215.87
CHOATE HALL AND STEWART	67,598.76
PROFESSIONAL ENVIRONMENTAL SERVICES	2,240.00
CMEEC	4,169.32
FRANCESCO DEMOLITION INC.	56,800.00
COVINO ENVIRONMENTAL ASSOCIATION	7,350.69
TOTAL	<u>360,652.62</u>

RMLD
 BUDGET VARIANCE REPORT
 FOR PERIOD ENDING MAY 31, 2012

DIVISION	ACTUAL	BUDGET	VARIANCE	CHANGE
ENGINEERING AND OPERATIONS	4,230,005	3,832,130	397,876	10.38%
ENERGY SERVICES	927,130	1,048,626	(121,496)	-11.59%
GENERAL MANAGER	738,427	657,017	81,410	12.39%
FACILITY MANAGER	2,644,201	3,227,747	(583,546)	-18.08%
BUSINESS DIVISION	8,361,814	8,481,537	(119,723)	-1.41%
SUB-TOTAL	16,901,577	17,247,056	(345,480)	-2.00%
PURCHASED POWER - BASE	22,707,982	24,679,846	(1,971,864)	-7.99%
PURCHASED POWER - FUEL	32,466,825	36,321,863	(3,855,038)	-10.61%
TOTAL	72,076,384	78,248,765	(6,172,381)	-7.89%

RMLD
 DEFERRED FUEL CASH RESERVE ANALYSIS
 05/31/12

DATE	GROSS CHARGES	REVENUES	NYPA CREDIT	MONTHLY DEFERRED	TOTAL DEFERRED
Jun-11					3,055,224.78
Jul-11	4,131,396.83	4,049,745.45	(79,163.65)	(160,815.03)	2,894,409.75
Aug-11	3,795,607.97	3,924,541.80	(52,328.74)	76,605.09	2,971,014.84
Sep-11	2,914,869.40	3,166,562.64	(58,869.90)	192,823.34	3,163,838.18
Oct-11	2,955,398.39	2,852,952.53	(45,133.69)	(147,579.55)	3,016,258.63
Nov-11	2,643,246.46	2,544,526.70	(47,451.31)	(146,171.07)	2,870,087.56
Dec-11	2,968,917.38	2,889,822.54	(63,455.95)	(142,550.79)	2,727,536.77
Jan-12	3,338,331.18	3,114,395.49	(51,411.30)	(275,346.99)	2,452,189.78
Feb-12	2,879,936.88	2,594,141.71	(62,465.74)	(348,260.91)	2,103,928.87
Mar-12	2,585,840.21	2,644,228.46	(62,960.97)	(4,572.72)	2,099,356.15
Apr-12	2,154,729.79	2,528,368.89	(39,924.10)	333,715.00	2,433,071.15
May-12	2,098,550.90	2,344,120.24	(33,019.19)	212,550.15	2,645,621.30

RMLD
STAFFING REPORT
FOR FISCAL YEAR ENDING JUNE, 2012

ACTUAL

	12 BUD TOTAL	JUL 11	AUG 11	SEP 11	OCT 11	NOV 11	DEC 11	JAN 12	FEB 12	MAR 12	APR 12	MAY 12
GENERAL MANAGER												
GENERAL MANAGER	2	2	2	2	2	2	2	2	2	2	2	2
HUMAN RESOURCES	1	1	1	1	1	1	1	1	1	1	1	1
COMMUNITY RELATIONS	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL	4	4	4	4	4	4	4	4	4	4	4	4
BUSINESS												
ACCOUNTING	2.00	1.50	1.50	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
CUSTOMER SERVICE *	7.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
MGMT INFORMATION SYS *	6.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	5.25	6.25	6.25	6.25
MISCELLANEOUS	1	1	1	1	1	1	1	1	1	1	1	1
TOTAL	17.00	16.50	16.50	16.50	17.00	17.00	17.00	17.00	17.00	18.00	18.00	18.00
ENGINEERING & OPERATIONS												
AGM E&O	2	2	2	2	2	2	2	2	2	2	2	2
ENGINEERING	5	5	5	5	5	5	5	5	5	5	5	5
LINE	21	20	20	20	20	20	20	21	21	21	21	21
METER	4	4	4	4	4	4	4	4	4	4	4	4
STATION	8	8	8	8	8	8	8	7	7	7	7	7
TOTAL	40	39	39	39	39	39	39	39	39	39	39	39
PROJECT												
BUILDING	2	2	2	2	2	2	2	2	2	2	2	2
GENERAL BENEFITS	2	2	2	2	2	2	2	2	2	2	1	1
TRANSPORTATION	0	0	0	0	0	0	0	0	0	0	0	0
MATERIALS MGMT	4	4	4	4	4	4	4	4	4	4	4	4
TOTAL	8	8	8	8	8	8	8	8	8	8	7	7
ENERGY SERVICES												
ENERGY SERVICES *	5.5	5.5	5.5	5.5	5.5	5.5	5.5	4.5	4.5	4.5	4.5	4.5
TOTAL	5.5	5.5	5.5	5.5	5.5	5.5	5.5	4.5	4.5	4.5	4.5	4.5
RMLD TOTAL	74.5	73	73	73	73.5	73.5	73.5	72.5	72.5	73.5	72.5	72.5
CONTRACTORS												
UG LINE	2	2	2	2	2	2	2	2	2	2	2	2
TOTAL	2	2	2	2	2	2	2	2	2	2	2	2
GRAND TOTAL	76.5	75	75	75	75.5	75.5	75.5	74.5	74.5	75.5	74.5	74.5

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

MGL CHAPTER 30B BIDS
BOARD REFERENCE TAB F



RMLD



Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

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

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

June 20, 2012

Town of Reading Municipal Light Board

Subject: SCADA-Ready Capacitor Bank Controls

On May 9, 2012 a bid invitation was placed as a legal notice in the Reading Chronicle requesting proposals for SCADA-Ready Capacitor Bank Controls for the Reading Municipal Light Department.

An invitation to bid was emailed to the following:

Power Tech (UPSC)	J.F. Gray & Associates	Shamrock Power Sales
Hasgo Power Sales	Robinson Sales	E.L. Flowers & Associates
Power Sales Group	MetroWest Electric Sales, Inc.	HD Supply Utilities
HD Industrial Services	Genergy	WESCO
Graybar Electric Company	Stuart C. Irby Co.	Yale Electric Supply
Cooper Industries		

Bids were received from CG Automation, Graybar Electric Supply and Power Tech (UPSC).

The bids were publicly opened and read aloud at 11:00 a.m. June 6, 2012 in the Town of Reading Municipal Light Department's Board Room, 230 Ash Street, Reading, Massachusetts.

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

Move that bid 2012-46 for SCADA-Ready Capacitor Bank Controls be awarded to: **Power Tech (UPSC) for a total cost of \$19,683.00**

<u>Item (desc.)</u>	<u>Qty</u>	<u>Manufacturer</u>	<u>Unit Cost</u>	<u>Total Net Cost</u>
1 - SCADA-Ready Capacitor Bank Controls	12	HD Electric Co.	1,640.25	19,683.00

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

The total Capital Budget allocation for "Distribution Automation Installation - Capacitors Banks" is \$30,000.

Vincent F. Cameron Jr.

Kevin Sullivan

Peter Price

**SCADA-Ready Capacitor Bank Controls
Bid 2012-46**

Bidder	<u>Manufacturer</u>	<u>Delivery Date</u>	<u>Unit Cost</u>	<u>Qty</u>	<u>Total Net Cost</u>	<u>Meet Specification requirement</u>	<u>Firm Price</u>	<u>All forms filled out</u>	<u>Certified Check or Bid Bond</u>	<u>Exceptions to stated bid requirements</u>	<u>Authorized signature</u>
CG Automation - non responsive Item 1	CG Automation Voltage logging not limited. Data logging is adjustable from 1 minute to 15 minutes, for 16 days to 252 days. In addition to all control analog and status points, the switching limits can be set from SCADA system via DNP. Exceptions taken to warranty.	4-6 weeks	1,191.00	12	14,292.00	yes	yes	yes	yes	yes	yes

Engineers Note: Exceptions to the warranty are not acceptable.

Graybar - non responsive Item 1	Cooper see attached	8-12 weeks	1,260.12	12	15,121.44	no	yes	yes	yes	yes	yes
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Engineers Note: Unit is not ethernet ready, and does not meet specifications.

Power Tech (UPSC) Item 1	HD Electric Company	10-12 weeks	1,640.25	12	19,683.00	yes	yes	yes	yes	no	yes
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Reading Municipal Light Department
RELIABLE POWER FOR GENERATIONS

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

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

June 20, 2012

Town of Reading Municipal Light Board

Subject: Licensed Site Professional (LSP) Services

On June 4, 2012 a bid invitation was placed as a legal notice in the Reading Chronicle requesting proposals for Licensed Site Professional (LSP) Services for the Reading Municipal Light Department.

An invitation for the request for proposal was emailed to the following:

Ankiewicz Environmental Services	ATC Associates Inc.	Cushing, Jammallo, and Wheeler, Inc.
EBI	ENSOL, Inc.	EnTact Solutions, Inc.
Fay, Spofford & Thorndike, Inc.	GEI Consultants, Inc.	GeoInsight, Inc.
Goldman Environmental Consultants, Inc.	Lord Associates, Inc.	Nobis Engineering Inc.
Ransom Environmental Consultants, Inc.	Sak Environmental	Weston & Sampson Engineers
Woodward & Curran		

A bid was received from Cushing, Jammallo, and Wheeler, Inc.

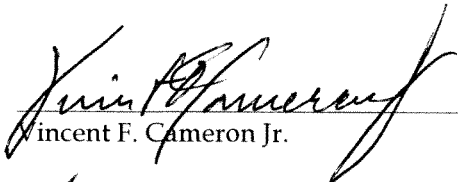
A no bid was received from Vineyard Engineering & Environmental Services, Inc.

The bids were publicly opened and read aloud at 11:00 a.m. June 18, 2012 in the Town of Reading Municipal Light Department's Board Room, 230 Ash Street, Reading, Massachusetts.

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

Move that bid 2012-48 for Licensed Site Professional (LSP) Services be awarded to:

Cushing, Jammallo, and Wheeler, Inc., for a three year period beginning July 1, 2012 for an estimated cost of \$27,000.00 per year based on a 3 year average at the rates indicated in their price proposal, as the lowest, most qualified bidder on the recommendation of the General Manager.



Vincent F. Cameron Jr.



Kevin Sullivan



Nick D'Allewa

Engineering Evaluation

Minimal Criteria	Cushing, Jammallo & Wheeler
Licensed in Mass as a hazardous Waste Site Cleanup professional	yes
On call, available, willing to respond 24/7	yes
Demonstrated 15 Min response time to initial contact.	Stated /demonstrated they could comply
Demonstrated, experience, ability to effectively sample and screen soil samples in the field for MODF (MODF - Mineral Oil Dielectric Fluid)	yes
Demonstrated ability to perform soil and groundwater sampling, oversee soil boring contractor, perform soil characterization and oversee the installation of monitoring wells.	yes
Demonstrated ability to provide training and other environmental consulting services (SPCC plan) (SPCC - Spill Prevention Control and Countermeasures)	yes

Comparative Criteria	Cushing, Jammallo & Wheeler
Demonstrated knowledge of Mass contingency Plan, emphasis on LRA, IRA, RAO, Method 1 and 3 Risk Characterizations, in furnishing services to electrical utilities in Mass.	This category is 'Highly Advantageous' - They demonstrate the knowledge with numerous MODF cleanups and they have experience with several Massachusetts utilities for a period of more than 5 years.
Must have principal location to afford minimal response time between notification and arrival on site of incident.	This category is 'Highly Advantageous' 85 Constitution Lane, Danvers, MA 13.3 miles, 18 minutes (Mapquest)

Cushing, Jammallo, and Wheeler, Inc. was able to show more than five years of experience performing LSP services relating to MODF releases for electrical utilities in Massachusetts.

BOARD MATERIAL AVAILABLE
BUT NOT DISCUSSED



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

June-12

	RESIDENTIAL 750 kWh's	RESIDENTIAL-TOU 1500 kWh's 75/25 Split	RES. HOT WATER 1000 kWh's	COMMERCIAL 7,300 kWh's 25,000 kW Demand	SMALL COMMERCIAL 1,080 kWh's 10,000 kW Demand	SCHOOL RATE 35000 kWh's 130.5 kW Demand	INDUSTRIAL - TOU 109,500 kWh's 250,000 kW Demand 80/20 Split
READING MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$96.78	\$171.03	\$112.15	\$863.87	\$167.83	\$4,009.94	\$10,966.44
PER KWH CHARGE	\$0.12904	\$0.11402	\$0.11215	\$0.11834	\$0.15540	\$0.11457	\$0.10015
NATIONAL GRID							
TOTAL BILL	\$108.82	\$193.62	\$129.62	\$1,048.46	\$149.74	\$3,705.62	\$10,099.95
PER KWH CHARGE	\$0.14510	\$0.12908	\$0.12962	\$0.14363	\$0.13865	\$0.10587	\$0.09224
% DIFFERENCE	12.45%	13.21%	15.57%	21.37%	-10.78%	-7.59%	-7.90%
NSTAR COMPANY							
TOTAL BILL	\$126.00	\$230.34	\$165.86	\$1,158.27	\$174.88	\$6,379.23	\$13,507.97
PER KWH CHARGE	\$0.16800	\$0.15356	\$0.16586	\$0.15867	\$0.16192	\$0.18226	\$0.12336
% DIFFERENCE	30.20%	34.68%	47.89%	34.08%	4.20%	59.09%	23.18%
PEABODY MUNICIPAL LIGHT PLANT							
TOTAL BILL	\$91.19	\$174.77	\$119.56	\$944.26	\$158.04	\$4,598.69	\$10,342.16
PER KWH CHARGE	\$0.12158	\$0.11651	\$0.11956	\$0.12935	\$0.14634	\$0.13139	\$0.09445
% DIFFERENCE	-5.78%	2.18%	6.61%	9.31%	-5.83%	14.68%	-5.69%
MIDDLETON MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$99.77	\$198.39	\$132.64	\$959.51	\$168.44	\$4,762.93	\$13,330.75
PER KWH CHARGE	\$0.13303	\$0.13226	\$0.13264	\$0.13144	\$0.15596	\$0.13608	\$0.12174
% DIFFERENCE	3.09%	15.99%	18.27%	11.07%	0.36%	18.78%	21.56%
WAKEFIELD MUNICIPAL LIGHT DEPT.							
TOTAL BILL	\$104.99	\$203.67	\$137.88	\$1,045.84	\$168.46	\$4,895.58	\$13,519.62
PER KWH CHARGE	\$0.13998	\$0.13578	\$0.13788	\$0.14327	\$0.15599	\$0.13987	\$0.12347
% DIFFERENCE	8.48%	19.08%	22.94%	21.06%	0.38%	22.09%	23.28%

June 2 and May 25 - Payables Questions

Vincent Cameron

Sent: Wednesday, June 06, 2012 11:51 AM
To: Phil Pacino; Bob Soli; Gina Snyder; Marsie West
Cc: Bob Fournier; Wendy Markiewicz; Steve Kazanjian; Jeanne Foti
Categories: Red Category
Attachments: DOC.PDF (288 KB) ; Mass. Comm. Bill.pdf (16 KB)

June 2, 2012

Snyder

1. Rubin Rudman - Pls have detail on NSTAR + Hydro Quebec.

This work was performed relating to developing the contracts for the power supply bid on May 18, 2012 and some energy conservation information. The RMLD went out for bid on May 18, 2012 and the bidders contracts have to be in place prior to going out to bid. One of the bidders was Hydro Quebec was one of the bidders.

The NStar activity had to do with information on their conservation programs.

2. Nat Grid + NE Power - Are #'s switched on list? 16,485 is NE, 23,625 is NGrid. (Also noted by Commissioner West.)

No, they are correct. The invoice for \$16,485.43 lists New England Hydro-Trans Corp on the invoice but the instructions on the bill states "checks should be made payable to National Grid". The invoice for \$23,625.56 is from National Grid but the instructions on the invoice states that "payment by check should go to New England Power Co."

3. Postage wire form Mass Communications - Where's the bill with this?

Attached is the bill from Mass Communication for the postage. It will be attached to the wire.

4. HD Supply + Schweitzer - These look like the exact same equipment, w/2 bills from 2 companies for the same thing. Please explain.

The Schweitzer bid was awarded in November, 2011 and the relays were purchased in December, 2012.

The HD supply was bid was awarded in May and the relays were purchased in May, 2012. Two separate bids.

The relay replacement work was not going to be performed at the same time do to substation maintenance scheduling, so we did two separate bids

5. Kathleen Good - Please explain.

This is for a court reporter service for an union arbitration. The RMLD splits the cost with the union.

6. Healthy Air + DNS Alpha Mechanical - Please provide an overview of all the HVAC + what the various contractors do with it. Maintenance, breakdowns versus replacement of the units. I'm interested in cost of O+M whether we'd save \$ in the long term if replaced.

The roof top units that were replaced were 17 years old and in needs of replacement.

I will get the information you requested with regard to HVAC maintenance, replacement, etc.

May 25, 2012

O'Neill

1. Bryan - Lodging listed Th/Fri on internal form; should be W/Th.

Yes. The notation has been made on the forms.

2. Evans - Dates not listed on internal form. We are not able to book flights through the RMLD? We were not able to get an invoice, draw up a PO and get prior approval for conference.

The dates are now on the form. The flights were paid for by the employee. There was no PO because the conference, flight, and hotel were paid for by the employee. The Engineering and Operations Manager gave prior approval for the trip and signed a travel authorization form prior to the trip.

3. Rubin and Rudman - I thought we had already paid them for DPU PowerPoint, etc. This is for work done in Jan/Feb. Please double check.

There were two meetings with the Commonwealth of Massachusetts state officials. The first meeting occurred on December 12, 2012 with Bobbi Garnick Gates who is the Executive Director of was Executive Office of the Energy and Environmental Affairs (EOEEA). The RMLD, Braintree Electric Light Department (BELD), and Energy New England (ENE) set up a meeting through Rubin and Rudman to present the three systems energy conservation and renewable energy programs. The three systems wanted to also obtain some insight as to how the EOEEA viewed municipals with respect to energy conservation and renewable energy. The RMLD paid \$1,500 for Rubin and Rudman's role in setting up the meeting and discussing the presentation content. The meeting was very worthwhile in educating Ms. Garnick Gates where the municipal sector is with respect to energy conservation and renewable energy programs.

The Mass. Department of Public Utilities (MDPU) Commissioners, upon hearing about our meeting with Ms. Garnick Gates, asked the RMLD, BELD, and ENE to attend a meeting with them to discuss our energy conservation and renewable energy programs and also discuss the municipalization bill. We were surprised that the MDPU asked us to come before them, which was a signal that they are very interested in the content of the information we provided.

This MDPU meeting created a good amount of up front work by Rubin and Rudman work to ensure that our presentation and message to the MDPU Commissioners was appropriate. The meeting took place on February 14, 2012 and lasted for about an hour and fifteen minutes. The meeting was very informative for the MDPU Commissioners and they asked many probing questions about our energy conservation and renewable energy activities. They also asked some very direct questions relating to the municipalization bill.

I reported on these meetings at the February Board meetings.

In researching this issue I noticed that I wrote on the first Rubin and Rudman Meeting invoice "meeting with Mass DPU Commissioners". This was incorrect and should be noted as "meeting with EOEEA". My error.

4. Please provide a copy of the PowerPoint mentioned in Rubin & Rudman invoice.

It is attached.

Page 3 of 3 - Is Blank

MASSACHUSETTS MUNICIPAL LIGHT PLANTS

Meeting Customer Needs Reliably and
Economically in the Green Energy Era

February 14, 2012

Overview

- Introductions
- Benefits of Public Power
- Braintree Electric Light Department (BELD)
- Reading Municipal Light Department (RMLD)
- Energy New England (ENE)
- Green Initiatives
- Role of Public Power in Today's Green Marketplace
- Reliability
- Low Cost
- Where Do We Go From Here?

Light Plant Participants

- William Bottiggi, General Manager
Braintree Electric Light Department
- Vincent Cameron, General Manager
Reading Municipal Light Department
- John Tzimirangas, President and CEO
Energy New England

Benefits of Public Power

- Municipal utilities are owned and governed by the communities they serve → creating a strong and vital link between a light plant and its citizens
- Municipal utilities are not profit driven, and do not have to answer to shareholders → municipals answer to the ratepayers
- Ratepayers help set the agenda for municipal utilities, and they are asking for more energy efficiency programs and renewable solutions; and municipal utilities are able to respond quickly and effectively
- “Green” solutions
- Reliable supply
- Cutting edge technologies
- Lower rates

Braintree Electric Light Department

- Provides electricity, internet, cable TV and telephone services to 15,800 electric and 4,000 broadband customers
- Established in 1892 by Thomas Watson
- Peak demand of 91 MW
- Rates consistently lower than IOUs' rates
 - BELD residential customers: 13¢/kWh
 - NSTAR residential customers: 18¢/kWh

BELD's Watson Station

- 116 MW dual-fuel quick-start generating facility
- Located at Potter Road facility in Braintree with Potter II generating facility and administrative offices
- Project approved by Siting Board on February 29, 2008
- Watson Station commenced operation in Summer 2009
- As the EFSB recognized, Watson Station is critical in helping New England address peaking, reserve and capacity needs.
- State-of-the-art facility is an economic boon to BELD ratepayers during Summer and other peak periods as it shields customers from high spot market prices

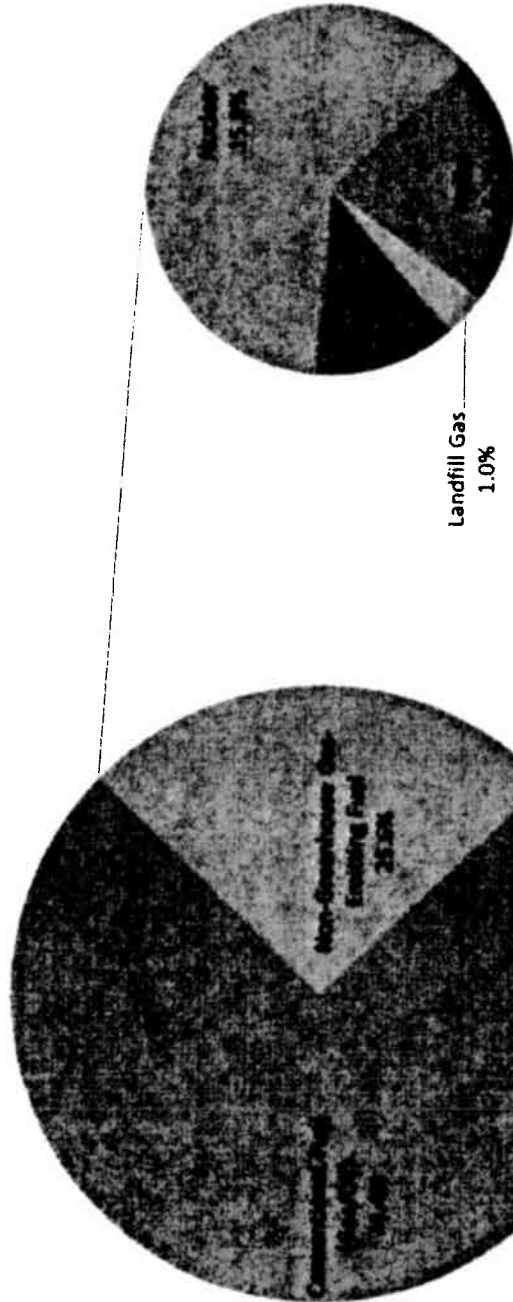
BELD Green Power Initiatives

- Conservation measures include; Home Energy Advisor Service, Electric Usage Monitoring, Appliance Rebates, Re-Leaf Program, BGREEN Program, and CFL distribution
- BELD is rolling out a smart metering project; has installed 6,000 of 15,800 meters; expect completion by Fall 2012
- Project will allow real-time metering, customer interface, outage notification, etc.
- Renewable distributed generation facility tariffs now available

BELD Green Power Initiatives Cont'd

- BELD's current zero emission energy portfolio includes:
demonstration solar array on BELD property; 3.75 MW
from a wind farm in Maine, almost 2.5 MW from a run-of-
river hydro plant in Maine, and 7.5 MW of Seabrook
- Currently working on 1.5 MW commercial scale solar
project on the Braintree Landfill

BELD's Projected Load Breakdown by Fuel - 2012



Fuel Type	Megawatt hours
Hydro	22,037 MWh
Landfill Gas	3,771 MWh
Wind	12,474 MWh
Nuclear	61,482 MWh
Total Non Greenhouse Emitting:	99,764 MWh
Conventional Fuel (Gas/Oil)	289,522 MWh
Projected Load:	389,286 MWh

Reading Municipal Light Department

- Established in 1894 to serve the Town of Reading; 1908 enabling legislation expanded the RMLD's service territory to the three outside towns
- Serves 28,000 electric customers in Reading, North Reading, Lynnfield, and Wilmington
- Peak demand of 172 MW
- RMLD rates consistently lower than IOUs' rates
 - December 2011, average monthly bills:
 - RMLD - \$99.56
 - NGRID - \$108.82
 - NSTAR - \$114.99

RMLD Green Power Initiatives

- Comprehensive net metering tariffs are available to residential and commercial customers
- RMLD has:
 - 11 Residential solar installations totaling 57.2 kW
 - 1 Commercial solar installation of 75 kW
 - 2 cogeneration projects at 7.2 kW
 - 300 kW of solar in the final stages of design
 - Over 15 commercial solar projects in the various stages of development, totaling approximately 15 MW
- RMLD recently signed a PPA with 5 MW New Hampshire biomass project
- RMLD has entitlement to 7 MW of hydroelectric power from four dams in Western Massachusetts
- In negotiations for output of 1.6 MW solar project
- Energy Efficiency Engineer on staff to coordinate the RMLD energy conservation and renewable energy programs

RMLD Green Power Initiatives Cont'd

- Over 4,300 residential appliance rebates given for a total of \$217,000
- \$3.4 million saved by commercial customers since 2005
- \$1.6 million collected since October, 2008 and \$1.5 million spent on energy efficient and renewable energy projects for residential and commercial customers
- Over 250 kW and 10,717 MWh saved since 2005
- Savings from all Energy Conservation measures from 2005-2011 have a potential Net Present Value of \$13.5 million through 2027
- Recently awarded a \$50,000 grant from DOER to upgrade its Water Heating Control Program

RMLD Green Power Initiatives Cont'd

- Working jointly with MAPC and four towns to create long term sustainability plan from MAPC grant and Barr Foundation

RMLD Reliability Track Record

- The RMLD's System Interruption Frequency Index (SAIFI) shows that the RMLD's customers experience an outage once every thirty months, and according to the Customer Average Interruption Duration Index (CAIDI), the average outage is 50 minutes

Energy New England

- ENE serves municipal utilities, municipalities, universities, IOUs and others in the 6 New England states, along with New York and Pennsylvania
- Manages over 750 MW of load, 500 MW of generation and \$300 million/year in structured transactions
- ENE is a trusted advisor for generation, asset optimization, supply procurement, risk management, ISO market management, energy efficiency, renewable projects

ENE's Energy Efficiency Role

- Extensive track record in evaluating and implementing conservation measures for municipal utilities, businesses, schools, IOUs and non-profits
- Conducts Walk-Throughs, Facility Evaluations and All-Fuel Investment Grade Audits to identify energy efficiency opportunities and quantify impacts, partnering with third party vendors to provide implementation of the chosen opportunities
- Helps customers realize savings from
 - Lighting systems
 - Controls and sensors
 - Motors and drives
 - Refrigeration and compression
 - HVAC
- Provided Taunton Municipal Light Plant (TMLP) with the ECHO Analytics portal which show real-time load, against preset values and pricing and helped TMLP achieve an 1% reduction in peak load with the three customers in the pilot project during this past summer by having customers reduce usage

ENE's Renewable Energy Services

- ENE helps clients make investments in renewable energy with the goals of price certainty, achieving climate change benefits, reducing grid congestion and reliance on dirty generation and advancing net metering
- ENE ensures that clients realize that benefits of renewable energy through strategic PPAs, collection of applicable tax and other incentives, and grid payments
- Recently negotiated a 15-year fixed price (no escalation) contract for 20 MW of wind power for 13 municipal clients
- Provided a market rate hydro source for our clients for 6 years with a declining rate for a run-of-river project
- ENE is working with a developer on Savoy Wind, a 12 MW project that municipal clients may want to purchase for their portfolios.
- ENE has had discussions with the Palmer Renewable Group, who are building a biomass project in Springfield.

Next Steps

- Continue dialogue with State Officials and others
- Can provide updates on achievements and initiatives
- Seeking a “seat at the table” for any policy discussion affecting public power
- Valuable resource for questions regarding municipalization, what has worked and what has not, and the future of renewable assets based in Massachusetts
- How can we be helpful going forward?

MASS Communications, Inc.

50 Jytek Road Leominster MA 01453-5966
Phone: (978) 840-9880 Fax: (978) 840-1877

Invoice for Postage

Attn Reading Municipal Light Department
Reading Municipal Light Department
230 Ash Street P.O. Box 150
Reading MA 01867-0250

Job Name: RMLD Monthly Postage Prepay
Invoice # 22166 **CustCode:** RMLD
Invoice Date: 5/4/2012
PO#:

Invoice Details

Job Number: 22166

Project: RMLD Monthly Postage Prepay

Postage Due In: 6/1/2012

Postage Affixed: Meter

Drop Date:

Postage Amount: \$10,250.00

Expected Qty.: 29,000

Special Instructions:

If you are mailing on our permit account, please make your check payable to MASS Communications, Inc.
Please indicate on your check memo or description line that this check is for "Postage Pre-payment"
Include a photocopy of this invoice with your payment.

Account Payable Questions - June 8

Vincent Cameron

Sent: Tuesday, June 12, 2012 7:47 AM
To: Phil Pacino; Bob Soli; Gina Snyder; Marsie West
Cc: Bob Fournier; Steve Kazanjian; Wendy Markiewicz; Jeanne Foti
Categories: Red Category

Snyder

1. Wm Crowley - Please provide details.

Attorney Mr. Crowley has a practice in Reading. He handles the RMLD's legal matters with respect to pole damage (vehicles) and theft of electricity.

2. Wilmington Chamber - What is our annual budget for Chamber/Rotary type of payments?

The RMLD's annual budget in FY12 for Chamber, Rotary, MEAM, and Public Relations Society activities is \$5,565.

Account Payable Questions - June 15

Vincent Cameron

Sent: Tuesday, June 19, 2012 10:59 AM
To: Phil Pacino; Bob Soli; Gina Snyder; Marsie West
Cc: Bob Fournier; Steve Kazanjian; Wendy Marklewicz; Jeanne Foti
Categories: Red Category

Snyder

1. Century Bank - Why these bank charges with the new service online?

These credit card charges are for the payments we take at the counter, which do not presently go through Invoice Cloud. We plan on switching the counter payments over to Invoice Cloud soon.

2. HT Berry - Ship 5/25 PO 6/8 need to strongly remind people that PO should be done upfront (This is not an emergency purchase!)

Yes, I will reinforce with staff.

3. Reading Police - Holmes blue slip 1 pm - 2:30 pm charged 8 hours. (Note Pico also but his slip is 8 am to 2 pm for the 8 hours) What was the circumstances?

There were two slips for Holmes. The first slip shows the detail on Main Street, Reading from 1 pm to 2:30 pm. The second slip showed the detail on Main, Minot and Lincoln streets from 8 am to 1 pm. The details were on two different slips because they were for two different work orders.

4. Survalent - Did this come in under budget or are there additional purchases if so please have details on PO.

The remaining balance on the PO (\$29k) is for installation, programming, and training provided by Survalent. I will have that noted on the PO.

HVAC Maintenance versus Replacement Explanation

Vincent Cameron

Sent: Tuesday, June 19, 2012 1:14 PM
To: Phil Pacino; Bob Soli; Gina Snyder; Marsie West
Cc: Bob Fournier; Steve Kazanjian; Wendy Markiewicz; Jeanne Foti
Categories: Red Category
Attachments: HVAC Clarification.doc (29 KB) ; Exhibit A_2010-05 HVAC PM ~1.xls (67 KB)

Included in the June 2 payable questions was the following;

Question

6. Healthy Air + DNS Alpha Mechanical - Please provide an overview of all the HVAC + what the various contractors do with it. Maintenance, breakdowns versus replacement of the units. I'm interested in cost of O+M whether we'd save \$ in the long term if replaced.

Answer

The roof top units that were replaced were 17 years old and in need of replacement.

I will get the information you requested with regard to HVAC maintenance, replacement, etc.

Please see the attachments for the background info on the maintenance versus replacement you requested.

DNS LLC DBA Alpha Mechanical Services

In January 2010 DNS LLC DBA Alpha Mechanical Services was awarded bid 2010-05 HVAC Maintenance and Repair Services. This is a 3 year contract. Under this contract Alpha Mechanical provides PM services (see attached schedule) and repair services as needed. The RMLD can at any time obtain quotes from other vendors if a repair cost is more than \$5,000.

HealthyAir Solutions

In March 2012 HealthyAir Solutions was awarded bid 2012-36 for the replacement of two 7.5 ton RTU's.

Monies Invested

From September 2010 to the end of 2011 the RMLD has spent approximately \$7,724.00 in repairing these three RTUs. This was only to keep them going the aging units repairs were being put on hold and band aids put in place while it was being decided what to do.

Replacement of 5 ton RTU

In September of 2010 the 5 ton RTU continued to have cooling issues endangering the RMLD servers. Since this unit was original to the building and parts were becoming obsolete and sometimes unobtainable the RMLD was considering replacing the unit.

In January 2011 it was realized that due to uneven cooling, mismatched loads, conflicting controls and poor air distribution the Bryant unit that feeds the Computer Server and Mail Rooms would have to be replaced. These two areas are very critical to the operation of the RMLD and are served by this one 5 ton unit.

In March of 2011 the unit was replaced by Alpha Mechanical. The Bryant 558DEX060000AAAA, 5 ton RTU was replaced with one Carrier 50TCA06A2A6A0A0A0, 5 ton RTU for a cost of \$7,460.00.

Replacement of two 7.5 ton RTUs

The remaining two 7.5 ton RTU's also original to the building were in much more severe condition. The units suffered from worn and stripped gears, economizers not operating properly, one unit had the heat exchangers rotting out and compressors rapping. Again with parts either obsolete or unobtainable (band aids were no longer working) it was decided that the RMLD could only benefit by replacing the two 7.5 ton units the Bryant 558DEX090000ABMA was replaced with one Carrier 50HCD08A2A6-0A0A0; which cools the mezzanine area (electric and telephone rooms need to be cooled) and Bryant 580DEV090125ABMA was replaced with one Carrier 48HCED08A2A6-0A0A0; which heats and cools the Meter Department for a total cost of \$19,600.00 and one change order \$1,245.00 for replacement of gas shutoff valve for the 48HC unit and low ambient controls for the 50HC unit for a total of \$20,845.00. After being awarded the bid both units were replaced by HealthyAir Solutions.

