

Minutes:

Stowe Electric Commissioners' Meeting
April 26, 2017 at 8:00 a.m. at Town of Stowe Electric Conference Room

Present:

BOARD MEMBERS: Richard ("Dick") Marron (via telephone), 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

Larry called the meeting to order at 8:10 a.m.

Approval of the March 22nd, 2017 Meeting Minutes

On motion made and seconded, the minutes of March 22, 2017 were approved.

IT Report

The IT Report was part of the Commissioners' Meeting Packet but was not discussed in further detail beyond the virtual private network (VPN) migration to Vermont, as well as the new phone system.

Regulatory Update

Cady Hill & Moscow Solar Projects: The Cady Hill Project was dismissed by the Public Service Board based on a procedural issue and clerical error namely that an abutting neighbor didn't receive notice when the application was filed. The petitioners responded by filing a lengthy motion for reconsideration, stating the Board's decision was too strict of an adherence to the rule, as the error did not negatively impact the neighbor who did not receive the notice. SED will file an opposition to the petitioner's motion. The PSB issued a final order and CPG for the Moscow solar project, subject to many conditions in order to commence operation.

VEIC Data Transfer: The meeting held in early April was an opportunity for all distribution utilities to discuss a proposal put together by VEIC regarding 1) the scope of the data the utilities are supposed to provide, 2) how exactly VEIC will have access to the data and 3) the cost allocation and its recovery. It seems that the scope and delivery method questions have been settled. The remaining issue is the cost allocation, which has not been

addressed during the April meeting. A further meeting is scheduled for next week, with a filing of a proposed resolution hopefully by May 12th.

Financial Update

Kevin mentioned that the loan paperwork for the \$800,000 capital purchase, as approved at the Town Meeting needed to be signed. This loan is for the purchase of one bucket and one digger truck, the computer billing system upgrade and the Houston Substation transformer replacement and is for a period of 10 years, which is the average life of all the financed equipment. SED is exploring refinancing other debt as well (and potentially retiring some debt early) since interest rates are low. Kevin elaborated on the Profit & Loss statement through February 2017. The bottom line is \$93,000 above budget, the driving factor being lower purchase power due to SED purchasing more market power, whose price has been almost 38% below budget. Snowmaking is also a key factor, as it is lower than budgeted. From an expense point of view, SED is \$43,000 above budget due to mostly legal expenditures.

The loan paperwork to borrow \$800,000 for ten (10) years, as circulated at the meeting, to be secured by a general obligation note at 2.99% interest rate was approved and signed.

Operations Report

SED line crews are very busy with increased customer inquiries regarding new services, setting meters and new net metering installations. New service applications are at a historical high, with a lot of new infrastructure and housing planned. Work in Progress was discussed.

Other Business

SED Customer Privacy Policy: The distributed Customer Privacy Policy was discussed. This Policy essentially is a list of things Stowe Electric has been doing in practice already, that are required to be in writing for the new mobile bill pay platform, to be made available at the Apple App store and Android App store.

Denise Gutstein made a motion to approve the SED Customer Privacy Policy as circulated. Dick seconded the motion and the motion was approved.

Moscow Mill Property: SED received two estimates for the demolition of the building, one from Walker Constructions and one from S.D. Ireland. Ellen is currently working on obtaining preliminary drawings for the new office/operations facility in order to apply for a building permit. Environmental Phase 2 requirements, parking and budget were discussed in detail.

Lineworker Appreciation Day: Ellen mentioned the ceremony at State House, with all the larger utilities, and the proclamation signed by the Governor. An article in the Stowe Reporter will follow.

Personnel Matter (Executive Session)

The Board moved to go into Executive Session at 9:08 a.m. to discuss a personnel matter. The Board made a motion to come out of Executive Session at 9:21 a.m. and the motion carried.

The Board voted to approve an employment contract with the General Manager.

The Board scheduled the next Commissioners' meeting for Wednesday, May 17th at 8:00 a.m.

There being no further business, the meeting was adjourned at 9:21 a.m.

Respectfully Submitted,



Lily Burgess
Clerk of the Board