

## **Minutes:**

Stowe Electric Commissioners' Meeting

November 14, 2018 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; Denise Sullivan, 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 October 17<sup>th</sup>, 2018 Meeting Minutes**

On motion made and seconded, the minutes of October 17, 2018 were approved.

### **Financial Update: Capital Plan**

The majority of the 5 Year Capital Plan are expenses related to Transmission and Distribution maintenance and upgrades. The capital plan includes about \$400,000 in equipment replacements for a new bucket truck and two pick-ups to be purchased in in 2020 and 2021. A complete and comprehensive distribution system study to help determine the priority and timing of projects is planned for 2019. This system study will include a system impact study (SIS). The last complete distribution system study was concluded in 1997. Due to load growth, among other concerns, the Wilkins Substation (circuit 1) and Lodge Substation will need to be rebuilt and/or upgraded next year. The SIS will determine the extent of those Substation upgrades, however, it will not affect the need for an outage management system as well as the immediate need for new reclosers and controllers at all substations. In March 2019, SED will ask for voter approval of a \$4 million bond. Funding for additional capital projects over the \$4 million will be paid through operations and expense reductions.

Denise Gutstein made a motion to adopt the 5 Year Capital Plan subject to the completion of the distribution system study and contingent on voter approval of a bond in March 2019 for financing. Dick Marron seconded the motion, and the motion was approved.

## **Regulatory Update**

Integrated Resource Plan (IRP) Approval: On September 28<sup>th</sup>, the Public Utility Commission (PUC) issued a final order approving SED's IRP. As part of the order, SED is required to develop an underground damage prevention plan by the end of the year, with the purpose of memorializing existing DigSafe procedures.

SED's next IRP will be due on November 21<sup>st</sup>, 2020.

Docket 8136 (Interval Data Transfer) - Final Order: On October 30<sup>th</sup>, the PUC issued the final order in this case, in which they adopted the majority of the Hearing Officer's recommendations. Efficiency Vermont and the distribution utilities are to develop estimates for providing the AMI and customer billing data, the incremental start-up and ongoing costs which will be the sole responsibility of Efficiency Vermont. Denise S and Matt have a call with Director of Operations of Efficiency Vermont scheduled for early December.

Stowe's 2019 Tier 3 Plan: SED's Tier 3 plans were filed with the PUC on November 1<sup>st</sup>. Based on the latest forecast from Energy New England, SED's statutory target will be approximately 1,530 MWh worth of credit for the 2019 program year, which is the equivalent of 2% of SED's forecasted retail sales. The equivalent Alternative Compliance Payment (ACP) would amount to \$93,014.

SED developed a plan that focuses on cold climate heat pumps (ccHP), all electric vehicles, plug-in hybrids as well as the existing public EV charging station. SED is offering a \$575 incentive for each ccHP unit installed. Customers will also be able to receive \$850 for an all-electric vehicle or \$450 for a plug-in hybrid with an additional \$250 incentive for low-income participants. With administrative as well as incentive costs included, SED anticipates that this plan will cost about \$48,000 vs the \$93,000 ACP.

The details of the ccHP program, SED's relationship with Efficiency Vermont and ways to reach out to SED's rateplayers, including social media communication was discussed in great detail.

## **Operations Report**

Outages: SED experienced two wind storms in October and November. Both of the storms had trees down on lines in various locations. The November 3-4 storm, with up to 65 mph winds, caused four broken poles along Route 100. SED crews worked throughout the night putting in new poles and power lines while Stowe police closed Rte 100. VTtrans was very helpful during the outage repairs. Tree trimming, danger tree removal as well as the associated costs, pole ownership and SED's Right-Of-Way policy were discussed.

Moscow Solar Project: SED had to hire Control Point Technologies for a protection study at the Moscow solar site. They discovered a possibility of creating a transmission ground fault overvoltage situation on the transmission side of the circuit 2 transformer. Due to how inverters at solar sites function, they will continue to pump out more and more of this demand to keep up with it, causing the current to sky-rocket and in turn cause the transformer and substation equipment to burn out.

The transmission line behind the cross-country ski center is completed. The only thing left on this project is the metering pods for the Mountain Line at the Lodge Substation.

## Highgate Asset Sale Update

VELCO reached out to SED with a request to extend their purchase option agreement of SED's interest in the Highgate Converter until May 31<sup>st</sup>, 2019. An initial payment from VELCO, interest rates on these advanced funds, plus the continued operating and depreciation expenses until the delayed closing were discussed.

## Other Business

2018 Rate Case: Attendance and the overall positive conclusion of the Public Informational Session and the Public Hearing on October 23<sup>rd</sup> were discussed. Denise S, Jeremy Hoff and Ellen will meet with the Department of Public Service on Tuesday.

Commercial Revenue Study: The report of the investigation into the decrease of commercial revenue was discussed. The causes were both equipment failure and customer efficiency measures. Additional monitoring by office personnel and line crew as well as a change in back-call procedures were discussed in detail.

The Board scheduled the next Commissioners' meetings for Wednesday, December 12<sup>th</sup> 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