

## **Minutes:**

Stowe Electric Commissioners' Meeting

June 18, 2019 at 8:00 a.m. at Town of Stowe Electric Conference Room

### **Present:**

BOARD MEMBERS: Richard ("Dick") Marron, Chairman; Larry Lackey, Vice-Chairman; Heidi Scheuermann, Commissioner

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

Dick called the meeting to order at 8:06 a.m.

### **Appointment of New Commissioner by the Selectboard**

Dick Marron welcomed Heidi Scheuermann as new Commissioner. Dick referred to the Town Charter and the roles of the Commissioners, then introduced everyone.

### **Approval of the May 21<sup>st</sup>, 2019 Meeting Minutes**

On motion made and seconded, the minutes of May 21, 2019 were approved.

### **Financial Report: Year End Results**

Rob referred to the draft Year-To-Year Comparative for the fiscal years ending December 2017 and 2018 that was presented to the Commissioners in February. Rob handed out the updated Comparative that agrees with the audited Trial Balance. He elaborated on the newly created financial summary for the Revenue, Cost of Power, Cost of Sales, Expenses and Net Income.

As previously mentioned, the Net Income includes the one-time gain of \$1,727,498 on the sale of the Highgate Transmission Asset. Subsequently, the Total Expenses decreased by \$42,123 as a result of the reduction in Highgate Transmission Expenses after the sale. Cost of Power increased by \$294,643 primarily due to higher ISO New England Capacity charges. The Total Cost of Sales increase of \$246,968 is a result of the 2017 comparative reduction in Mutual Aid via the FEMA storm reimbursement.

SED has seen a boost in sales in the past year, thanks to new construction and overall expansion of the town. Both the increase in Professional Fees/ Legal as well as / Financial were mainly attributed to the Moscow Solar and Cady Hill Solar projects, the rate increase as well as the Highgate Sale.

SED's overall increase of its rates of 1.9% over the past 9 years, in comparison to other utilities was discussed in detail.

Rob Vogel exited the meeting at 8:53 a.m.

## **Regulatory Update**

### Legislative Bills:

All three bills mentioned below have been delivered to the Governor.

- H. 529 - Transportation Bill: In total there are 16 sections which directly relate to vehicle electrification, to incentivize the purchase or lease of new plug-in electric vehicles (PEV). VTrans anticipates the incentives will range from \$2,000 to \$5,000 depending upon income level, with some restrictions based on the MSRP. The program also provides vouchers for low-income Vermonters, who are driving old gas guzzlers (point of sale vouchers) or whose cars failed emission tests (point of repair vouchers). There are a series of reports that the various state agencies will be providing to the Legislature. The PUC is to provide a report on July 1<sup>st</sup>, concerning the steps necessary to implement fees on PEV charging and how they would be collected. The bill also maintains the prohibition of reselling the metered electricity through electric vehicle supply infrastructure.
- H. 513 - Broadband Bill: Matt stated that there is not much new development to report, except the study due to the Legislature, regarding whether or not utilities should be directed to provide broadband internet service, using their existing infrastructure and right-of-ways. Heidi elaborated on the necessary "tools" that will be needed by the various utilities to increase, expand and update their connectivity in their service territory. A specialist at the Department of Public Service will be hired to assist these smaller regional entities that do not have the necessary professional staff. A grant will be available as well as funds for borrowing from VEDA to move forward with getting Vermonters connected.
- S. 95 - Municipal Bonding and Group Net-Metering for Schools: The bill remains the same as before.
- VLITE: Dick reported that the Senate Finance Committee and its President Pro-Tem encouraged VLITE to provide funds to the weatherization grants.

### Investigation into PUC's Disconnection Rules:

The PUC opened this case back in 2017 in response to VEC reporting that there were instances where an employee was sent to a ratepayer's property to disconnect service due to non-payment, which resulted in physical and verbal threats. After laying dormant for a while, the conversation has now become more wide-ranging as many electric, natural gas, and water utilities had concerns with the way the rule was implemented. On May 9<sup>th</sup> and June 10<sup>th</sup>, the PUC organized two workshops in Montpelier, inviting participants to discuss the current rules as well as explore the issues, questions and concerns related to the following topics. Unfortunately, SED was not able to attend the May 9<sup>th</sup> workshop that discussed the following: Remote Service Disconnection and Reconnection, Utility Disconnection

Standards, Pay Arrangements, Budget Plans and Winter Disconnections. Lily was able to attend and participate in the June 10<sup>th</sup> workshop that discussed the following topics: Use of Physician Certificates to Prevent Disconnection, Energy Efficiency, Customer Privacy and landlord/tenant issues and concerns, Household Rule and its interpretation, Vulnerable Populations for purposes of the Rule, Disconnection Notice Form, and Monthly Utility Disconnection Reports. The workshop was informative, and allowed different utility representatives as well as state agencies (such as DCF, Community Action and Efficiency VT) to share experiences and concerns. The hearing officer allowed the participants to create a subgroup to meet in July and then submit a more formal proposal for edits to Rule 3.300 to the PUC for consideration.

### **Operations Report**

The installation of the 3V0 protection system at Wilkins Substation has been completed, allowing the solar arrays to generate at full capacity again.

Work continues on the downtown underground project. SED line crews set three new poles the week of May 27<sup>th</sup> for the new underground coming from the bank switch vault. SED crew also set the two new riser poles on the north end of Main Street for the conduits that will be coming north from the church switch vault. One of the things that SED is working on is keeping the electric risers separate from the telephone and data risers. The initial plan was to install conduit for all the different utilities, however, SED decided to add extra conduit since everything will be underground. A total of 16 utility poles will be removed along Main Street during the project, however, new poles will need to be added along Mountain Road and School Street. Planning for the future, and being able to switch and move load among the various circuits and the resulting system reliability were discussed in detail.

### **Legal Matter (Executive Session)**

The Board moved to go into Executive Session at 9:23 a.m. to discuss a legal matter and invited Ellen Burt, David Kresock and Matt Rutherford to stay. The Board made a motion to come out of Executive Session at 9:54 a.m. and the motion carried. No actions or motions resulted from the Executive Session.

### **Other Business**

The best week-day for the monthly Commissioners' Meeting was discussed. Mondays are very busy, making it harder for staff to prepare for a Tuesday meeting. Since Wednesday meetings are not ideal for Larry, it was agreed that the meetings would be moved to the third Thursday of every month.

The new Bill Format was discussed and suggestions were made.

An application for a new EV Charging station in Stowe, not owned by SED, was discussed. The current EV charging stations owned and maintained by SED, billed under a SED tariff, and its siting agreements with public access were discussed. David and Matt elaborated on the installation requirements for EV charging stations, for public use versus personal use, as

well as the general purchase and installation costs. Matt explained how to find that information online and what agencies to reach out to for further information. How incentive rates in general are calculated and SED's incentive adoption rate so far was discussed. Plans for electric buses for GMTA were mentioned.

The Board scheduled the next Commissioners' meeting for Thursday, July 25<sup>th</sup> at 8:00 a.m.

There being no further business, the meeting was adjourned at 10:12 a.m.

Respectfully Submitted,



Lily Burgess  
Clerk of the Board