AGREEMENT

WHEREAS, the Town of Wilmington ("Wilmington") voted pursuant to G.L. c. 164 on April 26, 1986 and April 25, 1987, to acquire from the Reading Municipal Light Department ("RMLD") the electric plant of RMLD located within the limits of Wilmington;

WHEREAS, on October 21, 1987, Wilmington filed a petition with the Massachusetts Department of Public Utilities (the "DPU") pursuant to G.L. c. 164 and St. 1908, c. 167, requesting the Department to resolve a valuation dispute with RMLD as to RMLD's plant located within the limits of Wilmington;

WHEREAS, on November 5, 1987, RMLD filed an Answer to Wilmington's Petition in which it disputed Wilmington's valuation and raised other issues;

WHEREAS, RMLD and Wilmington have engaged in negotiations prior to and since the filing of the above described Petition and Answer;

WHEREAS, RMLD and Wilmington are in substantial disagreement as to the valuation to be placed upon RMLD's plant within the limits of Wilmington and the amount of severance damages, if any, arising out of the transfer of such plant by RMLD to Wilmington;
WHEREAS, discovery and the presentation of evidence to the Department would in all probability take months, if not years to complete, all at great expense to Wilmington and RMLD’s ratepayers;

WHEREAS, an adverse outcome of a Department valuation proceeding involves substantial and unacceptable risks for both RMLD, Wilmington and RMLD’s ratepayers;

WHEREAS, RMLD furnishes electric service within the Town of Reading pursuant to G.L. c.164 and, pursuant to St. 1908, c. 365, furnishes electric service within the Towns of Lynnfield, North Reading and Wilmington;

WHEREAS, RMLD desires to continue furnishing electric service to Lynnfield, North Reading and Wilmington, and their inhabitants, pursuant to St. 1908, c. 365 on a reliable basis and at a reasonable cost;

WHEREAS, Lynnfield, North Reading and Wilmington desire that RMLD continue to furnish electric service to such towns and their inhabitants pursuant to St. 1908, c. 365 on a reliable basis and at a reasonable cost;

WHEREAS, the Towns of Lynnfield ("Lynnfield") and North Reading ("North Reading") support the resolution of the aforesaid disputes between RMLD and Wilmington, in a manner which is fair-
and equitable to their respective inhabitants, and join in this Agreement;

NOW, therefore, the parties stipulate and agree as follows:

SERVICE AGREEMENT

1. Subject to the provisions of this Agreement, RMLD will continue to furnish electric service to Lynnfield, North Reading and Wilmington, and their inhabitants, on a reliable basis and at a reasonable cost.

MOTION TO STAY

2. Within seven (7) days after the date of execution of this Agreement, RMLD and Wilmington shall file with the DPU a Motion to Stay Wilmington's Petition docketed as D.P.U. 87-112 (the "Petition"). The form of such Motion to Stay is attached hereto as Attachment 1.

SPECIAL LEGISLATION

3. All parties shall use best efforts, including, but not limited to taking all necessary votes, and cooperate to seek the enactment of special legislation to become effective on or before January 1, 1992, which would authorize RMLD to include in lieu of tax payments as an expense of operation for ratemaking purposes. The form of such special legislation is attached hereto as Attachment 2. In the event that such special legislation is not
effective on or before January 1, 1992, then this Agreement shall terminate on that date.

VOLUNTARY PAYMENTS

4. (a) Subject to and expressly conditioned upon the (1) there being in effect on or before January 1, 1992, the special legislation described in paragraph 3 of this Agreement and (2) Wilmington's performance of its obligations under paragraph 5 of this Agreement, RMLD shall make in lieu of tax payments to the following towns and in the following amounts:

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>1991</th>
</tr>
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<tbody>
<tr>
<td>Lynnfield</td>
<td>$8,050</td>
<td>$8,050</td>
</tr>
<tr>
<td>N. Reading</td>
<td>$18,150</td>
<td>$18,150</td>
</tr>
<tr>
<td>Wilmington</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
</tbody>
</table>

RMLD will fund these payments exclusively from its unappropriated earned surplus, consistent with the Department's Uniform System of Accounts applicable to municipal light plants. Such payments shall be made by RMLD within one hundred twenty (120) days of the effective date of the aforesaid special legislation, together with interest thereon commencing as of the date of execution of this Agreement and at a rate not to exceed the rate of interest actually earned on RMLD's earned surplus during the time period
Notwithstanding the foregoing payment provisions of this paragraph, such payments shall be pro-rated to reflect that fraction of the year in which the aforesaid special legislation is not in effect. For example, if the special legislation were effective on July 1, 1991, the towns would receive, pursuant to this paragraph, and in addition to the amounts payable pursuant to paragraph 5 of this Agreement, the amount listed under 1990 plus one-half (1/2) of the amount listed under 1991, plus interest.

(b) Nothing in the foregoing provisions of this paragraph 4 or any other provisions of this Agreement shall preclude RMLD from making in its discretion voluntary in lieu of tax payments to the Town of Reading from its unappropriated earned surplus in accordance with the policies of the DPU.

PAYMENTS PURSUANT TO SPECIAL LEGISLATION

5. (a) Subject to and expressly conditioned upon (1) there being in effect on or before January 1, 1992, the special legislation described in paragraph 3 of this Agreement which authorizes RMLD to include in annual operating expenses for purposes of G.L. c.164, §§57 and 58 in lieu of tax payments to Reading, Wilmington, North Reading and Lynnfield, and (2) upon Wilmington's performance of its obligations under paragraph 6 of this Agreement, RMLD shall make in lieu of tax payments to such towns during each year commencing with the year in which the
effective date of such special legislation occurs through the end of the term of this Agreement in accordance with the following formula:

(i) RMLD shall calculate an amount equal to two (2%) percent of the cost of its net plant (determined in accordance with the policies and decisions of the DPU) as of the end of the calendar year prior to the year in which any such in lieu of tax payments are to be made; and

(ii) the amount calculated in accordance with subparagraph (i) shall be appropriated and applied or distributed during such year to Reading, Wilmington, North Reading and Lynnfield as payments in lieu of taxes based on a pro rata allocation in accordance with the respective retail kilowatthour sales within each town from such prior calendar year as a percentage of RMLD's total retail sales within all four of the towns during the same year.

(b) Fifty (50) percent of the total payment made by RMLD to each town in each such year will be payable on or about June 30 and the remaining fifty (50) percent of such payment will be payable on or about December 30 of each such year.

Notwithstanding the foregoing provisions of this paragraph, in the event that such special legislation is effective before January 1, 1993, then RMLD shall make its first annual payment on a pro-rated basis (reflecting that fraction of the year in which
the special legislation is in effect), with interest, during January of the year following the effective date of such special legislation; provided, however, that if such payment during January would occur earlier than one hundred twenty (120) days after the effective date of such special legislation, then such first annual payment shall be made one hundred twenty (120) days after the effective date of such special legislation. Interest shall be computed from the effective date of the special legislation to the date of payment at a rate not to exceed the rate of interest actually earned on RMLD's earned surplus during such period. For example, if special legislation were effective on July 1, 1991, the towns would receive as the 1991 payment, in January, 1992, one-half (1/2) of the amount payable to them under the formula set forth in paragraph 5(a), together with interest. Such payment would be in addition to the amounts paid pursuant to paragraph 3 of this Agreement. During 1992, the towns would also receive the two 1992 annual payments on or about June 30 and December 30, each such payment representing fifty (50) percent of the annual amount payable under the formula set forth in paragraph 5(a).

(c) Nothing in this paragraph shall preclude RMLD from earning a return of eight percent per annum on the cost of plant in accordance with G.L. c.164, §58, making additional voluntary in lieu of tax payments to the Town of Reading from its unappropriated earned surplus, and otherwise using its earned
return of up to eight percent per annum for purposes authorized by law.

RESCISSION OF WILMINGTON VOTES

6. Subject to and expressly conditioned upon there being in effect on or before January 1, 1982, the special legislation referred to in paragraph 3 of this Agreement, Wilmington shall conduct a vote for the purpose of rescinding votes taken on April 26, 1986 and April 25, 1987, to acquire RMLD's plant located within the limits of Wilmington. If such vote does not occur within ninety (90) days after the effective date of said special legislation, or does not favor such rescission, then this Agreement shall terminate.

DISMISIAL OF PETITION

7. Subject to and expressly conditioned upon: (1) there being in effect on or before January 1, 1982, the special legislation referred to in paragraph 3 of this Agreement and (2) upon an affirmative vote of the Town of Wilmington to rescind its prior votes taken on April 26, 1986 and April 25, 1987, pursuant to paragraph 6 of this Agreement, within one hundred twenty (120) days after the effective date of said special legislation, RMLD and Wilmington shall file with the DPU a Motion to Dismiss the Petition. The form of such Motion to Dismiss is attached hereto as Attachment 3.
RIGHT OF RMLD TO MAKE BELOW THE LINE PAYMENTS

8. In the event that the special legislation provided for in the foregoing paragraph 3 is not in effect as of January 1st of any calendar year during the term of this Agreement, then for each such year RMLD shall have the right, but be under no obligation to make from its unappropriated earned surplus, voluntary in lieu of tax payments to Reading, Wilmington, North Reading or Lynnfield.

ADVISORY BOARD

9. Within one hundred twenty (120) days after the effective date of the special legislation referred to in paragraph 3 of this Agreement, the RMLD Board shall take such votes which are necessary to establish an Advisory Board which will formalize for Wilmington, North Reading and Lynnfield an additional opportunity to provide input to RMLD in its decision-making. The annual appropriation for such Advisory Board shall be $15,000, unless a greater amount is recommended by RMLD's Manager and approved by its Board pursuant to G.L. c.164, §§36, 87. The functions of such Advisory Board are described in Attachment 4 to this Agreement. As specified in Attachment 4, with respect to all matters within the purview of the Advisory Board, such Advisory Board shall be afforded periods of up to thirty (30) days to submit advisory input to RMLD, in addition to the opportunity to be heard at the public session of any RMLD Board Meetings. All such input shall be completely advisory in nature and may be considered by the Board and General Manager as
they see fit pursuant to their exercise of statutory powers under G.L. c.164 §56 and otherwise. The Advisory Board shall not be entitled to attend executive sessions of the Board and shall not have access to Board records which are not public records.

STREET LIGHTING

10. As an alternative to other ratemaking approaches authorized under G.L. c.164, §58, RMLD’s streetlighting rates as in effect from time to time and applicable to the towns of Reading, Wilmington, North Reading and Lynnfield, shall be determined on the basis of cost of service studies conducted from time to time by RMLD and shall not be unlawfully discriminatory. Such cost of service studies shall be conducted with the frequency and in the manner that RMLD shall in its reasonable discretion determine.

TERM OF AGREEMENT

11. (a) The term of this Agreement shall be for a period of twenty (20) years commencing on the date of execution of this Agreement, except as otherwise provided in paragraphs 3 and 6 of this Agreement. This term has been arrived at by the parties in order to afford RMLD sufficient flexibility to make long term power supply arrangements, consistent with the policies of the DPU, and thereby afford its customers greater rate stability. During such term Wilmington, North Reading and Lynnfield shall not take any actions, at the DPU or otherwise, pursuant to G.L. c. 164, §43, St. 1908, c. 169 or pursuant to any other general or
special law for the purpose of creating a municipal light plant or acquiring the plant of RMLD located within their respective town limits. Any vote by any of said towns to acquire the plant of RMLD in said town and any action by said town at the DPU shall constitute a material breach of this Agreement. The parties shall use best efforts to secure the enactment of special legislation, the form of which is attached hereto as Attachment 2, which confirms and authorizes the undertaking of these obligations for the term of this Agreement. In the event that the term of this Agreement set forth in this paragraph is determined by a court of competent jurisdiction to exceed the authority of one or more of the parties, this Agreement shall not be rendered void by virtue of such determination, but the term of this Agreement shall be reduced to be the greatest number of years such court shall find to have been within the contracting authority of the parties.

(b) At such time or times as there are ten years remaining under the original term or any subsequent term of this Agreement, RMLD and one or more of the other parties may elect to extend such remaining term as between them by an additional period of ten years. Such extension shall be made pursuant to a document signed by such parties. In the event that RMLD wishes to so extend such original or subsequent term of this Agreement, it shall notify each other party’s Board of Selectmen by certified mail, return receipt requested, of its intention to so extend such term, at least one hundred eighty (180) days prior to the expiration of the
tenth year of the original or any subsequent term of the Agreement. Within said one hundred eighty (180) days, Wilmington, North Reading and Lynnfield, or such of those towns which are then parties under the Agreement, shall take such votes as each town deems necessary to authorize or disapprove such an extension of the term of this Agreement and shall notify RMLD of such votes by certified mail, return receipt requested. The failure of RMLD to notify the parties as provided hereunder shall not constitute a breach of this Agreement unless RMLD fails to cure such failure after written notice from another party pursuant to Paragraph 11 of this Agreement. Such cure by RMLD shall be effective even if the notice which it gives occurs less than one hundred eighty (180) days prior to the expiration of the tenth year of the original or subsequent term of the Agreement, and the parties receiving such notice shall have one hundred eighty (180) days from receipt thereof within which to take the aforesaid votes. The failure of any town to vote as provided hereunder shall not constitute a breach of this Agreement unless such town fails to cure such failure after written notice from another party pursuant to Paragraph 11 of this Agreement. RMLD shall notify Wilmington, North Reading and Lynnfield at the time and in the manner specified herein above if it does not wish to extend the original or any subsequent term of this Agreement.

CONTINUATION OF SERVICE

12. Upon the expiration of the term of this Agreement in accordance with the provisions of paragraph 11 or termination of
this Agreement in accordance with the provisions of paragraphs 3 or 6, RMLD shall continue to serve Wilmington, North Reading and Lynnfield pursuant to St. 1908, c.163 and G.L. c.164.

BREACH

13. (a) Except as otherwise provided in this Agreement, in the event that any party to this Agreement neglects or refuses to cure its non-performance or deficient performance or otherwise fails to perform its obligations for a period of sixty (60) days after receipt of written notice from another party specifying the deficiency or non-performance, then the non-performing party shall be deemed in breach of this Agreement. In the event of such breach, any non-breaching party may take action in a court of competent jurisdiction to compel performance by the breaching party, to recover damages, or for such other relief as may be available at law or in equity.

(b) In the event that any of Wilmington, North Reading or Lynnfield breaches the provisions of paragraphs 11(a) of this Agreement, then such breaching party hereby consents that it shall be liable to RMLD for damages, which damages may include, but not be limited to, a reasonable share of RMLD's costs under power supply contracts, Power Sales Agreements, and other generation, transmission and distribution arrangements in which RMLD made commitments to purchase power supply, transmit and distribute electricity taking into account its obligation to serve such breaching party and the projected electric load and
consumption patterns of such breaching party's inhabitants. The character and amount of such damages shall be determined by the DPU and may be mitigated to the extent determined by the DPU by any purchases of power at wholesale by the breaching party from PMLD. All such determinations by the DPU shall be subject to judicial review in accordance with law. Notwithstanding the foregoing provisions of this paragraph, the terms of this paragraph shall not constitute and shall not be used in any DPU proceeding as an admission of liability for damages by and against any party to this Agreement which does not breach paragraph 11(a) hereof.

ENTIRE AGREEMENT

14. This Agreement and its Attachments constitute the entire Agreement between the Parties relating to the subject matter hereof, and all previous agreements, discussions, communications and correspondence with respect to the subject matter hereof are superseded by the execution of this Agreement.

CONTROLLING LAW

15. The interpretation and performance of this Agreement shall be in accordance with and controlled by the law of the Commonwealth of Massachusetts.

AUTHORITY

16. Each party to this Agreement represents that it has the power and authority to enter into this Agreement and that this
Agreement constitutes a valid and binding obligation with respect to it. Wilmington, North Reading and Lynnfield represent that, prior to the execution of this Agreement, all votes necessary to authorize their respective execution of this Agreement have been duly taken.

IN WITNESS WHEREOF the parties have executed this Agreement as of this ___ day of ________ , 1990.

TOWN OF WILMINGTON
[Signatures]

TOWN OF NORTH READING
[Signatures]

TOWN OF READING
[Signatures]

READING MUNICIPAL LIGHT DEPARTMENT
[Signatures]

TOWN OF LYNNFIELD
[Signatures]
ATTACHMENT 1

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

In A Matter Of A Petition
Of The Town of Wilmington
For A Determination Of Value
Of Electric Plant Under G.L.
c. 164, §43 and St. 1908, c. 369

D.P.U. 87-212

MOTION FOR STAY

Pursuant to 220 CMR 1.04(5)(a) and 1.05(6)(e) of the Department's Procedural Rules, the Town of Wilmington and the Reading Municipal Light Department hereby move that the Petition filed in the above-captioned matter be stayed, pending further notice from the parties to the Department.

WHEREFORE, the parties pray that their joint motion to stay be allowed.

Respectfully submitted,

TOWN OF WILMINGTON
By its attorneys,

READING MUNICIPAL LIGHT DEPARTMENT
By its attorneys

Kenneth M. Barna
Alan D. Mandl
Rubin and Rudman
50 Rowes Wharf
Boston, MA 02110
(617) 530-7000

Dated: ___________, 19__
A CERTAIN ACT CONCERNING THE PROVISION OF ELECTRIC SERVICE
BY THE TOWN OF READING MUNICIPAL LIGHT DEPARTMENT TO THE
TOWNS OF READING, WILMINGTON, NORTH READING AND LYNNFIELD

Section 1. Notwithstanding any other provision of law, the
Town of Reading Municipal Light Department is authorized to
include in annual operating expenses and recover through its
electric rates voluntary, in-lieu-of-tax payments made to the
Towns of Reading, Wilmington, North Reading and Lynnfield. Such
payments may be made during each calendar year commencing with
the effective date of this act, in accordance with the following
formula:

(a) the Town of Reading Municipal Light Department shall
calculate an amount equal to two (2) percent of its net
plant, determined in accordance with the policies and
decisions of the D.P.U., as of the end of the calendar
year prior to year in which the in lieu of tax payments
are to be made; and

(b) the amount calculated in Section (1)(a) shall be
appropriated by the Town of Reading Municipal Light
Department and distributed during such year to the
Towns of Reading, Wilmington, North Reading and
Lynnfield as in lieu of tax payments based on a pro
rata allocation in accordance with the respective
retail kilowatthour sales within each town from such
prior calendar year as a percentage of the Town of
Reading Municipal Light Department’s total retail sales
within all four of the town during such prior calendar
year.

Nothing in this Section 1 shall preclude the Town of Reading
Municipal Light Department from earning a return of eight percent
per annum on the cost of plant in accordance with G.L. c.164,
§58, making additional voluntary in lieu of tax payments to the
Town of Reading from its unappropriated earned surplus, and otherwise using its earned return of up to eight percent per annum for purposes authorized by law.

Section 2. Notwithstanding any other provision of law, the Towns of Wilmington, North Reading and Lynnfield are authorized to contract for, and shall continue to receive electric service from the Town of Reading Municipal Light Department for a term of up to twenty years commencing on the date of execution of such contract. Any such contract executed prior to the effective date of this act is hereby ratified and made effective. During the term of such contract, the rights accorded to such towns under St. 1908, c.369 and G.L. c.164 to purchase and acquire the plant of the Town of Reading Municipal Light Department are hereby of no force or effect and cannot be exercised; provided, however, that after the expiration or termination of such contract, such towns shall have the right to purchase and acquire such plant in accordance with the provisions of St. 1908, c.369 and G.L. c.164.

Section 3. This act shall be construed in all respects so as to meet all constitutional requirements. In carrying out the purposes and provisions of this act, all steps shall be taken which are necessary to meet constitutional requirements whether or not such steps are required by statute.
ATTACHMENT 3

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

In A Matter Of A Petition
Of The Town of Wilmington
For A Determination Of Value
Of Electric Plant Under G.L.
c. 164, §43 and St. 1908, c. 369

D.P.U. 87-212

MOTION TO DISMISS

Pursuant to 220 CMR 1.04(5)(a) and 1.06(5)(e) of the
Department's Procedural Rules, the Town of Wilmington and the
Reading Municipal Light Department hereby move that the Petition
filed in the above-captioned matter be dismissed.

As grounds for their motion, the parties submit that this
matter has been rendered moot by an Agreement entered into by
the parties, together with the Towns of Lynnfield and North
Reading.

WHEREFORE, the parties pray that their joint motion to
dismiss be allowed.

Respectfully submitted,

TOWN OF WILMINGTON
By its attorneys,

READING MUNICIPAL LIGHT DEPARTMENT
By its attorneys

Kenneth M. Barna
Alan D. Mandl
Rubin and Rudman
50 Rowes Wharf
Boston, MA 02110
(617) 330-7000

Dated: 19
PURPOSE:

The purpose of the Advisory Board to the RMLD Commission shall be to advise the RMLD Commission regarding the operation, as defined further in this document, of the Reading Municipal Light Department.

RESPONSIBILITIES:

The Advisory Board to the RMLD Commission shall have two major responsibilities.

First, the provision of decision-making inputs to the RMLD Board on issues concerning:

1. Significant Expansion or Retirement of RMLD's Transmission, Distribution, General Plant, or Generation;
2. Power Contracts and Agreements and their Mix;
3. Cost-of-Service and Rate Making Practices;
4. Financial and Accounting Practices; and
5. Other Issues that may come before the Board.

Second, the Advisory Board to the RMLD Commission shall review the itemized operating and capital budget of the RMLD. The Advisory Board may recommend increases, decreases, and alterations to the proposed budget.

MEMBERSHIP (subject to approval by member towns):

There shall be an Advisory Board to the RMLD Commission consisting of five members. Each town shall have the following number of members:

- Wilmington: 2
- Reading: 1
- North Reading: 1
- Lynnfield: 1

All members will have an equal vote. A quorum of the Advisory Board shall consist of three members. All members will be approved by the Board of Selectmen of the appropriate town.

FUNCTION:

The Advisory Board to the RMLD Commission shall become familiar with the operations of the RMLD and shall provide member towns' input into RMLD Commission's decision making process.

Significant Expansion or Retirement of RMLD's Transmission and Distribution Plant

Transmission is defined as all structures and equipment employed at a primary source of supply (i.e. generating station, or point of receipt in the case of
purchased power) to change the voltage or frequency of electricity for the purposes of its more efficient or convenient transmission. It also includes all land, structures, lines, switching and conversion stations, high tension apparatus, and their control and protective equipment between a generating or receiving point and the entrance to a distribution center or wholesale point. Finally, it also includes all lines and equipment whose primary purpose is to augment, integrate or tie together the sources of power supply.

Distribution is defined as all structures, conversion equipment, lines, line transformers, and other facilities employed between the primary source of supply and delivery to customers, which are not includable in the transmission system as defined above.

"Significant" is defined as any item involving transmission and distribution as defined above that is normally submitted for approval to the RMLD Commission under the annual capital budget. It does not include maintenance items, in-kind replacements, or small modifications normally done by the Department without Commission approval.

Long-Term Power Contracts

The Advisory Board, in addition to the General Manager and his staff, shall review and provide recommendations to the RMLD Commission on the purchase of electric power, capacity, and other energy contracts that are deemed necessary to assure the long term supply of electric power at competitive prices.

Long term energy contracts are defined as any energy and or capacity contracts that are not defined as a short-term contract and therefore would require approval of the RMLD Commission prior to execution or acceptance. Short-term contracts are defined as one that meets all the following conditions:

1. less than 10 megawatts in energy
2. less than 6 months in duration
3. does not contain full entitlements

Generally, short-term power contracts involve trading, selling, or acquiring small contracts that appear on the spot market and are advantageous to the RMLD ratepayers. Long-term power contracts are usually multi-year.

The Advisory Board will be given thirty days to review and make recommendations on all proposed rate schedules and cost of services analysis. The DPU required public notice period will not begin until after the Advisory Board has had the entire thirty days to review and make recommendations on proposed rate schedules. Failure by the Advisory Board to make a recommendation within thirty days will assume approval of the proposed rate schedules.
Financial and Accounting Practices: The Advisory Board shall review and provide recommendations from time to time on the financial and accounting practices of the RMLD. The RMLD is required to follow the "Uniform System of Accounts for Electric Accounts" as prescribed by the Department of Public Utilities of Massachusetts. For all significant accounting and financial actions or changes. The Advisory Board shall decide whether to review the action or change or make recommendations for all significant actions, as defined as:

1. Creation of reserve accounts or any alteration to existing reserve accounts. Alterations are defined as a transfer to or from a reserve account that is not a posting of accrued interest.

2. Authorization by the Commission for any customer rebates to an entire class or classes of customers as defined in the filed electric rates.

3. Filing of the annual "Depreciation Request" to the DPU.

4. Submission of the Department annual operating and capital budget for approval by the RMLD Commission.

Other Issues: All information made available to the RMLD Board, in accordance with the Open Meeting Law, will be made available to the Advisory Board. The Advisory Board has the right to make recommendations on that material within the schedule allowed for the RMLD Board.

Annual Budget Review: The Advisory Board to the RMLD Commission shall review the itemized annual operating and capital budget of the RMLD and the Advisory Board may recommend increases, decreases, and alterations to the proposed budget. The Advisory Board shall review the proposed budget for both its ability to insure the proper maintenance and needed improvements to the physical plan of the RMLD, and for its fiscal responsibility and impact on rates.

Upon conclusion of the review process the Advisory Board shall hold a public hearing on the proposed budget. The Advisory board shall hold one budget review in a public place easily accessible to the public. At least one-half of all budget review sessions shall be held outside the RMLD offices.

After such hearing or hearings, the Advisory Board, by a majority vote determined in accordance with the provisions of subsections (Membership), may recommend deletions, additions to, alterations, and revise any line item appearing in said budget request or plan. Said recommendations shall be incorporated into a plan submitted to the RMLD Commission.

The Advisory Board shall forward its recommended budget to the RMLD Commission and RMLD Manager with accompanying documentation, justification and in such form as the RMLD Manager may require, no later than two months prior to the start of the RMLD fiscal year.
EXPENSES OF THE ADVISORY BOARD

The RMLD will provide a minimum annual budget of $15,000 a year to pay for incurred consultant expenses of the Advisory Board.

The Advisory Board agrees to prepare and submit a budget request to RMLD’s Manager for additional professional services above $15,000 by November 30th of each year. Such a budget request, or any portion thereof, is subject to review by RMLD’s Manager and approval by its Board pursuant to G.L. c. 164, §§56, 57.

The Commission is not obligated to defer any decisions longer than 30 days after the Advisory Board has notified the Commission that it intends to provide a report, recommendation, etc.

The Advisory Board recognizes that the Manager, under direction and control of the Reading Municipal Light Board, has “full charge of the operation, and management of the plant, the manufacture and distribution of gas or electricity, the purchase of supplies, the employment of attorneys and of agents and servants, the method, time, price, quantity and quality of the supply, the collection of bills, and the keep of accounts.” As such any consultants retained by the Advisory Board shall report to and be managed by the Manager. However, the Manager cannot edit or otherwise change the conclusions and recommendations of a consultant’s report to the Advisory Board.

ORGANIZATION

The Advisory Board shall consist of not more than five members who shall serve for three year terms, except that the initial term may be less to provide for staggered terms.

The Advisory Board shall organize and select a chairman and such other officers as it sees fit.

The Advisory Board may adopt such rules of meeting as it deems necessary for the orderly conduct of its business. Said rules shall be consistent with the Laws of Massachusetts.