

Minutes: Stowe Electric Board of Commissioners' Meeting

January 28, 2025, at 8:30 am at Town of Stowe Electric Department Conference Room with remote participation available via Zoom.

Present:

BOARD MEMBERS: Larry Lackey, Chair; Sarah Teachout, Vice Chair; and Mark Gilkey, Commissioner

STAFF: Jackie Pratt, General Manager, Sarah Juzek, Director of Finance; Brent Lilley, Director of Operations; Michael Lazorchak, Manager of Regulatory Compliance; Caroline Klosowski, Business and Communications Manager; and Amber Ives, Clerk of the Board

GUEST: Robin Schell, Jackson Jackson & Wagner

Call to Order: L. Lackey called the meeting to order at 8:33 am.

Agenda Approval:

S. Teachout moved to approve the warned agenda, M. Gilkey seconded, all were in favor, and the warned agenda was approved.

Meeting Minutes Approval:

On a motion made by S. Teachout and seconded by M. Gilkey, the minutes of December 18, 2024, were approved.

Strategic Plan Presentation & Discussion:

J. Pratt and R. Schell presented the Board of Commissioners with the draft version of Stowe Electric Department's (SED) Strategic Plan which was developed with the consultation of Jackson Jackson & Wagner.

J. Pratt explained that the Strategic Plan would be utilized in decision-making on projects, employee reviews, and ensuring that the organization is making decisions that align with SED's Strategic Plan.

R. Schell informed the Board of Commissioners on the data gathering process, interviews, and leadership input that was used to develop the Strategic Plan and then presented the findings from the research.

J. Pratt presented the Board of Commissioners with the seven goals of the Strategic Plan and provided some examples of tactics and objectives that would help ensure fulfillment of that goal.

1. Financial Stability: Establish fiscally responsible benchmarks, frameworks, and processes to maintain the financial well-being of the organization.
2. Reliability/Resiliency: Identify and pursue opportunities to improve the reliability and resiliency of the Stowe Electric distribution and sub-transmission system.
3. Regulatory & Power Supply: Meet regulatory and reporting requirements in an accurate, timely and quality manner and position SED as a municipal electric leader on legislative matters.
4. Safety & Security: Continue to secure utility assets and protect customers and employees through a focus on cyber security, physical security, and human safety.
5. Customer Service: Maintain high levels of customer satisfaction and enhance the customer experience.
6. Communications: Enhance SED's brand recognition and reputation by improving transparent and timely communication with internal and external audiences.
7. Workforce Development: Attract and retain quality staff, invest in employees for long-term satisfaction and growth, and position the organization for a succession plan.

The Board of Commissioners and J. Pratt discussed the goals and objectives presented in the draft version of the Strategic Plan, and SED staff noted feedback on changes, refinements, quantitative metrics, and enhancements that the Board of Commissioners requested implemented prior to approving the Strategic Plan.

L. Lackey noted that he felt SED's Strategic Plan should align very closely with the goals of the State of Vermont.

SED staff committed to utilize the input provided by the Board of Commissioners, and to supply the Board with a revised version of the Strategic Plan to discuss at a future Board of Commissioners' meeting.

R. Schell left the meeting at approximately 9:57 am.

Financial Audit and Equity Update:

The details of the 2024 Audit were provided to the Board of Commissioners and J. Pratt informed the Board of Commissioners that the findings have been reviewed by both the auditing firm and the Town's Treasurer.

J. Pratt updated the Board of Commissioners on the status of the bond borrowing for the Vermont Electric Power Company (VELCO) equity, and informed The Board of Commissioners that due to Town Counsel's determined deficiency in advertising by the Town of Stowe prior to the bond vote in March 2024, that SED will need to go back to voters in March 2025 in order to have the bond borrowing approved.

J. Pratt apprised The Board of Commissioners that SED staff would work diligently to ensure that voters understood that the Vermont Bond Bank borrowing was back on the March 2025 ballot in order to satisfy the advertising requirements that Town Counsel determined were not adequately satisfied for the March 2024 vote. In addition, SED staff would work to make sure that voters know that SED is not requesting *additional* funding to secure VELCO equity but simply asking voters to certify the previously approved \$3MM bond borrowing.

General Manager Highlights:

J. Pratt and the Board of Commissioners discussed the potential Canadian-goods tariff that could be implemented by the Trump Administration and how that tariff could impact energy prices.

L. Lackey requested that SED staff research the monetary impact that the potential 25% Canadian-goods tariff could have on SED's energy prices, and for SED to provide the Board of Commissioners with the dollar value repercussion of the potential tariff.

J. Pratt advised the Board of Commissioners that SED has been working with PLM, Inc. to assess and update SED's tariffs and that SED staff felt that the "Time of Use" (ToU) rate was ready to file with the Vermont Public Utility Commission (PUC). In addition to the updated ToU rate, J. Pratt notified the Board of Commissioners that SED plans to partner with Massachusetts Municipal Wholesale Electric Company (MMWEC) to offer ratepayers monthly incentives for enrolling Electric Vehicles (EVs) and charging devices in the Virtual Peaker platform.

J. Pratt informed the Board of Commissioners that the updated ToU rate in conjunction with the Virtual Peaker platform will satisfy the PUC's requirements for all utilities to implement an EV tariff that provides an opportunity for EV owners to voluntarily enroll in a beneficial EV rate.

In addition, J. Pratt and the Board of Commissioners discussed the Employee Handbook, the Municipal Code of Ethics, and the SED Brand Book.

At 10:22 am, S. Teachout moved to enter Executive Session in order to discuss potential litigation. M. Gilkey seconded the motion, and all were in favor.

J. Pratt and M. Lazorchak were invited to join The Board of Commissioners in Executive Session.

At 10:40, S. Teachout made a motion to exit Executive Session. The motion was seconded by M. Gilkey, and all were in favor.

There being no further business, the motion to adjourn was approved at 10:41 am.

Respectfully Submitted,

Amber Ives

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Clerk of the Board