

Minutes:

Stowe Electric Commissioners' Meeting
July 20, 2022 at 3:00 p.m. at Town of Stowe Electric Conference Room

Present:

BOARD MEMBERS: Richard ("Dick") Marron, Chairman; Larry Lackey, Vice-Chairman, Heidi Scheuermann, Commissioner (via Zoom)

STAFF: Ellen Burt, General Manager; Brent Lilley, Director of Operations; Sarah Juzek, Controller; Michael Lazorchak, Manager of Regulatory Compliance; Lily Burgess, Clerk of the Board

GUEST: Beth Gilpin, Beth Gilpin Consulting, LLC

Dick called the meeting to order at 3:05 p.m.

Approval of the June 22, 2022 Meeting Minutes

On motion made by Larry Lackey and seconded by Heidi Scheuermann, the minutes of June 22nd were approved.

Approval of the July 1, 2022 Special Meeting Minutes

On motion made by Larry Lackey and seconded by Heidi Scheuermann, the minutes of July 1st were approved.

Financial Report

May 2022 Financial Results: Sarah reported that SED ended May with a \$982,773 loss, which is \$373,345 more than the 2022 budgeted loss of \$609,428 year to date. The 2022 budget is spread seasonally. The overall Operating Revenue was \$268K favorable to the budget. Electric Sales were \$264K above the budget, with Residential Sales being \$78K up from the budget and combined Commercial Sales being \$195K favorable to the budget.

The overall Operating Expense was \$642K unfavorable to the budget. Purchased Power costs were \$569K over the budget due to the increase in electric sales, RES Compliance and the overall cost of power. Other Operating Expenses were \$73K over the budget, mainly caused by supply chain constraints and the increase in inflation.

Bond Financing: The Public Utility Commission (PUC) approved the \$4M bond on June 29th. The bond council is finalizing the documents to be signed by the Town. The funds will be available to SED by mid-August.

Forecast Update:

July Forecast is still estimated at a Net Loss of \$800K. SED sold RECs which will result in a Net Profit for the month of June.

The Year-End Forecast still estimates SED ending the fiscal year with a total net loss of \$300K; this includes the 13% rate increase starting on August 1st, to be billed starting September 1st.

Operations Report

Brent reported that the line crew received OSHA training this month: fire extinguishers, emergency evacuation plan, enclosed & confined spaces. SED received a total of 11 new service orders in June and energized 9 new services. Along with other projects, SED linecrew performed make-ready work on Edson Hill, relocated a line to accommodate Vail's new lift and replaced many poles (including some for make-ready work for Stowe Cable, which is billable). SED initiated 41 work orders and crews completed 20 work orders during the month of June. No new CPGs were issued for Net-Metering, but three new NM systems were energized. SED received 64 dig safes during the month of June. So far, SED received 273 dig safe requests compared to 308 requests last year.

Regulatory Report

Michael stated that the distribution utilities and PUC completed a workshop on the net-metering rule 5.550 and federal spending package (Federal Infrastructure Formula funding). At this time, the State and/or DPS have not allocated any of the funds. Michael attended a quarterly Efficiency Vermont/DU class to hear updates on EVT programs. A docket to evaluate changing the Energy Efficiency Charge has been opened. Vermont Energy Investment Corporation (VEIC) will hold their annual meeting for the Tier III Technical Assistance Group in late July.

SED continue to respond to informational requests from the PUC on net-metering rulemaking, biennial net-metering reporting, and the low-income rate. SED staff continues to administer net-metering billing support, and Michael continues to support the Town Energy Committee.

The 2023 rebate program remains above 2020 numbers, but below 2022 numbers. SED has seen an increase in e-bike and EV participation. Larry inquired whether SED offers a rebate for EV charging stations. Michael explained that SED currently only offers rebates for Level 2 Charging Stations that are installed at a workplace, public building, commercial location available for customers, visitors, and public users. At this time there is no rebate for the make-ready work and necessary upgrades to panels, since SED cannot claim a savings claim for those yet. Stowe currently has at least 11 charging station accessible to the public, many at hotels.

SED continues to receive interest from residents in restoring Moscow Mill. The Preservation Trust of Vermont awarded a small grant for additional studies on the mill building.

Staff continues to receive interest in SED's DEED microgrid system and resiliency planning. Larry asked for further information on what a microgrid is, maybe a memo to the Commissioners explaining the load and the location and the critical infrastructure that would be served by the microgrid.

The University of Vermont requested SED's support on two funding applications UVM is submitting to the Department of Energy for research into solar and energy sheds.

Idaho National Labs and University of Washington State have also requested to use Stowe Electric as a use-case for a microgrid study using renewable resources. UVM requested Stowe Electric participate in another semester of student research.

Executive Session (Personnel Matter)

The Board moved to go into Executive Session at 3:35 p.m. to discuss a personnel matter and invited Ellen Burt and Beth Gilpin to stay.

Ellen exited the meeting at 3:41 p.m.

The Board made a motion to come out of Executive Session at 4:42 p.m. and the motion carried.

No action was taken or motion made.

Other Business

Renewable Energy Credits (RECs): Larry asked if the RECs that SED sold in June for a net profit are bankable, to which Ellen responded that they are. SED can purchase them this year and sell them at the right time for profit. Larry expressed his concern that SED might have sold too much of something that SED wishes they had later. SED retained RECs for future use.

Wilkins Substation Upgrade: Ellen reported that SED sent out all the RFPs for the equipment last week and is now waiting for the bids to come back, hopefully within a one-month timeframe. SED is anticipating it will take a year to get the equipment, but they will start preparing and completing make-ready work such a pouring concrete pad in mid-summer of 2023 so that SED is ready when the equipment is delivered.

The Board scheduled the next Commissioners' meeting for Wednesday, August 24th at 8:30 a.m.

There being no further business, the meeting was adjourned at 4:42 p.m.

Respectfully Submitted,



Lily Burgess
Clerk of the Board