

## **Minutes:**

Stowe Electric Commissioners' Meeting  
April 27, 2022 at 8:30 a.m. at Town of Stowe Electric Conference Room

## **Present:**

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

STAFF: Ellen Burt, General Manager; Brent Lilley, Director of Operations; Sarah Juzek, Controller; Mike Lazorchak, Manager of Regulatory Compliance; Jonathan Black, IT System Administrator; Lily Burgess, Clerk of the Board

Dick called the meeting to order at 8:30 a.m.

## **Appointment of Commissioner by the Selectboard; Appointment of Clerk of the Board**

Heidi Scheuermann has been re-appointed as Commissioner by the Selectboard. Larry Lackey made a motion to re-appoint Heidi Scheuermann as Commissioner. Heidi Scheuermann made a motion to nominate Dick Marron as Chair of the Commission and Larry Lackey as the Vice-Chair of the Commission. The motions were seconded and were approved.

Lily Burgess was re-appointed as the Clerk of the Board.

## **Approval of the March 30, 2022 Meeting Minutes**

On motion made by Larry Lackey and seconded by Heidi Scheuermann, the minutes of March 30<sup>th</sup> were approved.

## **Approval of the April 20, 2022 Special Meeting Minutes**

On motion made by Heidi Scheuermann and seconded by Larry Lackey, the minutes of April 20<sup>th</sup> were approved.

## **Cyber Security presentation**

Jon Black elaborated on SED's current technology and cybersecurity with a PowerPoint presentation hand-out. The Commissioners acknowledged the importance of cyber security and approved the planned course of action to continue improving SED's cyber security. Larry mentioned there are AMI funds appropriated by the Legislature for meter upgrades for rural municipal utilities and coops. Heidi will verify if these funds could be used for upgrades and replacements of older AMI meters as well. After a brief discussion about the timeline for the additional security measures, Jon exited the meeting at 8:58am.

## Financial Report

February 2022 Financial Results: Sarah reported that SED ended February with a loss of \$389,661, which is \$283,602 below the 2022 budgeted loss of \$106,059 year to date.

The overall Operating Revenue was \$211K favorable to the budget. SED Electric Sales were \$196K above the budget, with Residential sales being \$61K up from the budget and Commercial revenue overall was \$141K favorable to budget. Contract work fees were \$15K favorable to the budget.

The overall Operating expense was \$497K unfavorable to the budget, with Purchase Power costs \$453K over the budget. Most of this cost is from Purchase Power Energy, due to the increase in projected Electric Sales and the overall cost of electricity going up.

Fiscal Year End Audit: The year-end Audit is complete, and SED is waiting for the final draft of the Audited Financial Statements, and then the Audited Financial Statement booklet.

Bond Financing: The financial package has been sent to Michael Hall from Stackpole & French for his review before filing with the PUC. Sarah will be submitting the initial summer bond application within the next couple of days and the funds should be available to SED by mid-August.

Rate Case: Larry asked whether Ellen has a sense of how much worse than budgeted SED's losses will be until the new rates will take effect. Ellen explained that rate cases are based on the last fiscal year, and furthermore take into consideration this year's financials. This information will all be considered when undertaking a rate analysis. As soon as Ellen hears from Dave Lamont with a projected range of the rate increase, she will inform the Commissioners. Heidi asked since SED is already showing a loss that is \$284K more than budgeted, how much the loss will be by August when the rate increase will take effect. Sarah stated that SED's cash flow is still healthy and that she is not worried that SED will need to make use of the line of credit. Ellen and Sarah will work on an estimate of what the loss could be by August. Larry was wondering if SED can file the rate case earlier than the planned mid-June, or in other words sooner rather than later. Unfortunately, with the 45 days timeframe until a rate case can take effect, a filing around the first of the month would mean a mid-month effective date, which would be not ideal for the ratepayers. Heidi asked that Ellen send the projected rate increase range to them as soon as she hears from Dave Lamont. Sarah also stated she will work on the forecast through the end of July and through the end of the year.

## Operations Report

Brent reported that there was no safety training in March. SED received 2 new service orders in March and energized 1 new service. SED converted 13 non-AMI meters to AMI meters. The line crew completed make-ready work along Covered Bridge Road for Stowe Cable and replaced multiple poles along Barrows Road, Route 100, Sanborn Road and Mountain Road. SED received no new net-metering applications in March. SED initiated 70 work orders and crews completed 51 work orders during the month of March. They received 23 DigSafes in March.

## Regulatory Report

Michael reported that the Public Utility Commission (PUC) and Department of Public Service (DPS) continue to work through the various legislative issues (clean heat standard and federal funding guidance) as well as the net-metering rulemaking updates and biennial net-metering programmatic review. Michael saw not a lot of substantive movement in any dockets all year, and mostly only review of filings and rule-revision proposals. The Department continues to review all the utilities Tier 3 2021 plan submissions. SED is waiting for approval of the Tier 3 credits they claimed in 2021.

Staff continues to administer net-metering billing and oversight, which includes working with solar installers to safely interconnect small net-metering projects on Stowe's distribution system.

## Other Business

Trapp Bierhall EV Chargers: Trapp Family Lodge would like to have 1 EV charger moved and 4 new EV chargers installed, including one DC fast charger at the Bierhall Restaurant. SED will get those ordered as quickly as possible and will bill Trapp's for the labor and materials. Ownership of the various EV chargers in Stowe, private EV home charger options plus the EV charging tariff were discussed in detail.

General Manager Retirement: Dick stated that the Commissioners were in receipt of a personal notice of resignation of SED's General Manager since she will be retiring effective October 31, 2022.

Larry Lackey made a motion to acknowledge receipt the retirement letter of resignation with its terms and conditions and a pay increase of 5.6% effective April 1<sup>st</sup>, 2022 for the remainder of Ellen's service. Heidi Scheuermann seconded the motion and motion carried.

The Board scheduled the next Commissioners' meeting for Wednesday, May 25<sup>th</sup> at 8:30 a.m, which was later rescheduled for Thursday, May 26<sup>th</sup> at 8:30 a.m.

There being no further business, the meeting was adjourned at 9:42 a.m.

Respectfully Submitted,



Lily Burgess  
Clerk of the Board