

Minutes:

Stowe Electric Commissioners' Meeting:

May 24, 2023, at 8:30 am at Town of Stowe Electric Department Conference Room with remote participation available via Zoom.

Present:

BOARD MEMBERS: Larry Lackey, Chair; Heidi Scheuermann, Vice-Chair and Sara Teachout, Commissioner

STAFF: Jackie Pratt, General Manager, Brent Lilley, Director of Operations; Sarah Juzek, Controller; Michael Lazorchak, Manager of Regulatory Compliance; Amber Ives, Clerk of the Board

GUESTS: Kaelob Smith, Lineman

Call to Order: L. Lackey called the meeting to order at 8:35 am.

Agenda Approval:

L. Lackey moved to modify the warned agenda by adding the recognition of K. Smith's promotion to First Class after item one of the warned agenda. The motion to modify the warned agenda was unanimously approved.

Recognition of K. Smith:

B. Lilley and J. Pratt recognized the promotion of K. Smith to First Class and provided the Board with a brief summary of K. Smith's career and accomplishments. The Board thanked K. Smith for his service and congratulated him on his achievement.

Approval of April 21, 2023, Meeting Minutes:

On a motion made by H. Scheuermann and seconded by S. Teachout, the minutes of April 21st were approved.

Financial Reports:

L. Lackey inquired as to the wording on the Commissioner's Orders and suggested that Stowe Electric Department (SED) may want to consider modifying the verbiage. J. Pratt responded that to stay consistent, SED would ask other municipal utilities about the language they use, and that SED and the Board could discuss a change to the verbiage based on those findings.

The Commission and staff discussed the rate case, the Public Utility Commission's (PUC) determination, the challenges of projecting costs, insights gained, timing of the case, and the method in which a refund would be issued to ratepayers.

The Board and staff discussed the closeout process for Capital Projects and whether they needed to be formally closed out by the Commission. J. Pratt suggested that instead of adopting a formal closeout procedure, in order to increase the transparency of funds, SED staff could provide the Commission with a memo that included the pertinent information related to the project and how final costs compared to budget. The Commissioners agreed that a memo would be a good place to start in order to keep the Board informed on project financials.

Establishment of a new account at Union Bank:

J. Pratt and S. Juzek discussed the need to establish a new account at Union Bank for integration with National Information Solutions Cooperative (NISC) payroll services.

H. Scheuermann made a motion to authorize the General Manager to establish a new payroll account at Union Bank. The motion was seconded by S. Teachout and unanimously approved.

Northern Border Regional Commission Catalyst Program- Letter of Support:

SED staff requested that the Commission sign a letter of support of an application by Stowe Electric Department to the Northern Border Regional Commission's Catalyst program for a grant to restore underbuilt infrastructure and increase renewable energy generation in Stowe.

The Board and staff discussed how this grant funding would be used, ideas for the Mill property and inclusion of the Board in future conversations surrounding the Mill property and the vision for its' end-use.

The Board discussed the verbiage in the final paragraph of the letter of support and requested to have the final sentence removed.

H. Scheuermann made a motion for the Board to sign the modified letter of support to the Northern Border Regional Commission Catalyst Program in support of SED's grant application. S. Teachout seconded the motion and the motion carried.

Commission Planning:

L. Lackey explained that at the previous Town meeting, the Selectboard requested that all the Boards of the Town come in and meet with the Selectboard to explain the items on their docket for the year.

J. Pratt presented the Commission with an outline of major topics SED plans to discuss at meetings as well as items needing approval of the Selectboard, along with anticipated timing. J. Pratt requested that the Commissioners review the items and make suggestions as to any items that needed to be included or edited prior to sharing the overview of anticipated topics with the Selectboard.

L. Lackey suggested including information on some of the major projects that SED is currently working on or planning to work on in order to highlight the productivity of SED. H. Scheuermann recommended including information that pertains to SED's personnel and the proactive measures that SED is taking to update policies and procedures.

J. Pratt thanked the Commissioners for their feedback and informed the Board that she would update the overview with the Commissioners' suggestions prior to sending it to the Selectboard for review.

Commissioner Stipends:

SED staff suggested modifying the distribution schedule of Commissioner stipends from annually to quarterly to align SED's practices with the Town of Stowe's and reduce the impact of over-or under-compensation due to Commissioner turnover. The Commission agreed that SED should change the stipend distribution to quarterly.

L. Lackey made a motion to direct Stowe Electric Department to pay the Commission quarterly beginning with the next pay period. H. Scheuermann moved the motion, S. Teachout seconded, and the motion was unanimously approved.

General Manager Highlights:

J. Pratt apprised the Board of SED employees' recent community outreach, as well as SED's partnership with students from University of Vermont's (UVM) Rubenstein School who planted trees on SED's parcel to help reduce erosion and improve riverbank health.

J. Pratt recognized P. Waugh for receiving the *Northeast Public Power Association (NEPPA) Mutual Aid Service Award* for her work coordinating mutual aid for northern New England during Winter Storm Elliot and several other weather events throughout the 2022-23 winter season.

J. Pratt celebrated the performance of S. Power, K. Smith, and P. Sikora in the NEPPA Rodeo where they took second place in both the “Single-Phase Dead-End Pole Frame” and the “4kV Isolation” categories.

J. Pratt informed the Commissioners that a special payroll would be run to correct payroll miscalculations as they pertained to the Fair Labor Standards Act (FLSA) Overtime Rate and that backpay related to the FLSA Overtime Rate miscalculations would be provided for the previous two years to all on-call employees based on the recalculated “regular rate” and actual hours worked.

J. Pratt informed the Commissioners that she had remotely attended the Selectboard’s Meeting on May 10, 2023 to provide information as it pertained to Vermont Electric Power Company, Inc., and Vermont Transco LLC (VELCO) for a non-substantial change determination regarding the VELCO substation off Cady Hill Road. J. Pratt reported that the Selectboard voted to clarify that the storage building is a proposal of SED and not of the Selectboard, and to preserve the Town’s party status to stay informed and reserve the right to actively participate in a hearing should the Selectboard decide to do so going forward.

J. Pratt explained that at the Selectboard meeting, Town Manager, C. Safford, clarified that there are two concurrent processes with this project – the application to modify the berm before the PUC and a building permit before the Development Review Board (DRB), and that C. Safford provided guidance to the Selectboard pertaining to the level of involvement of the DRB as it relates to a municipal project. J. Pratt noted that based on the guidance provided by C. Safford, SED truly went above-and-beyond the requirements for the Cady Hill storage barn in order to ensure that the facility was aesthetically pleasing and that it blended with existing structures and landscape.

J. Pratt alerted the Commissioners that the DRB scheduled the hearing for SED’s construction of a storage facility on Cady Hill for August 1, 2023.

J. Pratt informed the Board that the Outback Acres solar project Certificate of Public Good (CPG) process is underway and on-schedule despite some intervention from a few local parties who have voiced concerns over visibility. J. Pratt explained that the project was originally scheduled to be operational during the fourth quarter of 2023, but that date has now moved to the first quarter of 2024 and due to this shift, SED may have to compensate through some Renewable Energy Credits (RECs) purchases to ensure that SED is meeting Tier Two requirements under the Renewable Energy Standard (RES).

L. Lackey inquired as to the progress of the Tree Crew. B. Lilley responded that the Tree Crew had been doing a lot of training and that they were up to date on their certifications. B. Lilley noted that the Tree Crew had done a lot of work along South Main in order for the new line to be transferred, and that they had been doing excellent work along River Road clearing the Right of Way. J. Pratt praised the Tree Crew's quality of work and clean-up standards, from which a discussion on the disposal of the wood chips ensued.

The Board and staff discussed battery storage, battery storage credits, peak shaving, and the possibility of future stipends or rebates for reducing peak loads.

Other Business:

J. Pratt informed the Commission that due to the Fourth of July falling on a Tuesday this year, there had been a lot of employee requests for Paid Time Off (PTO) on Monday, July 3rd. Due to the number of requests, J. Pratt advised the Commission that she planned to close the office to the public on July 3rd to allow those that wanted to use PTO the opportunity to do so, while those that wanted to work would have that opportunity in a quiet office setting. J. Pratt noted that there were some new employees who had not accrued PTO yet, so in the instance they wanted to take July 3rd off, J. Pratt would allow them to go negative on their PTO. J. Pratt explained that once their PTO loaded, they would be down a day and in the instance that they were to leave before their time accrued, SED would deduct that paid time from their final paycheck.

There being no further business, the meeting was adjourned at 9:45 am.

Respectfully Submitted,



Amber Ives

Clerk of the Board