

Minutes:

Stowe Electric Commissioners' Meeting
November 18, 2020 at 8:30 a.m. at Town of Stowe Electric Conference Room

Present:

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

STAFF: Ellen Burt, General Manager; David Kresock, Director of Operations; Kristin Winer, Controller (via Zoom); Mike Lazorchak, Manager of Regulatory Compliance (via Zoom); Lily Burgess, Clerk of the Board

Dick called the meeting to order at 8:34 a.m.

Approval of the October 21, 2020 Meeting Minutes

On motion made and seconded, the minutes of October 21st were approved.

Financial Reports

September Financial Reports: SED ended September with a net income of \$1.2 million above the straight-line YTD budget, however SED sees that this will start balancing itself out in October through December as several credits, deferrals and savings during the summer on power are now expiring. Power usage and the corresponding invoices are also increasing as customers use more power, and the Mountain has started to make snow. SED is still experiencing uncertainty as to what will happen during the next few months with new restrictions and shutdowns.

2021 Budget: Since 2020 has been such an odd year, the 2021 Budget is a combination of September Actuals with the forecast through the rest of the calendar year as well as 2018/2019 Actuals. The big unknown in the coming months is snowmaking and the ski season. ENE sent their forecast for the rest of the year and also for 2021. All of SED's purchase power forecasts match up and this forecasted usage is how SED's revenues are forecasted for 2021. SED is anticipating filling a line crew position that has been open for a while. The budget also already includes the expected raises for the Union employees. Distribution costs are budgeted similar to 2019, as expenses in 2020 were down from budget by 12.5% due to a four-month spending freeze. Dick Marron inquired if the 2021 Budget assumes no rate change, and Kristin confirmed that at this time it does not include any rate change. Larry Lackey asked about the debt service requirements for 2021, and Ellen confirmed that the only bond that needed to be refinanced was taken care of in 2020 and all other loans are straight financing tools. Ellen cautioned that there are no funds for capital projects available in 2021, and SED would need to borrow for any capital projects. At this time there are no capital projects scheduled for next year, other than potentially fixing up the Moscow Mill Hydro Facility.

Heidi Scheuermann made a motion to approve the 2021 Budget as presented, Larry Lackey seconded the motion, and the motion was approved.

Operations Report

The final overhead utility left on the Main Street poles has been removed and the poles are now ready for removal. SED will work with the Highway Department to cut, pull the pole butts and fill the holes within the next couple days.

Work on the Lodge Condos underground has been completed. The replacement underground conductor has been energized and the service wires for the first building have been cut over to the new pad mount transformer. A centralized sectionalizing cabinet has also been installed to enable the installation of a new conductor back to the Substation and to the other two buildings.

Percy's has completed installation of the conduit system along High Farms Road. SED may still try to replace the failed conductor before winter sets in and conductor pulling becomes difficult. The remainder of the road down to Moscow Road will be completed in the spring of 2021.

Pole Attachment rule changes as well as conversations with Stowe Cable and Consolidated Communications were discussed in great detail. Mike and Ellen will reach out to Consolidated to start the conversation regarding pole ownership again. Ellen will also reach out to Rick Rothammer from Stowe Cable regarding Pole Attachments and his concerns.

Regulatory Report

Case 20-0203-INV – Investigation into the Establishment of Reduced Rates for Low-Income Residential Ratepayers of Vermont Electric Utilities: The PUC filed an order staying the proceeding until January 2nd, 2021. The PUC hosted an informal discussion on low-income concerns on November 13th. During the informal discussion Legal Aid expressed their concerns and frustration with the marketing of the VT Arrearage Assistance Program VCAAP and its roll-out by the Public Service Department.

Case 19-0302-INV – Annual Progress Report for Energy Savings Account Pilot Program: ESA Participants updated Efficiency Vermont about program development and administration of the ESA Pilot Program.

Vail's Energy Management Plan: they are developing a forecast for 2021 and 2022 to plan for potential capital investments. Specific investments have not yet been fully identified. Vail Resorts continues to engage Efficiency VT to develop an Energy Management Plan in the second and third year of the pilot.

Workshops and Community Outreach:

SED staff attended the Town of Stowe Energy Committee meeting to discuss Tier III incentives for 2021. SED continues to work with Efficiency Vermont to coordinate efficiency measures outreach for small and medium businesses in Stowe. SED

continues to promote Tier 3 incentives, but user engagement is down compared to 2019.

Other Business

Presentation of Apprenticeship Certificate to Jacob Pecor: The Commissioners congratulated Jacob on his accomplishments and regretted that they were not able to present the certificate to him in person.

Cistern: John Grenier filed the permit last Friday. SED is working with Manosh, who will be ordering the equipment. Matt Percy's group has installed the cistern in the ground and will finish up shortly. Last month, Ellen contacted Tucker Fassiano from Deacon Builders to build the structure over and around the cistern once it is completed. As soon as all permits are in place, SED can contact Ethan and Tyler in regard to the easement. SED is hoping to get the new water supply operational by the end of the year, this will finally ensure a potable water supply for all employees.

Little River Dam and Moscow Mill Dam Hazard Classification: The Preservation Trust of Vermont manages the Robert Sincerbeaux Fund to provide grant funding for qualifying projects to hire a certified preservation contractor. This is a \$500.00 matching grant for a conditions' assessment. The contractor will conduct a site assessment and produce a report on the condition of the building. The report will prioritize repairs, estimate costs, and serve as the basis for additional steps and grant funding. The age of the dam and its classification as low hazard were discussed in detail. The PUC requested Stowe Electric hire a professional engineer to file a current hazard classification recommendation on or before November 27, 2020. We hired Roy Schiff, Water Resource Engineer with Milone & MacBroom (Waterbury, VT), who will complete his report by November 20, 2020. SED will file this report along with a 2006 report by ANR classifying the dam as a low hazard dam on or before November 27, 2020. We also contracted with Blow & Cote to remove dead trees from the top of the dam. The prior owner of the property agreed with ANR to remove trees and debris from the top of the dam as soon as practicable and we will continue to follow that guideline.

The Board scheduled the next Commissioners' meeting for December 16th at 8:30 a.m.

There being no further business, the meeting was adjourned at 9:39 a.m.

Respectfully Submitted,


Lily Burgess
Clerk of the Board