

Minutes:

Stowe Electric Commissioners' Meeting

May 18, 2018 at 8:00 a.m. at Town of Stowe Electric Conference Room

Present:

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

STAFF: Ellen Burt, General Manager; Denise Sullivan, 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 8:02 a.m.

Approval of the April 12th, 2018 Meeting Minutes

On motion made and seconded, the minutes of April 12, 2018 were approved.

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

Dick Marron has been re-appointed as Commissioner by the Selectboard. Larry Lackey made a motion to appoint Lily Burgess as the Clerk of the Board, Dick seconded and the motion was approved.

IT Report

The IT Report was part of the Commissioners' Meeting Packet but was not discussed in further detail beyond that SED and the Water Department are coordinating an AMI meter pilot project for water modules to take advantage of the Honeywell AMI mesh network already in place for electric meters.

Regulatory Update

2017 Integrated Resource Plan: No members of the public attended the Public Utility Commission (PUC) hearing at the Akeley Building on May 2nd. Public Service Department (PSD) staff and the Hearing Officer both commented that this seems common for IRP public hearings. The next step is for PSD and SED staff to continue discussions and develop a Memorandum of Understanding, which may include items or areas of discussion that the PSD would like to see SED address in the next version for 2020.

Net-Metering Rule Changes: When the rule was revamped in 2016 and adopted in 2017, it included a provision that the PUC would have to review the rule every 2 years to ensure that it still is consistent with State policy goals and objectives, and continues to have the intended effect. The recent order is the end result of the first of these reviews. Ratepayers filing for a CPG for a net-metering system after July 1, 2018 will receive slightly less credit per kWh generated than legacy net-metering systems. The PUC made this change as a reflection of the reduction in costs of solar systems, the recent reduction in REC prices, and the desire to continue to encourage developers to propose projects on preferable locations such as rooftops and reclaimed gravel pits.

Cady Hill Solar Update: The PUC held a conference on May 4th with the parties to the case to assess whether any changes in the case occurred in light of the Supreme Court of Vermont's reversal of the dismissal. Cady Hill Solar LLC's attorney confirmed that their client intends to move forward and that there has yet to be a System Impact Study conducted, which remains SED's primary concern with the application.

Financial Update

1st Quarter 2018 results will be available at next month's meeting. The FEMA reimbursement filing documentation is intense and very time-consuming to put together the required outage information pieces. SED has been working with outside consultants to construct a rate case, with a four year normalization from 2018 to 2021, to keep the required 1.9 Tier. SED has not had a rate increase since 2010, and actually had a rate reduction of 3.5% in 2013.

Personnel Matter (Executive Session)

The Board moved to go into Executive Session at 8:30 a.m. to discuss a personnel matter. The Board made a motion to come out of Executive Session at 8:39 a.m. and the motion carried.

Larry Lackey made a motion that the General Manager be granted a 5% increase in pay, effective April 1, 2018, Denise Gutstein seconded the motion and the motion carried.

Operations Report

The high wind storm on April 4th and 5th, and the line of severe thunderstorms on May 4th and 5th were discussed in detail. During the early evening storm on May 4th, a tree fell through the Mountain Line at Shaw Hill, causing minor damage and all customers were back on around midnight. About 30 minutes later, high winds came in behind the storm, and it was only a matter of time before trees started falling in many locations, taking lines down. One tree fell onto VELCO's 115kV transmission line and all those previously restored customers lost power again. Just like during the October 2017 storm, circuits 1 and 2 out

of Wilkins remained on throughout the storm. The storm path pattern, circumstances and the data collected over that past 5 years were discussed, especially for a potential FEMA storm mitigation project.

Other Business

Highgate Converter Asset Purchase & Sales Agreement: Both SED and Burlington Electric Department have signed the term sheet. A site visit has been scheduled for June 6th. The Commissioners will review and sign the Purchase & Sales Agreement at the next Commissioners' Meeting.

The Board scheduled the next Commissioners' meeting for Wednesday, June 13th at 8:00 a.m.

There being no further business, the meeting was adjourned at 8:44 a.m.

Respectfully Submitted,



Lily Burgess
Clerk of the Board