

Minutes:

Stowe Electric Commissioners' Meeting

October 20, 2016 at 7:30 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; David Kresock, Director of Operations; Lily Burgess, Clerk of the Board

Dick called the meeting to order at 7:39 a.m.

Approval of the September 22nd, 2016 Meeting Minutes

On motion made and seconded, the minutes of September 22, 2016 were approved.

IT Report

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

Regulatory Update (incl. Solar Project and VLITE Project)

Moscow Road Project - 500kW: The solar developers appeared before the Selectboard to propose that the Town (and possibly the High School) could be an offtaker of the project. The Town of Stowe has authorized SED to provide the Town's usage and billing information to the solar developers, so that they can estimate the possible savings. The system study is ongoing. The project scope and its impact on Stowe Electric were discussed in detail.

Nebraska Valley Solar Update: SED has begun sending production data to Energy New England in order to be able to register the Renewable Energy Credits (RECs) toward compliance with the Renewable Energy Standards. The Data Acquisition Portal shows the generation received from each converter. The Portal also shows the comparison between the estimated generation on any certain day (based on a static, weather-based model by Namaste) as well as the actual generation. SED has been exceeding the estimated generation of 145 MWh in September - the actual generation was 164 MWh.

VLITE Project Update: September has seen 25 new charging sessions at the new EV charging stations, including 2 at the Alchemist.

New Net Metering Tariff: On October 17th, SED filed their new Net Metering tariff, which includes a new method to calculate the monetary compensation for energy generated by these systems. The amount of credit for a system that assigns the Renewable Energy Credits (RECs) to Stowe Electric Department did not change very much, however what the customer can apply the credit toward did, i.e. credits can no longer be used to offset the customer charge or the Efficiency Vermont charges as well as other non-bypassable charges. The generation credit can only be used for current and future usage charges. These new rules only apply to systems that file for a CPG after January 1, 2017. The calculation of the monetary compensation for energy generated based on REC assignment was discussed in detail. Net Metering could also be required to be billed in the same billing cycle. SED can furthermore require energy efficiency audits of customers before installing a Net Metering system, however only if they have a certain usage characteristics.

Financial Update

Kevin has been working with the new General Ledger accounting system for about 2 months. We have daily transactions being posted and are building financial statements. The new checks are printing fine. The new system is quite different than the previous accounting system. Kevin stated he wants to be sure he has a good audit trail since the next audit will be a mixed audit between two accounting systems. Expenses are trending, Revenue YTD is well above last year but about \$100,000 below budget. Most of the reduced revenue is from residential usage. The increase in commercial revenue is due to the new breweries, and the Adventure Center as well as increased snowmaking.

Operations Report

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

Other Business

Moscow Mills Property: The Purchase and Sales Agreement for the Moscow Mill property was signed on September 30th. Ellen is working through the various remaining items in preparation of the closing Mid November. The dam and the hydro mill, regulations and FERC licensing were discussed in detail.

2017/2018 VELCO Equity Purchase: SED will be asking for voter approval for a VELCO equity purchase of \$1,176,500 at the March Town meeting. This total amount will be for purchases for both the 2017 and 2018 VELCO equity. The financing of the equity purchase was discussed in detail.

Renewable Energy Champions Award: Ellen Burt felt very honored to be nominated and to have received the Renewable Energy Champions award from Renewable Energy Vermont.

SED Website: Larry Lackey made some suggestions on how to make updates to the SED website.

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

There being no further business, the meeting was adjourned at 8:47 a.m.

Respectfully Submitted,



Lily Burgess
Clerk of the Board