

Minutes:

Stowe Electric Commissioners' Meeting
April 12, 2016 at 7:30 a.m. at Town of Stowe Electric Conference Room

Present:

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

STAFF: Ellen Burt, General Manager; Kevin Weishaar, Controller; James Brewster, Systems Administrator; Matthew Rutherford, Manager of Regulatory Compliance; Douglass Haselton, Director of Operations; David Kresock, Director of Operations in training; Lily Burgess, Clerk of the Board

Larry called the meeting to order at 7:30 a.m.

Approval of Agenda

On motion made and seconded, the Agenda was approved.

Approval of the March 17th, 2016 Meeting Minutes

On motion made and seconded, the minutes of March 17, 2016 were approved.

Appointment of New Commissioner by the Selectboard; Re-Appointment of Clerk of Board

SED welcomed the new commissioner Denise Gutstein who was appointed by the Selectboard to fill the unexpired term of Mary Lintermann who resigned.

On motion made and seconded, Lily Burgess was re-appointed as the Clerk of the Board for a one year term.

IT Update (CustomerConnect, EV Charging Stations, AMI, SEDC, Misc.)

- MeterSense/CustomerConnect: The number of new sign-ups as well as repeat visitors continue to be steady.
- EV Charging Stations: EV charging sessions for March were mostly at the Green Mountain Inn due to the Ski season winding down.
- AMI: Since the last SmartWorks version upgrade, SED had a problem receiving On Demand Readings from MeterSense. Those readings are primarily used for final

billing, and for some time were only accessible by Jamie through AMI. The issue was related to the server configuration and has been resolved.

- SEDC: Jamie has been doing additional research, working with Symquest regarding potential hosting services for the SEDC servers. Kevin and Jamie previewed a demo of the SEDC Meter Data Management (MDM) software. Compared to our current program MeterSense, SED is slightly underwhelmed by the SEDC product. The most concerning issue is SEDC's inability to work with Interval Data, which SED needs. The question who will pay for the additional new configurations for the Interval Data and whether MDM or Elster handle the new configurations was discussed. SED feels that SEDC should pay for the new configurations, since they will be able to use this feature for other customers as well.
- Misc.: Jamie is working with Doug and Burlington Communications regarding the possibility of adding a meter repeater on the Percy Tower on West Hill instead of the currently installed radio antennae that is no longer being used since SED is on the VELCO system.

Regulatory & Legislative Update

Rutland Solar Resolution: SED received notice that the Selectboard was reviewing the Rutland Solar Resolution with the intention of putting it on the Agenda for the next Selectboard meeting. The Resolution is essentially a call to the Legislature to give the towns more say in the siting of the new Renewable Energy projects. Charles Safford asked for SED's opinions and comments to forward to the Selectboard. SED ensured the Selectboard that SED will support any decision the Selectboard reaches pertaining to the Rutland Solar Resolution. SED furthermore submitted to Charles a brief summary of the developments that occurred in terms of solar development and siting in the state. SED was told they did not need to attend the Selectboard meeting on March 28th. The Selectboard subsequently adopted the renewable energy resolution at their meeting.

S.230 - Energy Development Improvement Act: Matt elaborated on this Act, which addresses some of the concerns that were brought up in Rutland's Solar Resolution. This Act allows for more consideration of Town and Regional Plans in the State Certificate of Public Good (CPG) process and changes the level of review from due consideration to substantial deference. Second to that, an amendment would require a carbon lifecycle analysis for all CPG applications and filings. Unfortunately, the current language also explicitly states that CPG petitions for substations, poles, wires, transformers and other needed for maintaining reliability will need to include this analysis as well, effectively increasing the cost of service to the ratepayer. The Act has passed the Senate and will be reviewed in House Committee of Natural Resource and Energy.

Recent NetMetering Registration: SED received a NetMetering registration for a 15.6kW system. The form submitted was for a system of 15kW or less with a cover letter from the installer stating that the system output would be limited to 15kW. SED filed comments with the PSB, raising issue that neither the form nor the cover letter provided technical information how they plan to "limit" the output of the project and how they would provide assurances that the limitations will be permanent. The PSD filed comments to the same effect.

Solar Project Update

Ellen referred to the distributed timeline. SED has been cutting trees and Walker Construction has started moving material to build the berm. The upgrade to 3-Phase power to the Nebraska Valley Solar site is near completion. Construction materials will be delivered in April. The initial plan was to have construction start in Hyde Park first due to the impact their Solar Farm will have on their power supply. However, Hyde Park has encountered wetland issues so construction will begin in Stowe first. The Solar generation will be monitored via data acquisition system at the office.

David is continuing to research to possibility of having sheep grazing at the Solar site. He has contacted a farm in Bennington that has their sheep grazing at a Solar site. Conduits will need to be placed high enough so that the sheep cannot reach them. David elaborated on other issues to be aware of to keep the sheep safe and healthy.

Financial Update

A) Yearly Audit: SED completed the annual audit and are in receipt of the draft financials. Unfortunately, they are not yet in a format that can be distributed for review at the meeting. The auditors will forward them in a better format after tax season. The bottom line is better than budgeted. Revenue is about 1% below last year's revenue even though snowmaking was about 18% down compared to the previous year. Actual purchase power was less than budgeted.

B) Discussion regarding June 30th Audit Costs: The interaction between the two issues and the two yearly audits was discussed in detail. Originally, the Town requested that SED undergo a second audit in June because of the Town's material weaknesses in their accounting system, and the Selectboard also wanted SED's June numbers to be incorporated in the Town's annual audit. At this time, SED is paying for the Moody rating, but not for the June audit. Under current circumstances, the Town borrows through the municipal bond bank for the most part, therefore the Moody rating does not affect the Town, but benefits SED since the Moody rating eliminates the need for a BlackRock deposit. At this time, despite all the services SED provides to the Town, SED would be justified in paying for the second audit in June. The two available options currently would be 1) to contact the PSB and explain the changed circumstances and ask for their input on how to change their 2005 order or 2) to add the cost of the audit to the amount currently paid by SED to the Town in lieu of taxes.

Doug's Operations Report

The 21 new services completed include 13 new services for the Adventure Center condos. SED's crews are also continuing with make-ready work for the solar project. A couple big projects in the works are two 36-unit apartments along Route 108 across from the events fields. New and current solar NetMetering customers were discussed. Heat source suggestions for new services were discussed.

Kirchner Property (Expected Executive Session)

The Board moved to go into Executive Session at 8:46 a.m. to discuss potential Real Estate matters and invited Ellen Burt and Kevin Weishaar to stay.

Denise Gustein exited the meeting at 9:00 a.m.

The Board made a motion to come out of Executive Session at 9:23 a.m. and the motion carried.

Dick made a motion that SED list the Kirchner Property with Pall Spera Realty for \$425,000, Larry seconded and the motion carried.

Other Business

VLITE update: VLITE granted an extension of the agreement to November 30, 2016, in line with the current agreement with VEIC. Ellen has not been able to reach the principal of the High School yet and SED needs to schedule the two remaining site visits with DriveVermont. SED is planning to install all the commercial EV charging stations this summer.

The Board scheduled the next Commissioners' meeting for Tuesday, May 17th at 7:30 a.m.

There being no further business, the meeting was adjourned at 9:25 a.m.

Respectfully Submitted,



Lily Burgess
Clerk of the Board