

Minutes:

Stowe Electric Commissioners' Meeting
December 16, 2020 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 (via Zoom), Heidi Scheuermann, Commissioner (via Zoom)

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

GUESTS: Ken Stambler, Energy New England (via Zoom); Tim Hebert, Energy New England (via Zoom); Michelle Coscia, Energy New England (via Zoom)

Dick called the meeting to order at 8:34 a.m.

Approval of the November 18, 2020 Meeting Minutes

On motion made and seconded, the minutes of November 18th were approved.

ENE Presentation: NextEra Energy 5MW Solar Project

Tim Hebert, Chief Operating Officer from ENE, elaborated on the presentation hand-out detailing the proposed NextEra 4.995MW solar facility project near Rutland VT. This facility would take care of the total of SED's Tier II requirements through 2030, plus generate 1 extra MW that SED could use toward their Tier III requirement or sell to other utilities. Since the cost for the installation of new solar facilities have come down considerably, this project is expected to cost 25% less than the 1MW Nebraska Valley Solar project. Given that the Renewable Energy Standard requirements continue to increase and SED is forecasted to only comply with Tier II requirements through 2021, SED will need to either meet these obligations by buying Renewable Energy Credits from other VT utilities at prevailing market prices, pay compliance payments or buy into a newly built renewable energy project that helps the State meet its totals. When this proposed solar array is built, the total annual production will be around 10% of SED's sales, maybe even slightly higher. Solar arrays naturally degrade over time, by about 0.5% per year. Tim stated that SED would have no risk or liability for the project, since NextEra would develop, construct and operate this 4.995MW solar facility and SED would sign a Purchase Power Agreement for 25 years to purchase all of the generation at a flat price.

Tim Hebert, Ken Stambler and Michelle Coscia exited the meeting at 9:30 a.m.

Financial Reports

October Financial Reports: SED ended October with a net income of \$1.3 million, which is \$613,000 (86%) above the 2020 straight-line YTD budget, with the following four highlights: Decreased electric sales have contributed to 12% YTD decrease to bottom line and reflect a 26% decrease in commercial sales; About \$400K of expected invoices (purchased power, line-clearing, underground cable/equipment replacement) have not been received and processed yet; The FERC approved Vermont Transmission Agreement waiver for deferment of charges is expecting to be fully reversed by December 16th; Distribution expenses were \$260K less than budget due to project and line-clearing deferrals, purchasing limitations and seasonality.

Operations Report

Tree Trimming went very well this year. In an effort to regain SED's Right-of-Ways, the miles cleared this year were considerably less than previous years as 70% of the cutting was off road and on foot. Except for approximately 1800 feet of transmission line to be trimmed in 2021, the remainder of the 8.5-mile line has been cut in the last four years with concentrated efforts to widen many areas back to the required 100 feet width.

SED noticed that Consolidated Communications has made an increased effort to complete their transfer work on old double set poles. As part of the pole purchase process, SED sent them a list early on this year of more than 100 double set poles in Stowe. To date, SED has inspected poles on 19 different roads and has work orders to pull 37 poles out of the ground.

Regulatory Report

Case 20-0703-PET – Moratorium on Involuntary Disconnections: To encourage participation in the Vermont COVID-19 Arrearages Assistance Program (VCAAP), the PUC lifted the moratorium on involuntary disconnections and provided the utilities with emergency rules to follow for disconnections. The PUC approved SED's revised disconnection notice form. Now that the VCAAP has ended, Legal Aid has filed a renewed request to reinstate the disconnection moratorium. The Department of Public Service (DPS) supports this petition, and the PUC has not responded yet.

Integrated Resource Plan (IRP): SED filed the IRP.

Case 20-3130-INV – 2021 Renewable Energy Standard Tier III Annual Plans: SED submitted the 2021 RES Tier III Annual Plan on November 1st. The PUC ordered all distribution utilities (DUs) to file an update for their Tier III and work with the DPS to develop a single filing format for presenting Tier III costs and for showing Tier III programs are delivered at the lowest present value life cycle and administrative costs by February 1st, 2021.

Docket 8611: Moscow Solar Vegetation Management Plan: SED filed the final vegetation management plan update as required by the PUC and the DPS. The vegetation management plan was fully successful.

Workshops and Community Outreach:

SED staff participated in a home energy audit for Efficiency Vermont's Button Up Program.

SED staff attended the Town of Stowe Energy Committee meeting to discuss Tier III incentive and other renewable energy questions.

SED continues to work with Efficiency Vermont to coordinate efficiency measures outreach for small and medium businesses in Stowe.

Expected Executive Summary (Personnel)

The Board moved to go into Executive Session at 9:51 a.m. to discuss a personnel matter and invited Ellen Burt and Lily Burgess to stay. The Board made a motion to come out of Executive Session at 10:02 a.m. and the motion carried.

The revised Planned Outage Procedure was discussed, and Larry made the following additional suggestions: clarify the heading before the additional bullet points and make it point #9 and change the bullet points to a checklist; include Stowe Water & Sewer Departments and Harry Shepard in contact list for all planned outages; include that if school is affected, contact Stowe High School and Elementary school as well as the Superintendent.


Heidi Scheuermann made a motion to approve the revised Planned Outage Procedure with the additional changes as discussed in the meeting. Larry Lackey seconded the motion and the motion carried.

Other Business

The Board scheduled the next Commissioners' meeting for January 27th at 8:30 a.m.

There being no further business, the meeting was adjourned at 10:13 a.m.

Respectfully Submitted,


Lily Burgess
Clerk of the Board