

Minutes:

Stowe Electric Commissioners' Meeting
April 12, 2018 at 8:00 a.m. at Town of Stowe Electric Conference Room

Present:

BOARD MEMBERS: Richard ("Dick") Marron (via telephone), Chairman; Larry Lackey, Vice-Chairman; Denise Gutstein, Commissioner

STAFF: Ellen Burt, General Manager; Denise Sullivan, Controller; Matthew Rutherford, Manager of Regulatory Compliance; David Kresock, Director of Operations; Lily Burgess, Clerk of the Board

Larry called the meeting to order at 8:04 a.m.

Approval of the March 9th, 2018 Meeting Minutes

On motion made and seconded, the minutes of March 9, 2018 were approved.

Regulatory Update

2017 Integrated Resource Plan (IRP): Following the prehearing conference, the Public Utility Commission (PUC) issued an order for the docket schedule. SED will now publish a notice that the Public Hearing will be held on Wednesday, May 2nd at 7:00 p.m. at the Akeley Building. Tim Hebert from ENE will be present to answer questions. As previously discussed, this very comprehensive IRP is now available to view on SED's website.

Docket 8316 – Interval Data Transfer: VEIC and the Distribution Utilities were unable to reach a consensus. Accordingly, VEIC filed a proposed resolution with the PUC. There will now be a comment period on the proposed resolution, followed by an Order from the PUC. SED determined it was comfortable with the terms of the proposed resolution.

Docket 7307 – Cyber Security and Privacy Principles: The proposed Privacy Principles were filed with the PUC, followed by comments from the ACLU concerning the standard of review which should be required in order for the DUs to be compelled to share customer usage information.

Alchemist Solar Canopies: Matt elaborated on the article in the Stowe Reporter and the notice submitted by the solar developer on behalf of the Alchemist for their 139kWac system, with photo renderings of the proposed net-metering generating canopy.

Matt exited the meeting at 8:26 a.m.

IT Report

The IT Report was part of the Commissioners' Meeting Packet but was not discussed in further detail beyond the expected billing program upgrade scheduled for 2019 to allow for better daily balancing reports.

Financial Update

Budget 2018: At the last meeting, the 2018 Budget was approved, subject to review and confirmation of the accuracy of the transmission section of the Budget. Denise S reported that the transmission section is correct and is in fact scheduled to increase every year over the next four years due to scheduled costs for the McNeil plant upgrades. Transmission expenses account for more than a quarter of SED's purchase power costs. Energy is expected to remain flat.

Result of 2017 Audit: The audit concluded the week of March 31st and final financial statements have been issued. The only significant audit adjustments were related to the accrual of a receivable from FEMA for storm damages as well as adding depreciation on part-year ownership of the Highgate asset. The audit was very thorough, but was completed much quicker than last year, which will affect SED's credit rating positively.

Approval of Restricted Funds for New Facility only

The building project was discussed in detail. Monies from non-operating revenues, as well as a non-utility revenue from a Transco equity investment have been set aside in a Building Reserve Fund.

Larry Lackey made a motion that Stowe Electric Department restrict the use of the Building Reserve Fund balance for the sole purpose of constructing the New Office Facility and Garage, Denise Gutstein seconded the motion and the motion carried.

Operations Report

Mother Nature continued to make life difficult for utilities throughout New England with several major Nor'Easters. Stowe Electric experienced outages during the wind storm on March 4th and 5th and the linemen worked many extra hours, restoring the damages. David furthermore commended the Stowe Electric linemen on their great work ethics, providing mutual aid to Middleborough MA, Wallingford CT and Washington Electric Coop. The SED crew is highly sought after for their talents. Ellen received a call from the General Manager of Wallingford, expressing his appreciation and how impressed he was with our linemen's work. Middleborough sent a thank-you letter, expressing their gratitude with the linemen's willingness to pitch in and their exemplary professionalism in braving the elements and difficult working conditions.

Continuous FEMA damage restoration and pole replacements were discussed.

Other Business

The revised timeline of the Highgate Term Sheet, and VELCO's right of first refusal were discussed. Ellen elaborated on the new historical winter peak and the associated transmission costs. The results of the 2018 Town Meeting Day survey pertaining to Stowe Electric were discussed in detail.

The Board scheduled the next Commissioners' meeting for Friday, May 18th at 8:00 a.m.

There being no further business, the meeting was adjourned at 9:09 a.m.

Respectfully Submitted,



Lily Burgess
Clerk of the Board