

## **Minutes:**

Stowe Electric Commissioners' Meeting

November 30, 2016 at 8:30 a.m. at Town of Stowe Electric Conference Room

### **Present:**

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

STAFF: Ellen Burt, General Manager; Kevin Weishaar, Controller; Matthew Rutherford, Manager of Regulatory Compliance; Lily Burgess, Clerk of the Board

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

### **Approval of the October 20<sup>th</sup>, 2016 Meeting Minutes**

On motion made and seconded, the minutes of October 20, 2016 were approved.

### **IT Report**

The IT Report was part of the Commissioners' Meeting Packet. The replacement of the inverter communication card installation was mentioned. The possible reasons for the "disconnect" of the weather system as well as the meter at the Nebraska Valley Solar Farm each evening when the sun goes down were discussed. Matt elaborated on the transfer of the data acquisition system (DAS) for the Solar Farm to SED as well as its functions. The idea of a kiosk of the DAS on the SED website was discussed.

### **Moscow Mills Property**

SED purchased the Moscow Mills property on November 14<sup>th</sup>. After the closing, Ellen talked with the current tenant of one of the buildings to inform him what will happen with the property, and to assure the tenant that he will continue to be in the property for the time being.

Ellen will reach out to Barb Baraw at the Stowe Historical Society next week and will start involving them in the planning process. SED will undergo an elaborate process to ensure transparency to and involvement of local authorities. SED will actively be looking this winter to hire a site planner and also actively investigate architects and building options.

Dave and the line crew will start the general clean-up of the site early next week.

## **Regulatory Update**

Moscow Road Solar Net Metering Project - 500kW: With authorization from the Town, SED provided the developers, VWSD LLC, with usage and billing information for the Town's many electric accounts so VWSD LLC can calculate possible savings for the Town in the event the Selectboard elects to be an off-taker of the project. SED has been working with VWSD to ensure that their design would incorporate system reliability and safety features. SED received the updated technical drawings today, which is the last piece necessary for completing the System Impact Study. If VWSD decides to proceed with the project, the next step for SED would be to provide VWSD with an Interconnection Agreement.

Cady Hill Solar Net Metering Project - 496kW: On November 2<sup>nd</sup>, SED received an application for another 496 kW solar net metering project from VWSD. The application proposes to site the project between River Road and the two substations on Cady Hill Road, one of which is owned by VELCO. SED has now started the high-level preliminary screening pertaining to possible impacts on the distribution system. SED reached out to VELCO and they have expressed some concerns based on the project's close proximity to their substation as well as the effect it may have on SED's substation.

On November 4<sup>th</sup>, SED received a Notice which indicated that VWSD planned to file for their Certificate of Public Good by December 19<sup>th</sup> as required by statute. The Notice was also sent to the Selectboard, Planning Commission, Lamoille County Planning Commission, Vermont Transco LLC, seven other adjoining property owners, and various state agencies and departments.

Net Metering - Fossil Fuel Consumption Reduction: Matt reported that one idea the Fuel Dealers Association made sure was incorporated into the Renewable Energy Standard (Act 56) statute was the use of biofuel in home heating. Matt Cota, Executive Director of the Vermont Fuel Dealers Association, gave a presentation at one of the Tag Meetings that focused on categorizing the different measures and he brought up the idea of trying to convince the utilities that there is already infrastructure in place for their customers to transition over to different heating fuel. Bourne's Energy is the only fuel dealer in the state that has a certain and measurable blend of biofuel in their home heating fuel. In order to qualify for this program, whatever collaboration a utility has with that fuel dealer would need to increase the percentage of biofuel the fuel dealer is blending into the heating fuel to 5%. This makes the implementation of such a program feasible for SED customers and would allow SED to claim as fossil fuel switching. The point of the program is that the utility that caused the switch by providing an extra incentive to SED's customers.

## **Financial Update: Budget 2017**

Kevin elaborated on the 2017 Budget numbers, the 2016 estimated numbers (projections based on either the 8 months' worth of actual, plus a blend of the budget for the rest of 2017 and input from ENE). The 2016 projected numbers are largely still dependent on snowmaking during November and December. There is no growth in revenue projected. The decline in the snowmaking revenue is due to the substantial decrease in that power cost. Kevin explained that the MWh usage projected excludes the 2MWh that SED will be using from the solar generation of the Nebraska Valley Farm. The small increase in the \$ cost per MWh is

caused by the expected combined increase of about \$400,000 from the Forward Capacity Market and VELCO 91 Transmission Charges. This increase is offset somewhat by the \$250,000 decrease in the estimated cost for the snowmaking contract. ISO cost and VELCO costs for capacity and transmission have increased considerably. Power costs are running around 78% of SED's revenue costs. Capital improvements, depreciation, and the tree trimming budget were discussed. The new billing system and various personnel changes were discussed.

Dick Marron made a motion to approve the Budget 2017, Denise Gutstein seconded the motion and the motion carried.

### **Operations Report**

The Operations Report was part of the Commissioners' Meeting Packet but was not discussed in further detail.

### **Other Business**

The Board scheduled the next Commissioners' meeting for Wednesday, December 21<sup>st</sup> at 8:30 a.m., which was later rescheduled to Wednesday, December 28<sup>th</sup> at 8:00 a.m.

There being no further business, the meeting was adjourned at 10:16 a.m.

Respectfully Submitted,



Lily Burgess  
Clerk of the Board