

Minutes:

Stowe Electric Commissioners' Meeting
August 24, 2022 at 8:30 a.m. at Town of Stowe Electric Conference Room

Present:

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

STAFF: Ellen Burt, General Manager; Brent Lilley, Director of Operations; Sarah Juzek, Controller; Michael Lazorchak, Manager of Regulatory Compliance; Lily King, Clerk of the Board

GUEST: Beth Gilpin, Beth Gilpin Consulting, LLC

Dick called the meeting to order at 8:32 a.m.

Approval of the July 20, 2022 Meeting Minutes

On motion made by Larry Lackey and seconded by Heidi Scheuermann, the minutes of July 20th were approved.

Approval of the July 27, 2022 Special Meeting Minutes

On motion made by Larry Lackey and seconded by Heidi Scheuermann, the minutes of July 27th were approved.

Approval of the August 3, 2022 Special Meeting Minutes

On motion made by Larry Lackey and seconded by Heidi Scheuermann, the minutes of August 3rd were approved.

Approval of the August 12, 2022 Special Meeting Minutes

On motion made by Larry Lackey and seconded by Heidi Scheuermann, the minutes of August 12th were approved.

Financial Report

June 2022 Preliminary Financial Results pending the completion of the Audit: Sarah reported that SED ended June with a \$936,428 loss, which is \$420,895 more than the 2022 budgeted loss of \$515,533 year to date. The 2022 budget is spread seasonally. The overall Operating Revenue was \$248K favorable to the budget. Electric Sales were \$223K above the budget, with Residential Sales being \$58K up from the budget and combined Commercial Sales being \$189K favorable to the budget.

Year to date, SED has issued \$34K more in rebates than budgeted, with the total budget for the year being \$72K.

Contract Work Fees were \$26K favorable to the budget.

The overall Operating Expense was \$664K unfavorable to the budget. Purchased Power costs were \$530K over the budget due to the increase in electric sales, RES Compliance and the overall cost of power. Other Operating Expenses were \$134K over the budget, mainly consisting of material costs, replacement of failed underground, credit card fees and conferences.

June Audit: The June 2022 in-person audit is scheduled for September 19th & 20th.

Cashflow Forecast Update: With the rate increase of 13%, the cash flow is predicted to be healthy through 2024. Without the rate increase, the cash flow forecast would have been in the red by the end of 2023.

Rate Case: On August 12th, the Public Utility Commission (PUC) held a scheduling conference and set the hearing schedule for the rest of the investigation. All rate increases over 10% are subject to an automatic investigation.

Operations Report

Brent reported that there was no safety training in July. SED received a total of 7 new service orders in July and energized 2 new services. Along with other projects, SED linecrew completed the make-ready work for Stowe Cable on Edson Hill and White Gates Lane. The line crew set 24 poles, some of which are for billable projects. SED initiated 42 work orders and crews completed 30 work orders during the month of July. No new CPGs were issued for Net-Metering, and one new NM systems was energized. SED received 69 DigSafes during the month of July. So far, SED received 342 DigSafe requests compared to 371 requests last year.

Regulatory Report

Michael stated that the PUC continues to work through net-metering rule updates as well as disconnection rules as initiated by Legal Aid. Michael attended an Efficiency Vermont/DU meeting regarding updates on EVT programs, including Tier III and rebate programs.

SED continues to respond to informational requests from the PUC on net-metering rulemaking, biennial net-metering reporting, and the low-income rate. SED staff continues to administer net-metering billing support, and Michael continues to support the Town Energy Committee.

The meeting was recessed at 9:11 a.m. and reconvened at 12:00 p.m.

Executive Session (Personnel Matter)

The Board moved to go into Executive Session at 12:01 p.m. to discuss a personnel matter and invited Beth Gilpin to stay.

The Board invited Sarah Juzek, Brent Lilley and Michael Lazorchak to the meeting at 1:45 p.m. and Sarah, Brent and Michael exited the meeting at 2:19 p.m.

The Board made a motion to come out of Executive Session at 2:50 p.m. and the motion carried.

No action was taken or motion made.

Other Business

Scheduled Outage: Ellen informed the Commissioners that SED has scheduled an outage for line maintenance for tomorrow, Thursday, August 25th from 6:00 AM until 6:30 AM. This will affect customers above the Toll Road from Mountain Glen condos to Stowe Mountain Resort, the Mount Mansfield Company and all customers in between. Stowe Mountain Resort and the Mountain Company have already been contacted and SED also posted announcements on Front Porch Forum on Tuesday and Wednesday the 23rd and 24th.

DPS Funding: Larry posed multiple questions to Ellen on August 18th, including regarding SED's proposal for funding from DPS for SED's community renewable energy project. Ellen and Michael responded that the State allocated \$10 million in ARPA funds for the development of low-income renewable energy projects. The allocation per utility is based on how many utilities apply and DPS will allocate funds by service territory and customer energy burden. There are several reporting and commissioning requirements, and the project must provide economic relief from the economic impacts of the pandemic to low-income customers through utility bill assistance and increase the installed capacity and generation of renewable energy in Vermont. SED is planning to use funds allocated to the utility for a hydro community project and a solar community project on SED's garage. A potential solar project on the mill roof was discussed as the mill roof is not historic and needs to be replaced.

The Board scheduled the next Commissioners' meeting for Wednesday, September 21st at 8:30 a.m.

There being no further business, the meeting was adjourned at 2:50 p.m.

Respectfully Submitted,



Lily King
Clerk of the Board