

Minutes:

Stowe Electric Commissioners' Meeting
June 17, 2020 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 (via telephone)

STAFF: Ellen Burt, General Manager; David Kresock, Director of Operations; Kristin Winer, Controller; Mike Lazorchak, Manager of Regulatory Compliance; Lily Burgess, Clerk of the Board

Dick called the meeting to order at 8:05 a.m.

Approval of the May 20th, 2020 Meeting Minutes

On motion made and seconded, the minutes of May 20, 2020 were approved.

Financial Reports

April Financial Reports: SED ended April 2020 with a YTD net operating income of \$358,893. Decreased electric sales of approx. \$162,000 along with reduced costs associated with purchased power of \$310,000 resulted in approximately \$148,000 net improvement to the bottom line. Transmission and distribution costs were \$91,000 less than budget due to reductions in purchasing and contract services (incl. line clearing which is on hold until cash flow is stabilized). As a side note, Kristin explained that even prior to load changes due to COVID-19, SED was seeing continued reductions in purchased power costs as compared to budget.

June Cash Forecast: The cash flow model represents the actual cash inflows and outflows to/from SED's bank accounts at the time they actually happen. Without any injection of additional funds, SED is expecting to be in negative cash flow by the end of November.

VELCO contacted SED, indicating that they will take steps to mitigate cost increases. These mitigating steps include a petition for a limited waiver of tariff provisions with FERC that will allow VELCO to defer the costs to customers in 2020, which has been approved.

Operations Report

Despite the pandemic, SED has seen a lot of contract work for new construction. Linecrews are also steadily working on the downtown underground project. They completed the last main line conductor pull this week and completed setting the new switches in place. All the pole risers have been installed and are terminated. Once the terminations on the conductors at each switch location are installed, SED can connect the conductors to the new switches and should be able to start energizing the underground. Working with the Town's electrician, SED will then need to

connect all the underground services before the overhead conductors can be de-energized and removed.

The Outage Management System (OMS) is nearing completion. Dave stated that it is a great tool to be able to respond to outage calls much more efficiently. Chris has installed the Stowe Outage map on SED's website so that once the public outage reporting website is enabled, customers can pull it up at any given time to see if there is an outage event in their zone, and also report outages.

Regulatory Report

Case 20-0141-INV - Electric Power Losses and Their Impact on Telecommunications Resiliency: This investigation was opened to look at the relationship between power outages and interruptions in telecommunications service as some telco companies are replacing powered copper wire lines with voice over internet protocol (VoIP) services that rely on electric power service to operate. The Department of Public Service (DPS) assessment identified Stowe as one of 224 towns that are of the lowest concern. The Public Utility Commission (PUC) scheduled a second workshop regarding DPS's data submission for June 29th.

Case 20-0097-INV - Biennial Update of Net-Metering Program: The Vermont Distribution Utilities (DUs) submitted historical net-metering deployment data as part of the biennial review of the program. In particular, the biennial review is an opportunity to review the appropriateness of the three items that make up the compensation paid to net-metering customers: the REC adjustor, the Siting adjustor, and the Blended Residential Rate. The DUs must report net-metering data for the period of January 2, 2020, through July 1, 2020 by August 3rd. The PUC also ordered the DUs to develop a common reporting format in Excel for this data. On or before August 17, 2020, participants must file any additional information relevant to the PUC's consideration of the criteria contained in Rule 5.128(b) and (c) and revised recommendations about whether the PUC should revise net-metering compensation pursuant to Rule 5.128(A).

Case 20-0203-INV – Investigation into the Establishment of Reduced Rates for Low-Income Residential Ratepayers of Vermont Electric Utilities: The PUC requested Reply comments to the June 1, 2020 submission to be filed on or before June 29, 2020. SED filed the following Reply to PUC's initial questions on June 1st: SED supports creating two tracks, one track to consider GMP's Energy Assistance Program and a second track to deal with the other Utilities that currently do not have a low-income program. SED also supports a "Lessons Learned by GMP" workshop. SED does not support a ratepayer funded low income program, rather costs should be spread to all Vermonters, not just electric ratepayers. SED is likely more able to implement a program consisting of a single new rate for low-income customers where eligibility is determined by Dept. of Children and Families or Community Action Agencies, than a program requiring SED to develop new programming, bill design, and eligibility screening.

Case 20-0703-PET – Moratorium on Involuntary Disconnections: On May 28, 2020, the PUC extended the temporary moratorium on involuntary utility service disconnections to July 31, 2020, subject to any future revision ordered by the PUC. The PUC ordered utilities to submit Post-Moratorium Plans on or before June 19, 2020. This Order also set the due date for filing with PUC comments to those Plans from the Department of Public Service and any other party on or before July 10, 2020. SED's draft plan is ready for review and filing.

Fence Line Discussion

Heidi sent an e-mail stating that the fence by the driveway on Dump Road is in serious need of repair. Following Ellen's initial inspection, she had the linemen clean up SED's site and move a lot of the equipment to a Substation property. Unfortunately, with the equipment no longer on the site, the fence that was already rotting was more exposed and the high winds this weekend knocked the fence down and damaged it beyond repair. Since SED needs to have the garage property and its equipment fenced in for safety and liability reasons, SED will replace the fence within the next few weeks.

Personnel Matter (Executive Session)

The Board moved to go into Executive Session at 9:20 a.m. to discuss a personnel matter. The Board made a motion to come out of Executive Session at 9:24 a.m. and the motion carried.

Larry Lackey made a motion to authorize the Chair of the Commission, Dick Marron, to negotiate and enter into an employment agreement with the General Manager, Ellen Burt, that will start April 1, 2020. Heidi Scheuermann seconded the motion, and the motion carried.

Real Estate (Executive Session)

The Board moved to go into Executive Session at 9:31 a.m. to discuss a real estate matter. Heidi Scheuermann recused herself. The Board invited Ellen Burt and Mike Lazorchak to stay. The Board made a motion to come out of Executive Session at 10:00 a.m. and the motion carried.

No action was taken or motion made.

Other Business

The Board scheduled the next Commissioners' meeting for Wednesday, July 22nd at 8:00 a.m.

There being no further business, the meeting was adjourned at 10:01 a.m.

Respectfully Submitted,



Lily Burgess
Clerk of the Board