

BURLINGTON
BOARD OF ELECTRIC COMMISSIONERS
585 Pine Street
Burlington, Vermont 05401

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VIA MICROSOFT TEAMS
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Conference ID: 108 287 789#

AGENDA
Regular Meeting of the Board of Electric Commissioners
Wednesday, June 9, 2021- 5:30 p.m.

- | | |
|---|----------------|
| 1. Agenda | 5:30 (5 min.) |
| 2. Minutes of the May 12, 2021 Meeting
Minutes of the May 19, 2021 Meeting | 5:35 (5 min) |
| 3. Public Forum | 5:40 (5 min.) |
| 4. Commissioners' Corner (Discussion) | 5:45 (5 min.) |
| 5. GM Update (Oral Update)
Financials: April FY21 | 5:50 (15min.) |
| 6. Draft 2021-2022 Strategic Direction (Discussion) D. Springer | 6:05 (15 min.) |
| 7. Commissioners' Check-In | 6:40 (5 min.) |

Attest:



Laurie Lemieux, Board Clerk

If anyone from the public wishes to speak during the public forum portion of the Commission Meeting and/or wishes to be present for the Meeting of the Board of Electric Commission, please email lemieux@burlingtonelectric.com to receive a link to the meeting, or call (802) 489-6254, Conference ID: 108 287 789#

Note: Members of the public may speak during the Public Forum, or when recognized by the Chair during consideration of a specific agenda item.

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(for 06/09/21 meeting)

***** FYI *****

- Minutes of the May 12, 2021 Meeting
- Minutes of the May 19, 2021 Meeting
- May Monthly Report
- Dashboard
- Draft 2021–2022 Strategic Direction

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MEMORANDUM

To: Burlington Board of Electric Commissioners
From: Darren Springer, General Manager
Date: June 4, 2021
Subject: **May 2021 Highlights of Department Activities**

General Manager

- **Reopening** – We are moving toward a reopening on July 4th, with development of a plan to incorporate some remote work flexibility to continue during a pilot program period in the second half of 2021. Our employee survey indicated a strong preference for continued remote work options, and our Net Zero Energy Roadmap update confirmed the importance of driving fewer miles in helping to keep us on the path to Net Zero Energy even as we have yet to fully scale up electrification at a pace consistent with the Roadmap. BED should play a role in leading by example to reduce vehicle miles traveled, and our remote work pilot program will be intended to do that. We are looking forward to some in-person events this summer, including BED nights at the ballpark with the Lake Monsters, and an in-person employee appreciation lunch in September.
- **Rate Case** – Many thanks to the Commission for your willingness to hold several special meetings, and thanks to Chair Stebbins for speaking during public forum at the Board of Finance and City Council. The Council approved our rate case authorization by a 10-1 vote. We are planning a mid-June filing to stay on track for the August surcharge. We have provided an update to Moody's on the rate case and are running a column and ad in the North Avenue News regarding the rate case as well as setting up a BED web page with content for customers (including a form to sign up for our energy assistance program).
- **Strategic Direction 21-22** – The Strategic Direction 21-22 draft is included in the packet and reflects feedback from the BED team. Having modified certain aspects more recently, we focused on updating the initiatives this time around. This includes adding new items, deleting certain items, and refining language. We look forward to engaging with the Commission on the draft, and presenting a final document for a vote in July.

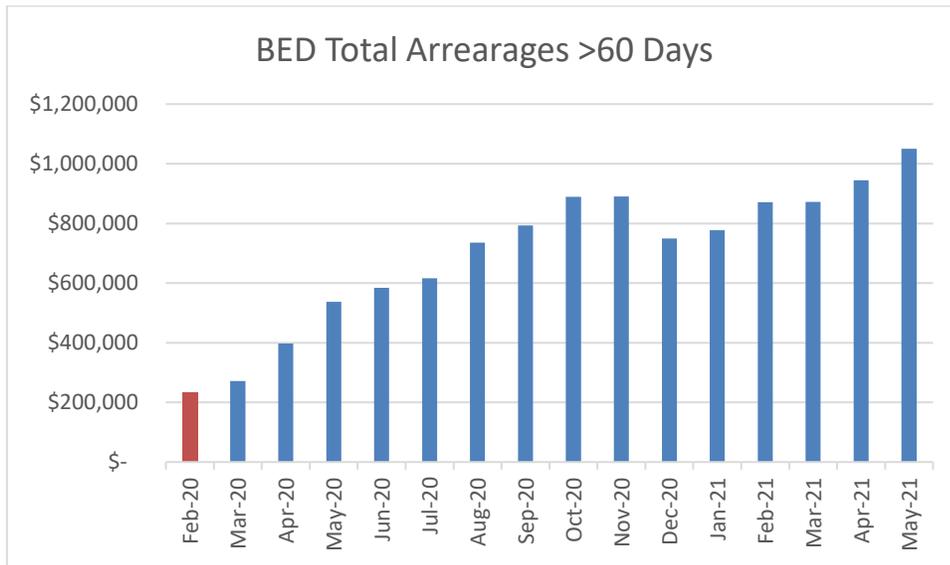
Center for Innovation - Emily Stebbins-Wheelock

- Acting supervisor of Finance & Accounting and Billing & Analytics staff.
- Overseeing FY22 budget development process.
- Overseeing 2021 rate case development.
- Exploring long-term capital financing options.
- Continued sponsorship of IT Forward implementations.
- Serving as 2021 DeltaClima cohort mentor.
- Sponsoring internal team reviewing rebate process for efficiencies and effectiveness.

- Reviewing feedback from Leadership Team on proposed performance review form and rollout plan.
- Liaison with DPS on State of Vermont COVID19 arrearage assistance program.
- Facilitating a white accountability group for City employees sponsored by the Racial Equity, Inclusion and Belonging (REIB) Office.

Finance & Accounting

- Monitoring receivables in response to COVID19: as of May 28, 2021, BED’s total non-current receivables had increased \$116,194 or 9% compared to the end of April 2021. Arrearages >60 days were \$1,050,388.



- Continuing FY22 budget development.
- 2021 rate case preparation, including cost of service model, identification of known & measurable changes, and modeling of cash flows and debt coverage ratios.
- Annual State fuel assistance reporting/true-up.
- Financial analysis in support of EEC/DRP dockets.

Billing & Analytics

- Bi-weekly tracking of daily kWh sales by rate class to monitor impacts of COVID-19, with bi-weekly update to Vermont state economists and DPS. Continuing to modify the hourly and monthly load forecasting models to account for the changing impacts of COVID-19.
- Testing implementation of tariff adjustment and temporary energy assistance program in billing system.
- Functional lead for MDMS replacement and team member on Customer Portal replacement projects.
- Functional lead for OpenWay SR7.0 upgrade and PMR replacement projects.
- Continued work on defining net-metering requirements (billing and interconnection scenarios) for planned CIS replacement project.

- Responded to routine and specific data requests re hourly loads, annual utility statistics, net-metering systems and capacity, and solar interval data for specific properties.
- Planning for Field Collection Service application upgrade.

Information Services

- Continued work on Data Center installation at VELCO.
- Continued work on Lake St disaster recovery data center cleanup and reconfiguration.
- Continued work on setup for OpenWay 7 test system.
- VPN configuration with SmartWorks MDMS data centers.
- Continued work on initial data extracts for CIS daily syncs and MDMS data conversion.
- Intune/ABM pilot of iPads underway.
- Initial research for Enterprise GIS infrastructure and new Outage Map.

Policy & Planning

- EV rate amendments approved by City Council and filed with PUC.
- Continued District Energy System (DES) discussions.
- Electric bucket truck grant agreement review and approval process.
- Multiple research questions in support of eventual transition to new billing system.
- Renewal of Phase 1/2 Contract approved by FERC.
- Discussed potential hydro renewal with Great River Hydro.
- Continued work on Act 151/DRP docket.
- Reviewed economics of battery proposal with senior management.
- McNeil maximum output test performed in support of DES.
- Reviewed implications of FERC Order 2222.
- New sustainability intern, Kameice Francis, starting in June.
- Legislature adjourned; delivered wrap-up summary.
- DeltaClimeVT 2021 cohort mentor.
- Defeat the Peak 2021 preparation.
- Submitted NYPA qualification for Vermont Renewable Energy Standard to PUC.
- Submitted new EEC rate for NM customers without generation meter.
- Participating in Case 21- 1500 – Overall Performance Assessment of Vermont’s EEUs.
- Participating in Case 21- 1616 – DPS petition relative to EEC and TEPF Carryover funds.

Sustainability & Workforce Development

- Continued management of the Ventilation Improvement Program (VIP) in collaboration with CX Associates and CEDO.
- Analyzed and presented results of second BED COVID-19 employee survey to inform potential workplace policy changes at BED post-pandemic.
- Updated Minimum Housing Standards for rental properties adopted by City Council.
- Orchestrated Burlington High School multi-modal transportation group meeting with Superintendent Tom Flanagan re ensuring high school site selection considers multi-modal transit and transportation beyond the single-occupancy vehicle.
- Planning Burlington 2030 District for spring and summer webinars; secured \$47,000 in DEED funds to advance Property Energy Plans for multi-unit dwellings and single occupancy residences.
- Represented BED on a working group to develop Electric Vehicle Supply Equipment (EVSE) guides for homeowners and businesses. Funded by DOE and coordinated by Forth, BED's involvement will inform the work of a BED summer fellow to create an online guide for Multi-Unit Dwelling property owners.
- In conjunction with Chief Forester, renewed collaboration with KSV on additional McNeil signage.
- Continued work with Building Electrification Institute on creating online heat pump analysis tool for BED customers.
- Initiated first quarterly meeting with CEDO workforce development and housing staff to discuss current workforce challenges and leverage points that will help advance Net Zero Energy in the built environment.
- Participating in City white accountability group orchestrated by Office of Racial Equity, Inclusion, and Belonging.
- Co-chair meeting with Portland, ME preparing for monthly USDN Building Electrification working group starting in June of approximately 65 cities interested in a transition from fossil fuels in the built environment.

Center for Safety and Risk Management – Paul Alexander

Safety

- Conducted with Green Mountain Safety a Confined Space Entry class for McNeil personnel.
- Distributed on-line 3-hour OSHA 1910.269 Transmission & Distribution class to Pine Street Operations Group.
- Contributed to GM Draft Remote Work Policy Pilot proposal in areas of safety, ergonomics, and worker's compensation.
- Working with McNeil management to improve ergonomics and safety while unloading woodchips from railcars on the Train Trestle.

Environmental

- Presented to City of Burlington Board of Health McNeil vegetation management application to spray McNeil switchyard. Approval was granted.
- Conducted tubular air heater leak testing and repair
- Conducted thorough maintenance to CEMs sample conditioning panel and sampling probe.
- Calibrated boiler and cooling water instrumentation.

Risk Management

- Claims Investigations 1 total (0 Power Outages, 1 Property).
- Continued research, effort, planning and correspondence on Coronavirus (COVID -19), Continuity Plans, Temp testing stations, Return to work plans, PPE, Health Officers, City Face mask policy, Vaccine rollout, contact tracing, etc.
- Review insurance K&M's for Finance and water bill estimated FY'22 increase .
- File mandatory CPCU CE credits and CUSP CE credits (met both requirements).
- Review BED's proposed 2021-2022 SI's.
- Activate HR's new NEOGOV training account ("Learn").

Purchasing/General Services

- Met with Bill Ward to develop a plan for graffiti on the pump house at Winooski 1.
- Continue removal of posters on poles. There was a noticeable increase at the end of May due to the loosening of Covid restrictions.

Center for Operations & Reliability – Munir Kasti

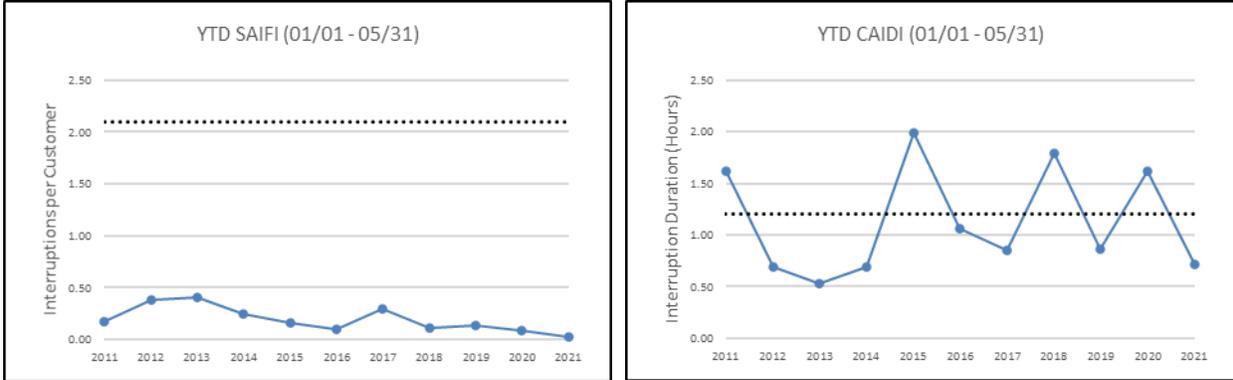
Engineering and Operations

- Replaced the underground service with an overhead service at 29 Loaldo Dr.
- Transferred BED's equipment from a condemned pole to a new pole on S. Prospect Street.
- Transferred BED's equipment from a condemned pole to a new pole on Ferguson Avenue.
- Transferred BED's equipment to a new pole at Home Avenue due to the condition of the pole.
- Replaced a leaking underground transformer at St Paul Street.
- Installed new transformer and service at Strathmore Beach.
- Replaced a leaking transformer at Lopes Avenue.
- Installed new poles and crossarms to address the 1L4 circuit long spans.
- Transferred BED's equipment from condemned pole to a new pole on Summit Street.
- Installed new transformers and assisted contractor in installing secondary cables for UVM athletic facility project.
- Began work to prepare and test a new submersible switch to be installed at the intersection of Church Street and Chery Street.
- Performed routine maintenance on circuit breakers at Queen City, McNeil, College Street, and East Avenue substations.
- Implemented new protection settings on recloser 412R to account for reverse power flow due to solar generation on the 3L4 circuit.
- Issued the design and work order for the following projects:
 - Replacement of submersible switch 761/760/731/736S at the intersection of Church Street and Cherry Street.
 - Replacement of submersible switch 821/233/349/727/401S at the intersection of Pearl Street and South Prospect Street.
 - Transformer and service upgrade for 27 Grey Meadow Drive.
 - Transfer to new pole P1210 replaced by Consolidated Communications on King Street.
 - Transfer to new pole P726 replaced by Consolidated Communications on King Street.

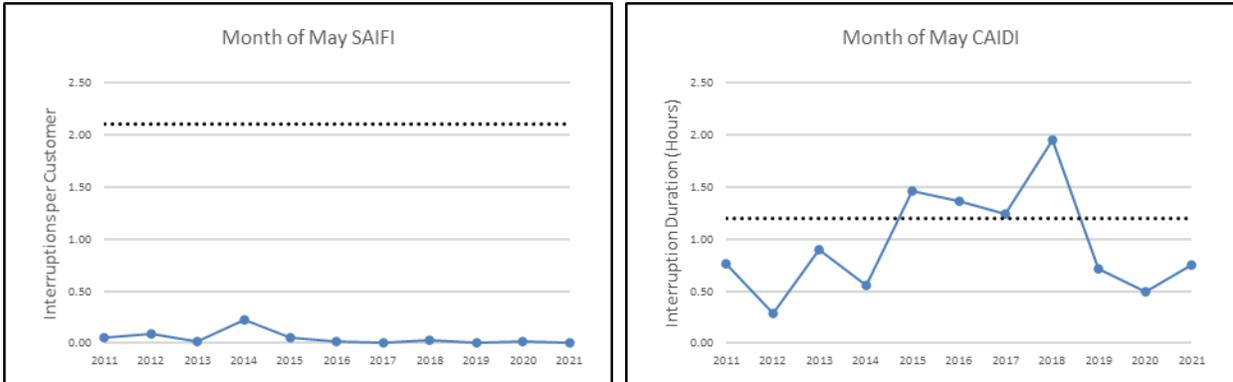
SAIFI & CAIDI Outage Metrics:

BED’s distribution system experienced 12 outages in May 2021 (0 unscheduled and 12 scheduled). BED’s SAIFI for the Month of May was approximately 0.01 interruptions per customer and CAIDI was approximately 0.75 hours per interruption. BED’s YTD SAIFI is approximately 0.02 interruptions per customer and YTD CAIDI is approximately 0.72 hours per interruption.

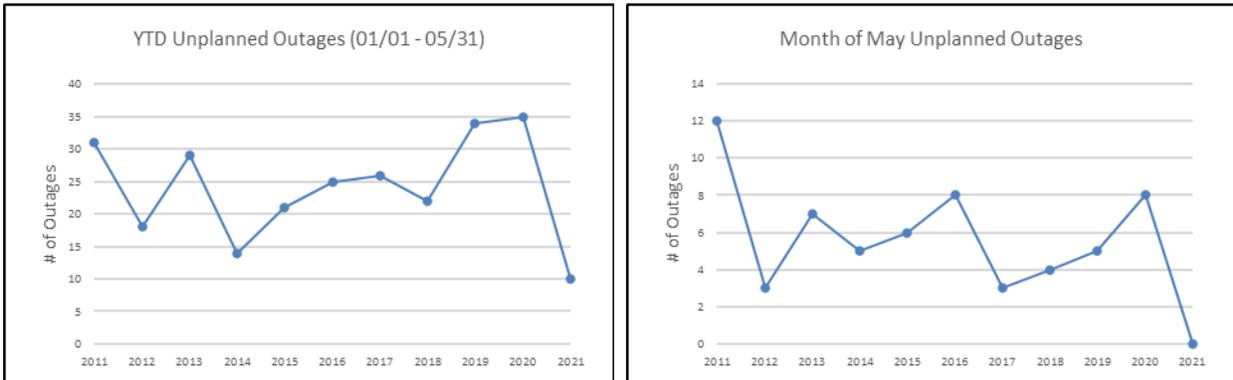
The following figure shows BED’s historical YTD SAIFI and CAIDI:



The following figure shows BED’s historical May SAIFI and CAIDI:



The following figure shows BED’s historical Unplanned Outages:



GENERATION

McNeil Generating Station, May 2021

Month Generation:	15,925.0 MWh
YTD Generation:	123,875 MWh
Month Capacity Factor:	42.8%
Month Availability:	94.7%
Hours of Operation:	316.3 Hours

Long time Station Operator Scott Rainville will be retiring next month. His position is currently posted.

Winooski 1, May 2021

Month Generation:	2,636.01 MWh (75.27% of average)
YTD Generation:	11,967.14 MWh (75.74% of average)
Month Capacity Factor:	47.88 %
Month Availability:	99.8 %

No major incidents to report.

Burlington Gas Turbine May 2021

Month Generation:	15.436 MWh
YTD Generation:	98.098 MWh
Month Capacity Factor:	0.090%
Month Availability:	100.000%
Hours of Operation Unit A:	1.1
Hours of Operation Unit B:	1.1

There was one operation of the GT during the month of May due to a BED self-scheduled operation to confirm equipment operability and allow for Operator training. The request resulted in a successful operation of the asset. The asset is fully functional and in service at the end of the month.

Solar (Pine Street 107 kW)

Month Generation:	15.5 MWh (-16% from previous year)
YTD Generation:	40.5 MWh
Month Capacity Factor:	20%
Month Availability:	100%

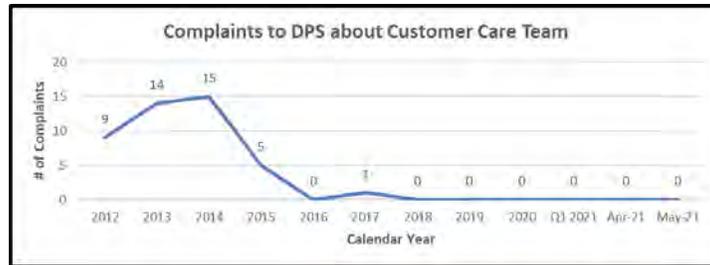
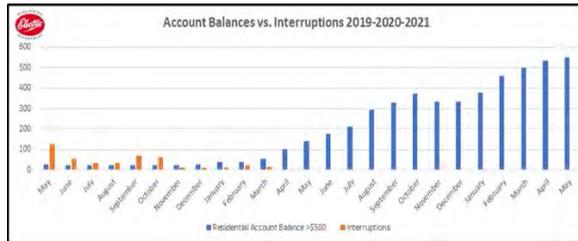
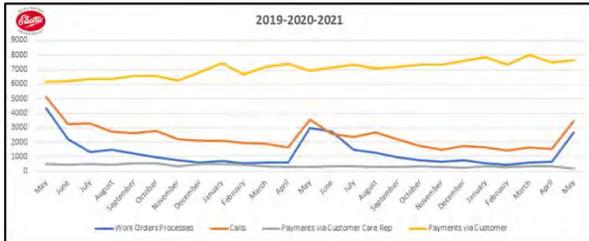
Solar (Airport 499 kW)

Month Generation:	84.7 MWh (-6% from previous year)
YTD Generation:	210.6 MWh
Month Capacity Factor:	23%
Month Availability:	100%

Center for Customer Care & Energy Services – Mike Kanarick

Customer Care

- Call Answer Time (75% in 20 seconds):** May 2021 65.8%, April 91.0%, March 89.1%, February 93.1%, January 86.7%, December 2020 84.2%. May 2020 65.9%, April 86.9%, March 84.2%, February 84.1%, January 85.4%, December 2019 79.2%. Nearly identical % as this time last year, during our busiest month of the year, and we were down one team member for one key week. **Monthly # calls more than doubled (from 1,554 to 3,451) and # work orders nearly quadrupled (from 676 to 2,656) from last month. Tremendous increase in use of web requests** for termination and new service.
- Burlington Resource and Recovery Center (RRC):** BED’s Communications team continues to devote a portion of its time to assisting the Burlington Resource and Recovery Center (RRC). Mike Kanarick and Adam Rabin continue to assist with managing the RRC website, social media, and other communications efforts.
- May 2021 Stats:** please see dashboard for additional metrics categories.



Communications and Marketing

- Rate case proposal rolled out on May 18 via this [press release](#).
- Vermont Emergency Rental Assistance Program (VERAP): in April, the State launched VERAP, “to help alleviate income pressure on tenants and landlords and restore stability to the rental community.” (erap.vsha.org) VERAP will help tenant households with paying rent, as well as paying utility and home energy costs. VERAP is different from the Vermont COVID-19 Arrearage Assistance Program (VCAAP), which ended in mid-December 2020 and through which BED was successful in securing for our customers \$345,437 (\$259,098 residential and \$86,339 commercial) in grants to help utility customers pay past due balances greater than 60 days. The state has been delayed in launching the utility assistance component of this program and is likely to launch it this week, the first week in June. As soon as we learn the utility component details, we will communicate with our customers to allow them to benefit from this new program.
- North Avenue News: June column is a letter from GM Springer explaining the need for a rate case

and encouraging customers to take advantage of savings through our energy efficiency programs and our new low-income energy assistance program. Our June ad communicates similar information.

- May 2021 Website and Facebook Highlights

- Website

- **New website** – development of new website complete and will be launched in the next week or two after Customer Care “busy time.” New site will be more secure, allow for future updates, and provide an improved rebates submission system.
 - Website traffic throughout month increased significantly due to “busy time” move-ins and move-outs.
 - Overall site-wide pageviews for May 2021 = 28,428
 - April 22,745
 - March 21,463
 - February = 18,773
 - January = 20,402
 - December = 18,797
 - November = 19,638
 - October = 20,661
 - September = 23,850
 - August = 26,709
 - July = 23,169
 - June = 22,464
 - Unique homepage pageviews for May 2021 = 7,499
 - April 5,404
 - March = 5,775
 - February = 5,165
 - January = 7,571
 - December = 5,561
 - November = 7,071
 - October = 5,844
 - September = 9,266
 - August = 7,883
 - July = 6,830
 - June = 7,292

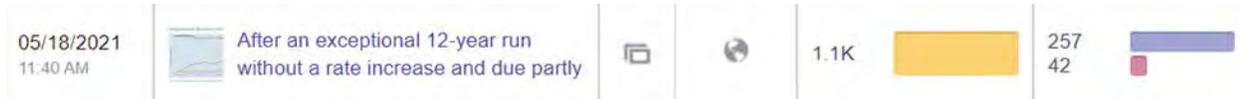
- Full site traffic



- Visitors by website page – busy season leads to a number of increases in categories including home page, start/stop service, contact us, rates/fees + spring increase in electric lawn equipment rebates. Significant increases marked in green.

Page Title	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020	Oct 2020	Sept 2020	Aug 2020	July 2020	June 2020
Home	9667	6884	7234	6550	7571	7130	7071	7497	9277	10863	8776	9637
My Bill	3235	3087	3228	3046	3532	3308	2995	3258	3651	3566	3638	3578
Waste Wood Yard	1569	2034	1110	367	979	761	1756	1545	1303	1749	1442	1816
Report A Problem	93	60	88	80	80	121	76	140	721	903	83	980
Stop or Start Service	2599	622	337	279	336	277	330	366	502	873	782	1059
E-billing	337	380	352	368	495	528	397	394	669	673	578	539
Contact Us	949	468	560	413	417	467	414	436	547	655	545	713
McNeil Generating Station	627	791	517	395	525	507	734	634	548	624	574	655
Air-Source Heat Pumps	599	504	600	567	347	322	313	338	434	518	551	562
Rebates & Incentives	631	591	506	420	486	361	317	340	406	494	566	774
Green Stimulus	255	257	280	504	283	208	158	152	171	357	410	682
Cancel Your Service	1388	246	98	88	84	85	105	129	161	277	270	430
Leadership Team	212	198	308	218	286	207	193	190	269	250	225	224
Rates & Fees	310	184	212	218	161	140	139	190	190	240	229	218
Usage Tracker Registration	107	118	150	196	185	209	147	154	201	238	326	242
RFP	143	439	393	471	404	258	387	400	383	232	255	605
Residential Ways to Save	217	173	175	163	137	159	137	212	172	205	285	306
Electric Vehicles	247	258	246	218	210	190	208	296	219	199	186	209
E-Bikes	223	242	196	117	106	109	117	131	174	197	198	294
Net Zero Energy News	210	132	187	195	228	179	225	222	241	193	159	233
Electric Vehicle Rebates	325	281	228	179	185	188	161	172	173	187	160	199
COVID-19 Updates	335	275	332	301	349	337	323	281	83	185	94	217
Start Service (Residential)	755	118	50	62	56	58	87	60	103	158	157	192
Our Energy	143	241	230	182	143	146	185	187	195	135	130	165
Electric Lawn Mowers & Leaf Blowers	408	312	176	79	131	70	157	101	88	113	186	205
RFP Detail	23	401	199	414	303	148	293	321	403	98	91	730
Defeat The Peak	11	17	20	35	0	0	1	0	0	35	232	533
Commercial Ways to Save	26	46	59	33	37	41	34	53	33	21	32	35

Top Facebook post – proposed rate increase



Blue: clicks / Red: comments, shares

Energy Services

UVM

- UVM Central Utility Plant / Boiler #5 Efficient Combustion Air – BED is working with UVM Facilities to determine the energy savings obtained from utilizing a VFD to control boiler combustion air flow, rather than the presently used inlet vane system. Boiler #5 is the last boiler to undergo the upgrade and will be used as the energy-savings model for two of the other boilers that have already been modified. BED made a field visit last month to the UVM Central Plant to gather some of the necessary pre-project data to develop an energy savings estimate. This month, the boiler vendor made a site visit to install the necessary software for the VFD to control combustion air flow. BED is now waiting for the post-project combustion fan KW data in order to have a means of calculating energy savings for the measure.

UVMCC

- No project updates to report this month but UVMCC sustainability staff continue to participate in Burlington 2030 program activities.

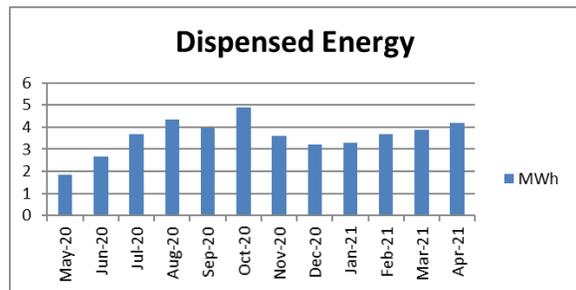
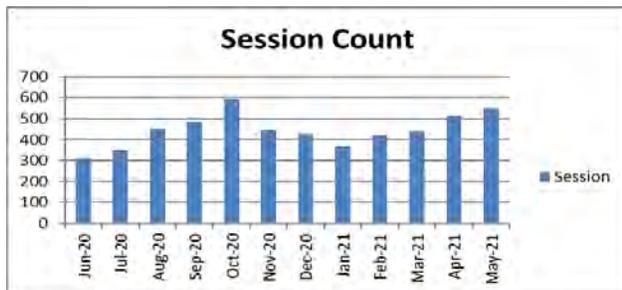
Other Services

- Citizen Cider / 180 Flynn Processing Facility Controls Commissioning – The final commissioning of the controls for this facility was never fully completed and operational issues were experienced after the building was up and running. Using our ‘building commissioning’ program structure, BED is assisting the owner in fine-tuning their building controls to improve the process and to reduce energy consumption. BED made a site visit to the facility this month, along with the commissioning agent and two other contractors in order to determine some final fixes to the control anomalies. Once building system operation is deemed acceptable and expected energy savings proven, there is a second rebate payment due to the owner.
- City Market Downtown / Perishable Cooler Renovation– The store is evaluating a proposal to re-design the existing dairy cooler configuration to improve energy and labor efficiency. The cooler is to be expanded to allow perishables to be stocked from inside the cooler, eliminating the need to go out to the retail floor. In addition, glass doors will be added to eliminate the existing open merchandizers which will reduce the amount of electric refrigeration and natural gas heating required to support the space. Last month BED used some preliminary and conservative BTU/hr. savings information to create an energy savings estimate. During this month additional data was gathered and with the help of the refrigeration consultants at VEIC, an updated savings estimate was completed. This allowed BED to commit to a rebate that was significantly higher than the initial offer. City Market is pleased and hopefully this will help push the project into the queue for completion.
- City of Burlington / City Hall Renovation – The envelope improvements in the attic, HVAC efficiency upgrades (including an ERV), and a LED lighting retrofit are all completed, or nearly so. BED has committed rebate funds to the project, and we have confirmed a site visit for early June to view the status of the work.
- Hannaford North Ave. / Renovation – Last month BED received preliminary information on a planned renovation project at the Hannaford’s North Ave. grocery store. Hannaford has enlisted VEIC to assist in obtaining energy efficiency rebates for all their stores across the east coast. At that time BED has had a preliminary meeting with representatives from VEIC about the project. This month a large body of project documentation was made available to BED along with energy savings estimates for at least some portions of the work. It appears that some significant energy savings will result from some of the renovations, particularly in the area of converting open merchandiser designs into enclosed door coolers.
- Hickok and Boardman / HVAC and Controls Upgrade – A major upgrade to the HVAC system for this multi-story office building is in progress. A new central chiller and dry cooler were set in place last month and a complete upgrade to the building’s DDC system is in progress which is scheduled to be completed by early June. BED is now planning a site visit to verify installed equipment and also obtaining access to the new DDC controls platform in order to verify sequences of operation and confirm expected energy savings.
- Soulshine Power Yoga / High Bill Complaint - BED continues to work with this customer located on the Church St. Marketplace. The use of a Far Infra-Red ceramic heating system suspended from the ceiling has caused higher electric bills than the owner expected. BED’s effort is to reduce the monthly bill by maintaining control over the monthly peak KW, which is a significant portion of the electric bill.

- Investors Corp of VT (ICV)– 40 Main St. / High Bill Complaint – This customer contacted BED due to an unusually high electric bill, even though the monthly KWH usage had actually dropped. It was quickly determined that several unusually high KW peaks had occurred over the last two months, enough to significantly add to the demand portion of the electric bill. BED has worked with the customer, using 15-minute AMI data to determine the shape and exact date and time of these peaks. It looks possible that occupants may have gone into a quiescent building and turned all loads on at once. The investigation is continuing.
- Cambrian Rise / Juniper House New Construction - The construction of this large 70-unit affordable multifamily (age 55+) apartment building is complete, and occupancy is now in progress. BED committed to paying the full agreed upon incentive upon completion and occupancy of the building. All the required documentation was received last month, and the full incentive has been paid. We are now involved in supporting the completion of the installation of an electrical energy data sub-metering system, which will be very helpful for energy model calibration over the next 12 months.

Electric Vehicles

- The EVSE dispensed a total of 5.07 MWh and supported 549 sessions.
- The top 3 sales were 61, 83 & 89 kWh and occurred at one of the new College St. stations and at a Cherry St. stations.
- The top 10 sessions (1.8% of total) accounted for 10.7% (542 kWh) of the total monthly sale. The ten sessions ranged from 33kWh-89kWh.
- The DC fast chargers accounted for 66 of the 549 sessions and dispensed 14% of the total energy. The Pine St. station dispensed 1.7x as much energy as the Marketplace Garage station.
- The EVSE served 312 unique drivers.
- The replacement head for BE02 (122 Main St.) arrived 6/1. Install will happen by 6/4.
- One of the new College St. stations (BE16) is not communicating. A ticket has been submitted.
- Below is a graph showing the Session Count and another graph showing Dispensed Energy from the charging stations on a per month basis.



2017-2021 Tier 3 EV Program

# of Vehicles	Model	
67	Nissan Leaf	Full EV
13	Nissan Leaf (pre-owned)	Full EV
38	Chevy Bolt	Full EV
3	Cheve Bolt (pre-owned)	Full EV
1	Ford Energi	Full EV
7	VW E-Golf	Full EV
3	Ford Focus Electric	Full EV
1	BMW i3	Full EV
12	Tesla Model 3	Full EV
4	Tesla Model Y	Full EV
11	Hyundai Kona	Full EV
3	Kia Niro EV	Full EV
2	Mini Cooper HT	Full EV
4	Ford c-max Energi	Hybrid
1	Ford c-max Energi (pre-owned)	Hybrid
21	Toyota Prius Prime Plus	Hybrid
14	Toyota Rav 4 Prime	Hybrid
1	Toyota Prius (pre-owned)	Hybrid
2	Chevy Volt	Hybrid
5	Chevy Volt (pre-owned)	Hybrid
11	Mitsubishi Outlander PHEV	Hybrid
10	Hyundai Ioniq	Hybrid
1	Hyundai Ioniq (pre-owned)	Hybrid
1	Hyundai Sonata Plug-in	Hybrid
1	Mini Countryman SE	Hybrid
5	Suburu CrossTrek Limit	Hybrid
6	Honda Clarity	Hybrid
1	Kia Nero Plug-in	Hybrid
1	Honda Clarity (Pre-Owned)	Hybrid
250	Total	

- Number of income-eligible participants to date – 34
- Number of customer loans with lending partners to date – 5
- Number of customers currently participating in the new EV Rate- 60
- Number of EV home charging stations rebates to date - 36

Electric Lawn Equipment to Date

- Number of e-mower rebates to date – 297
- Number of e-leaf blowers to date – 11

Heat Pump Installations to Date (since the September 2019 NZEC announcement)

- Number of heat pump hot water heaters to date – 13
- Number of space conditioning heat pumps to date (ductless and centrally ducted) – 323

Electric E-Bikes to Date

- Number of e-bike rebates to date – 208

Electric Induction Stove-tops to Date (new offering in Jan 2021)

- Number of induction Stovetops rebates to date – 4

BED 2020-2021 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	May 2021 Actuals	Apr 2021 Actuals	Mar 2021 Actuals	Feb 2021 Actuals	Jan 2021 Actuals	2020 Yearly Actual	2019 Yearly Actual	2018 Yearly Actual
Engage Customers and Community									
Call answer time 75% within 20 seconds	75%	65%	91%	89%	93%	87%	avg 81%		
Delinquent accounts >\$500	0	552	535	500	458	378	avg 201		
Disconnects for non-payment	0	0	0	0	0	0	45		
# of residential weatherization completions	10	1	0	1	0	0	3	11	11
Weatherization completions in rental properties		-	-	0	0	0	0	TBD	TBD
# or % of homes or SF weatherized		TBD	TBD	TBD	TBD	TBD	TBD	0	0
Champ Challenge weatherization participants		0	0	0	0	0	1	TBD	TBD
# of commercial building with improved thermal envelopes		1	0	1	0	0	5	0	0
% of EEU charge from LMI customers spent on EE services for LMI customers		TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Strengthen Reliability									
SAIFI (AVG interruptions/customer) (annual target)	< 2.1	0.01	0.004	0.01	0.004	0.002	1.50	1.0300	0.43
CAIDI (AVG time in hrs to restore service) (annual target)	< 1.2	0.75	0.77	0.49	1.05	0.72	0.55	0.75	0.93
Distribution System Unplanned Outages (annual target)	82	0	1	3	2	4	90	98	78
McNeil Forced Outages	0	0	0	0	0	1	21	TBD	TBD
W1H Forced Outages	0	0	0	2	1	0	2	TBD	TBD
GT Forced Outages	0	0	0	1	0	1	3	TBD	TBD
Invest in Our People, Processes, and Technology									
Avg. # of days to fill positions under recruitment	120	64	65	35	77	62	179		
# of budgeted positions vacant	0	7	6	6	6	7	6	NA	NA

BED 2020-2021 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	May 2021 Actuals	Apr 2021 Actuals	Mar 2021 Actuals	Feb 2021 Actuals	Jan 2021 Actuals	2020 Yearly Actual	2019 Yearly Actual	2018 Yearly Actual
Innovate to Reach Net Zero Energy									
<i>Tier 3 Program</i>									
# of residential heat pump installs	See NZE Roadmap Goals below	25	30	7	14	24	203	10	0
# of commercial heat pump installs		1	0	0	0	0	13	0	0
# of residential hot water heat pump installs		2	1	0	0	1	6	4	0
# of commercial hot water heat pump installs		0	0	0	0	0	0	0	0
Heat pump rebates		26	30	7	14	25	212	0	0
Heat pump hot water heater rebates		2	1	0	1	1	3	0	0
LMI heat pump rebates		4	8	0	1	0	6	4	0
Heat pump technology installs in rental properties		3	0	0	2	0	9	TBD	TBD
LMI heat pump hot water heater rebates		0	-	0	1	0	0	1	0
EV rebates - new		10	4	7	4	6	14	36	44
EV rebates - pre-owned		0	1	0	1	1	8	2	0
LMI EV rebates		2	0	0	1	0	7	7	0
PHEV rebates - new		1	3	5	3	0	10	17	14
PHEV rebates - preowned		2	0	1	2	0	5	3	0
LMI PHEV rebates		0	0	0	1	0	6	2	1
Public EV chargers in BTV (total)		27 ports	14	14					
Public EV charger energy dispensed (kWh)		5,070	4,200	3,860	3,600	3,280	35,690	78,000	67,931
Home EV charging station rebates		3	0	3	3	2	20	12	0
EV rate charging customers (total)		60	56	52	49	47	40	28	4
Level 2 charger rebates		0	0	0	10	0	0	1	0
Level 1 charger rebates	0	0	0	0	0	1	0	0	
E-bike rebates	19	0	8	0	1	36	65	62	
E-mower rebates	34	16	6	1	1	95	142	NA	
E-forklift rebates	0	0	0	0	0	0	0	0	
MWE of Tier 3 measures installed	1,456	1,339	1557	818	2,064	35,112	3,342		
% Tier 3 obligation met with program measures	100%	48%	39%	30%	19%	14%	283%	31%	30%
<i>Net Zero Energy Roadmap Goals</i>									
# of solar net metering projects installed	1	1	1	5	5	24	33	52	
No. of homes receiving NZE Home Roadmaps	0	0	1	1	0	7			
Residential heat pumps for space heating	2020: 3963	NA	NA	NA	NA	NA	891	572	
Commercial heat pumps for space heating	2020: 1190	NA	NA	NA	NA	NA	1,304	374	
Residential heat pumps for water heating	2020: 1466	NA	NA	NA	NA	NA	92	87	
Commercial heat pumps for water heating	2020: 263	NA	NA	NA	NA	NA	0	-	
EV registrations in BTV (light-duty)	2020: 548	NA	NA	NA	NA	NA	356	291	
Greenhouse gas emissions (1000 metric tons CO2)	2020: 190	NA	NA	NA	NA	NA	182	211	
Fossil fuel consumption (billion BTU)	2020: 3207	NA	NA	NA	NA	NA	3,142	3,619	

BED 2020-2021 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	May 2021 Actuals	Apr 2021 Actuals	Mar 2021 Actuals	Feb 2021 Actuals	Jan 2021 Actuals	2020 Yearly Actual	2019 Yearly Actual	2018 Yearly Actual
Manage Budget and Risks Responsibly									
<i>Safety & Environmental</i>									
No. of workers' compensation/accidents per month	0	1	0	2	0	0	8		
Total Paid losses for workers' compensation accidents (for the month)	\$225,000 annual	\$7,042	\$2,809	\$8,289	\$2,768	\$1,868	\$ 165,402	\$38,288	\$ 255,273
Lost Time Incident Rate (days/year) (Dec numbers reflect annual results)	<= 3.5	N/A	N/A	N/A	N/A	N/A	0.93	0.89	1.89
Lost Time Severity Rate (days/year) (Dec numbers reflect annual results)	<= 71	N/A	N/A	N/A	N/A	N/A	41.71	78.2	109.75
Lost work days per month	0	0	0	0	0	0	45		116
NOx reporting levels to EPA (Quarterly) (lbs/mmbtu)	<0.075	0.1	0.071	0.068	0.069	0.067	0.07		
# of reported spills, waste water incidents (monthly)	0	0	0	0	0	0	4		
Phosphorus levels to DEC in lbs (monthly/yearly total)	<0.8/37	0.17/1.291	0.17/1.291	0.631/1.121	0.192/0.192	0.334/1.81		1.169	
# of new power outage claims reported (monthly)	1	0	1	0	1	0	4		
# of new auto/property/other liability claims reported (monthly)	2	1	1	2	2	0	27		
<i>Purchasing & Facilities</i>									
# of Purchase Orders for Inventory (Target: avg for winter months)	42	30	32	53	28	90	593		
\$ value of Purchase Orders for Inv. (Target: avg dollars spent during winter)	\$78,000	\$65,173	\$31,021	\$139,566	\$193,052	\$91,356	975,531		
# of stock issued for Inventory (Target: avg during winter months)	320	265	501	272	334	315	4,545		
\$ value of stock issued for Inventory (Target: avg. during winter)	\$ 65,000	\$ 45,103	\$ 75,434	\$ 61,775	\$ 37,230	\$ 102,901	1,086,478		
# of posters pulled from poles monthly (Target: goal to remove each month)	58	185	221	176	72	165	627		
# of Spark Space and Auditorium setup/breakdowns monthly (Target: Covid impact)	3	4	4	8	1	1	87		
<i>Finance</i>									
Debt service coverage ratio	1.25		4.47	3.89	4.01	3.56	NA-FY basis	NA	NA
Adjusted debt service coverage ratio	1.5		1.15	0.96	1.02	0.86	NA-FY basis	NA	NA
Days unrestricted cash on hand	>90		127	122	126	109	NA-FY basis	NA	NA
<i>Power Supply</i>									
McNeil generation (MWH) (100%)	per budget	15,925	17,407	35,682	32,549	22,312	192,696		
McNeil availability factor	100%	95%	76%	100%	100%	61%			
McNeil capacity factor	per budget	42.8%	48.3%	95.9%	96.9%	59.9%			
Winooski One generation (MWH)	per budget	2,636	3,713	2,872	1,162	1,584	21,194		
Winooski One availability factor	100%	100%	96%	100%	90%	90%			
Winooski One capacity factor	per budget	48%	70%	52%	23%	29%			
Gas Turbine generation (MWH)	NA	15.4	18.5	29.4	17.8	16.9	441		
Gas Turbine availability factor	100%	100%	100%	99.9%	100%	99%			
Gas Turbine capacity factor	NA	0.09%	0.11%	0.17%	0.115%	0%			
BTV solar PV production (mWh)		642	525	548	190	107	5,182		
Cost of power supply - gross (\$000)			\$ 2,092	\$ 2,955	\$ 2,477	\$ 2,457	\$ 31,081		
Cost of power supply - net (\$000)			\$ 514	\$ 2,955	\$ 592	\$ 2,457	\$ 23,388		
Average cost of power supply - gross \$/KWH			\$0.086	\$0.111	\$0.095	\$0.089	\$0.100		
Average cost of power supply - net \$/KWH			\$0.021	\$0.111	\$0.023	\$0.089	\$0.076		

*****DRAFT*****
MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION

Wednesday, May 12, 2021, 5:30 pm

The regular meeting of the Burlington Electric Commission was convened at 5:34 pm on Wednesday, May 12, 2021 via Microsoft Teams Video Meeting.

Channel 17 was present via Microsoft Teams Video to record this meeting.

Commissioners Chagnon, Herendeen, Moody, Stebbins, and Whitaker participated via Microsoft Teams at the start of the meeting.

Staff members present via Microsoft Teams included Darren Springer, Paul Alexander, James Gibbons, Mike Kanarick, Munir Kasti, Laurie Lemieux (Board Clerk), Dave MacDonnell, Paul Pikna, and Emily Stebbins-Wheelock.

1. Agenda

Commissioner Stebbins stated that Agenda items 6, 7, and 8 will be postponed until next week. This is due to the department getting a better sense of where we are fiscally for FY22 and what that means in terms of potentially moving forward with a rate case. Mr. Springer will be providing an update tonight with the goal of having another special meeting next Wednesday for discussion and voting on these items.

Mr. Springer stated his appreciation for everyone's patience as the department develops the budget and rate case, indicating that management is not prepared tonight to put forward a budget and rate case proposal for a vote and will do so next Wednesday at a special meeting.

Mr. Springer stated that on Monday morning the department will be releasing a public announcement regarding the proposed budget and rate case to ensure that there is some public process prior to advancing these matters to the x Board of Finance and City Council.

2. April 14, 2021 and May 5, 2021 Meeting Minutes

Commissioner Herendeen asked for clarification in the April 14 minutes in item 7, paragraph 4 regarding the following sentence and asked if the wording was incorrect:

The graph showed a business-as-usual (BAU) trajectory, which compared the BAU Net Zero trajectory, indicating an approximately 9 percent reduction in fossil fuel by 2030.

Mr. Springer added additional wording that clarifies the sentence which should now read as

follows:

*The graph showed a business-as-usual (BAU) trajectory, which compared the BAU **and** Net Zero trajectory, indicating an approximately 9 percent reduction in fossil fuel by 2030 in the **BAU scenario**.*

The minutes will be amended to reflect this change.

Commissioner Herendeen made a motion to approve the minutes of the April 14, 2021 Commission Meeting as amended; the motion was seconded by Commissioner Whitaker.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Moody. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 5 Ayes with 0 Nays, the motion carries.

Commissioner Herendeen made a motion to approve the minutes of the May 5, 2021 Commission Meeting; the motion was seconded by Commissioner Chagnon.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Moody. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 5 Ayes with 0 Nays, the motion carries.

3. Public Forum

Mr. Daniel Munteanu was present via Microsoft Teams. Mr. Munteanu stated that he was present just to observe with no participation needed.

4. Commissioners' Corner

Commissioner Herendeen thanked Mr. Alexander, Mr. Charbonneau, and Ms. Lemieux for delivering the Commission packet to him.

Commissioner Herendeen stated that he had requested information regarding the economics of heat pump rebates and asked Mr. Gibbons when he could expect the data. Mr. Gibbons apologized for the delay and assured Commissioner Herendeen that he would send him this information right away.

In the later part of the meeting, Mr. Gibbons forwarded Commissioner Herendeen the requested information.

5. GM Update

Mr. Springer stated that there has been much discussion at the City level about returning to work and what it will look like. The department has conducted an employee survey, with the help of Jennifer Green, Katie Dorey, Ms. Stebbins-Wheelock, and the City HR Department. This survey accomplished two things: it compared how we are doing from employees' perspectives relative to communication and productivity during the pandemic with our results from our previous survey in August 2020; and it allowed us to get a sense of preferences relative to future remote work options as we move toward reopening. The Net Zero Energy results from 2020 clearly indicated that reduced vehicle miles traveled had a significant impact in helping Burlington be ahead of pace for the Roadmap emissions goals. BED is interested in leading by example in offering continued remote work options where appropriate but, prior to rolling out any plans and coordinating with the City, we want our employees to weigh in and let management know their preferences. We will be reviewing the survey results this week, and in the coming weeks we will share the results with employees and the Commission.

Commissioner Stebbins stated that there has been a lot of effort to ensure that air flow is being improved in a variety of buildings that BED supports and asked how the HVAC ventilation systems are performing at Pine Street and McNeil.

Mr. Alexander stated that the department has brought our HVAC contractor into both Pine Street and McNeil and replaced the HEPA filters where we were able. We have met with our Energy Services Team members, who are experts in the field and have changed the air flow rate per minute. We also have installed ultraviolet lights in the lounges at McNeil and Pine Street, and windows have been added in the Pine Street "B" building to assist with air circulation. The department has done all that it can up to this point to ensure that the building is safe.

Mr. Springer stated that we have collected employee feedback relative to the 2021-22 Strategic Direction, but that our strong focus on the budget has prevented us from having time to synthesize potential edits and changes to propose to the Commission. We look forward to providing a draft

Strategic Direction update at the June meeting, after which the Commission can provide further feedback prior to finalizing the 2021-22 Strategic Direction at the July meeting.

During the week of May 3, McNeil ran at 54 megawatts instead of the more typical 50, as part of a test for district energy system (DES) operations. The plant is rated to run at 54 and running it at that level may provide important operational and economic flexibility for DES purposes. Mr. Springer offered much appreciation to the McNeil team for its work to prepare for and run the 54-megawatt test.

Commissioner Stebbins stated that it has been helpful to have the Strategic Direction dashboard metrics whittled down from the number of items previously listed, and further suggested that the Department list either a specific target or “NA” for items where a target is not practical or achievable (e.g., a \$0 target for delinquent accounts greater than \$500). This would make clearer that such items are data points being tracked that will fluctuate beyond the Department’s ability to control them, rather than implying that the Department has not determined the target. Commissioner Stebbins also suggested adding targets from the Synapse Net Zero Energy report for the Tier 3 and Net Zero Energy program measures (e.g., the number of residential heat pumps installations we will need) to illustrate just how far the Department has to go to achieve our Net Zero Energy goals. Commissioner Stebbins offered to talk off-line with Ms. Stebbins-Wheelock if there were questions.

Ms. Stebbins-Wheelock stated that the Synapse report’s targets are annualized and, in some cases, more high-level than the discrete dashboard metrics, which could be noted if they were to be included on the dashboard. Also, the Synapse targets represent the aggressive pace required to achieve Net Zero by 2030, not necessarily the target that BED believes is achievable within a certain year. Ms. Stebbins-Wheelock stated that the percent of Tier 3 obligations met with program measures was a more salient item for measuring Net Zero program performance, and that the Department has engaged and will continue to engage Synapse in monitoring progress toward Net Zero by providing updated data on fossil fuel consumption and greenhouse gas emissions in Burlington, the Department’s various programs being a means to this end.

Commissioner Stebbins stated that, as the team reviews the Strategic Direction for the June meeting, it would be more meaningful to include the greenhouse gas emission target and actuals across electricity, heating, and ground transportation on the dashboard. Commissioner Stebbins stated that she likes seeing the monthly progress but, without a comparison to the goal, it leaves her wondering where the Department is overall.

Financials

Ms. Stebbins-Wheelock presented a graph showing the monthly impacts of COVID-19 on BED loads from March 2020 through the end of April 2021. In April 2021, BED’s loads continued the pattern seen throughout the pandemic; residential sales were 4.2% higher and commercial sales were 5% lower than normal projections, with overall system energy down by 3%.

Ms. Stebbins-Wheelock reviewed the budget-versus-actual results for the month of March FY21. March ended with a net loss of \$678K compared to the budgeted net loss of \$472K.

On the revenue side, sales to customers were 3% or \$45K worse than budget due to COVID-19 (commercial sales decreased \$155K offset by a residential sales increase of \$109K), and other revenues were \$113K worse than budget, most due to EEU reimbursements below budget.

Power supply expenses in March were over budget by \$152K, with actual expenses exceeding budget in all three major categories: fuel expenses were over budget because McNeil ran more than was budgeted; wind production was down so purchased power expenses increased; and transmission expenses continued to increase compared to budget due to the increased ISO transmission rate, variable VELCO transmission costs, and "other" transmission actuals higher than long-term projections used for budgeting.

Operating expense in March was below budget by \$84K, with unfavorable variances in Tier 3 expenditures and outside services offset by favorable variances in materials and supplies and other categories where the Department has been proactively reducing spending.

Other income exceeded budget by \$28K due to a true-up of dividend income received in January and February.

FY21 year-to-date, the Department reports an actual net income of \$1.195M compared to budget of almost \$1.353M, which is \$158K worse than budget.

As of March, the Department has spent 54% of the capital budget, including \$230K of customer contributions to capital received offsetting Distribution plant expense and additional progress on IT Forward projects in the General plant.

As of the 12 months ending March 2021, the Department has an operating fund of \$8.575M and 122 days cash on hand. the debt service coverage ratio is 3.89, and the adjusted debt service coverage ratio remains below target at 0.96.

Ms. Stebbins-Wheelock added that the Department forecasts that the trends observed through March will continue through the remainder of FY21, with reduced sales to customers revenue, interest income (due to lower rates), and customer contributions to capital and increased transmission expenses. Despite the Department's continued efforts to reduce expenditures as much as possible, the Department projects a net loss for FY21 after the unbudgeted pension liability is included and a year-end cash position of 98 days cash on hand.

Commissioner Whitaker thanked Ms. Stebbins-Wheelock for the presentation and commented that it has been a tough year. Ms. Stebbins-Wheelock acknowledged the team effort and engagement by all areas of the Department to actively monitor and manage spending throughout FY21.

Commissioner Stebbins asked whether the pension liability would be included in the FY22 budget, and Ms. Stebbins-Wheelock confirmed that an assumption would be included.

6. Fiscal Year 2022 Draft Budget Discussion

Mr. Springer stated that there is not a lot more to report from last week's update in terms of budget assumptions. The department has cut or deferred as much as we responsibly can, and we've locked down some variables around contingencies for different items, including a contingency for Department of Public Service billbacks for the rate case. It is the Department's understanding that we could be billed for DPS's expert and staff time to review our rate case, and we have added that to our assumptions.

The Department plans to propose a revenue bond for City Council approval in early fall and for voter approval in November. If approved, capital project expenditures for a certain window in FY22 can be appropriately covered by the revenue bond, and we have budgeted responsibly with the assumption that the revenue bond will be approved.

Also, we have assumed both State and City arrearage assistance and pandemic relief from the City's federal ARPA funds. We originally submitted two requests to the City related to the ARPA funds. One was focused on arrearages, for which we have assumed the full amount requested of \$1.3M. This request is included in the Mayor's recommended expenditures that was shared with the City Board of Finance. We expect approval from the Board of Finance and City Council in the coming months as the budget process moves forward. We also requested assistance for the \$2.1M in lost revenue from reduced sales to customers due to the pandemic, but it is our understanding that this request will not be funded by the City.

Mr. Springer stated that multiple pieces of the rate case are in tension with each other, and we have been working to resolve these issues. Coming out of the pandemic, we want to keep the rate case number low for our customers. We understand that customers are struggling in a challenging time, and we are trying to keep the rate case as low as possible. Our Moody's rating metric for adjusted debt service coverage ratio, however, has not been as strong as we need it to be, and lowering the rate case to more than what we need will jeopardize that adjusted debt ratio.

Mr. Springer stated that BED has not raised rates for 12 years, and that when we present our rate case to the Department of Public Service they will fully scrutinize everything, and we are preparing for that level of review. We also are conscious that there is more going on in Burlington than our rate case, including the City-wide property reappraisal and the Water Department's proposed rate restructuring. We are budgeting for a low-income energy assistance relief program to help offset the rate case impact for FY22 for our customers who are enrolled in the State Fuel Assistance Program. We also are planning to develop a formal low-income rate that we hope could be in effect by FY23 to assist customers who need longer-term assistance. Mr. Springer stated that, at last week's meeting, we had presented a proposed rate increase in the mid-to-high single digits, and that this proposal has not changed at this point. Our plan is to have a rate case number and final budget presented to the Commission by Friday or Monday morning at the latest in the Commission meeting packet for next week and to make a public announcement about the rate case next week as well.

Going forward, the Department will present the final budget and rate case to the Commission on May 19, present to the Board of Finance on May 20, and bring the rate case to the City Council and Board of Finance for their approval on May 24. Assuming we receive those approvals, we plan to file no later than June 15 with the PUC and then set up a surcharge that would begin appearing on bills for energy used on August 1. This surcharge would be a temporary rate impact subject to the PUC fully reviewing, approving, or changing our rate as proposed. This could take several months or more and carry through to the end of the year.

Commissioner Herendeen asked whether the Department believed that sales to customers would recover and eventually increase after the pandemic due to strategic electrification. Mr. Springer agreed that the Department's long-term outlook for sales was still positive due to the Net Zero Energy strategy and major developments such as City Place becoming constructed and occupied, and that this load growth would act in the long-term to reduce rate pressure.

Commissioner Whitaker asked if there could be a calculator for customers that would show what this new rate would mean to them individually. This may help with the impact as it might result in a few dollars for most residential customers. Mr. Springer stated that Commissioner Whitaker's idea was a great one; we plan to communicate what the average residential bill impact will be, but if there is an opportunity to be more granular it will be more helpful. Also, Commissioner Whitaker stated that we want to reassure customers that this rate case is not a result of Net Zero, but rather is a result of COVID-19 and changes in energy sales.

Mr. Springer agreed that we will focus on the fact that BED has done a reasonable job with controllable costs and holding these costs lower than projected, and on the fact that the uncontrollable costs, such as COVID impacts and transmission expenses, have been a cost driver along with the cost of doing business (e.g., COLAs, healthcare, pension).

Commissioner Stebbins asked that the press release be shared with all five Commissioners to allow them to ask questions, provide input, and help share information with the public. Commissioner Stebbins also suggested that the Department communicate to customers why the rate increase is necessary and that future rate increases may also be necessary. Mr. Springer agreed that, while this rate increase is projected to be in the mid-to-high single digits, in part because of the pandemic and in part because we have held rates steady for 12 years, the Department believes that smaller, more frequent rate increases as needed to keep pace with the cost of doing business would be better for both our customers and the Department's financial health. Commissioner Stebbins suggested that the Department consider including a question about the size and frequency of rate changes in its next customer survey.

Commissioner Moody asked the Department to comment on how the proposed rate increase positions the Department for its long-term financial health. Mr. Springer stated that the Department's proposed rate increase will be less than what can be justified according to the Department of Public Service's target metric, which is one measure of "what we need." We also have considered the rate increase in light of our Moody's metrics and with an eye toward ensuring we

can continue to make necessary capital investments such as IT Forward. Ms. Stebbins-Wheelock added that, in final analysis of all the considerations for the rate case, including impact on customers and the challenging economic conditions caused by the pandemic, management ultimately prioritized the Department's fiscal health in deciding on the amount of the requested increase. The FY22 budget will project credit rating factors in line with current levels, without deterioration. Ms. Stebbins-Wheelock further noted that the Department will continue to monitor several long-term uncertainties, chiefly sales to customers recovery post-pandemic, and will conduct further long-term planning for capital financing, including use of the revenue bond.

The Commissioners agreed to hold a special meeting on Wednesday, May 19, for a final discussion and vote on the FY22 Budget, 2021 Rate Case, and FY22 General Obligation Bond.

7. Commissioners' Check-In

There were no Commissioner check-ins.

Commissioner Moody made a motion to adjourn; the motion was seconded by Commissioner Herendeen.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Moody. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 5 Ayes with 0 Nays, the motion carries.

The meeting of the Burlington Electric Commission adjourned at 7:00 p.m.

Attest:



Laurie Lemieux, Board Clerk

**MINUTES OF SPECIAL MEETING
BURLINGTON ELECTRIC COMMISSION**

Wednesday, May 19, 2021, 5:30 pm

The special meeting of the Burlington Electric Commission was convened at 5:32 pm on Wednesday, May 19, 2021 via Microsoft Teams Video Meeting.

Channel 17 was present via Microsoft Teams Video to record this meeting.

Commissioners Chagnon, Herendeen, Stebbins, and Whitaker participated via Microsoft Teams. Commissioner Moody was absent.

Staff members present via Microsoft Teams included Darren Springer, Paul Alexander, Andy Elliston, James Gibbons, Mike Kanarick, Munir Kasti, Laurie Lemieux (Board Clerk), Dave MacDonnell, Cheryl Mitchell, Paul Pikna, and Emily Stebbins-Wheelock.

1. Agenda

There were no changes to the Agenda.

2. Public Forum

Kelly Devine, Director – Burlington Business Association
George Gattullo, Director of Facilities Management - UVM Medical Center
Luce Hillman, Executive Director of Facilities Management - University of Vermont
Karen Vastine, Sr. Community Relations Officer – UVM Medical Center

Ms. Luce Hillman, Executive Director of Facilities Management at the University of Vermont (UVM), stated that UVM was disappointed in the way the proposed rate increase was communicated and the lack of collaboration between BED and UVM. Ms. Hillman stated that UVM is a very important client, and that monthly meetings are held with BED to go over projects and any issues that may come up. Ms. Hillman expressed her frustration that UVM was not given additional notice for this increase. UVM did receive a call from BED in April to inform UVM that an increase was coming but was not provided any numbers at that time. Ms. Hillman stated that UVM was very surprised by the proposed 7.5% increase, their budget for the coming fiscal year has been finalized and accommodating this rate increase would create a hardship for the University and have a material impact on operations. The University will formally present its concerns to the Vermont Public Utility Commission when the rate proposal is considered.

Ms. Kelly Devine, Director of the Burlington Business Association, stated that Mr. Springer and the BED Team have been doing some really great things for Burlington, like working on climate change, being forward thinking in the community, and trying to make things better overall. Ms. Devine

stated that she does understand that rate increases are necessary, and that Burlington has not had a rate increase for many years but is deeply concerned for both small businesses and property owners and the fact that this increase is being presented as we are emerging from a pandemic. Ms. Devine stated that the business community is now facing a proposed tax adjustment, which will mean commercial properties will see a tax increase along with an increase in their water bill. There is no question that Mr. Springer and the BED team are doing an amazing job in calculating why this is necessary for BED; it's just happening at a really challenging time. Ms. Devine stated that, if there is any way that she can help BED find other funds to meet this gap, she is happy to assist.

Mr. George Gattullo, Director of Facilities Management at UVM Medical Center (UVMMC) stated that his primary concern is the lack of time to analyze the impact of the rate increase, which came as a surprise to UVMMC. This rate increase is going to be significant for the hospital, which is a not-for-profit organization that provides care to the community.

Ms. Karen Vastine, Senior Community Relations Officer at UVMMC, stated that she has been really appreciative over the last 14 months of the strong partnership that UVMMC has had with the City of Burlington. Ms. Vastine stated that everyone is feeling the impact of the economic uncertainty caused by the pandemic, and UVMMC believes that this rate increase will have a significant unbudgeted financial impact for UVMMC. We do appreciate the notice that Mr. Springer gave to let UVMMC know that something would be coming, but we had not anticipated that it would be this high of a rate increase.

Mr. Springer thanked everyone for their comments and stated that he fully understands the challenges associated with this rate case. The pandemic has created challenges for so many in the community, and the BED Team has explored every option to mitigate the rate increase for the many reasons that have been presented this evening. BED has sought various Federal and other relief programs and, unfortunately, was not eligible for relief programs like the Paycheck Protection Program, which would have largely replaced BED's lost sales revenue. Mr. Springer stated that BED remains open to opportunities for funding help but is at the point in the budget process where we cannot wait any longer and have exhausted all options.

3. Fiscal Year 2022 Draft Budget

Mr. Springer stated that he will review a PowerPoint presentation this evening that covers the budget and the rate case, and stated that, since both agenda items are tied together, he will present on both together and then give the Commission the chance to consider these items distinctly.

Mr. Springer began the PowerPoint presentation by showing a graph indicating a decrease in sales revenues by \$2.1 million since the start of the pandemic and stated that, as a public power utility, BED was not eligible for certain pandemic relief programs, such as the Paycheck Protection Program, which would have replaced some of BED's lost revenues.

The proposed residential rate is projected to remain approximately 11.5% below the average Vermont residential rate, and lower than the average residential rate of every other New England state. The average residential bill will increase by \$4.92 per month, and a new BED energy assistance program will mitigate the impact of the rate increase for low-income customers during fiscal year 2022 (FY22).

For the bulk of BED's commercial customers, the average bill increase will be \$6.60 per month. BED's commercial and industrial rates will be slightly higher than the Vermont average, but well below the New England average.

While BED's total rates (residential, commercial, and industrial) were higher than the Vermont utility average following our last rate case in 2009, by holding rates steady for 12 years, BED's total rates dropped below the Vermont average and will continue to be lower than that average upon implementation of our proposed new rate.

The increase is being driven primarily by the global COVID-19 pandemic, which has caused several negative financial impacts on BED. Due to those financial effects, BED projects that it will begin FY22 with approximately \$5 million less cash-on-hand than otherwise would have been the case.

The BED team has worked hard to cut or defer expenses wherever possible, and moderate controllable cost increases over the last several years. The average growth rate in controllable costs between FY07 and FY16 was 5.84%, but following implementation of cost-cutting steps, the average growth rate has been reduced to 3.55% for the period since FY16. Despite our success with controllable costs, adverse effects on BED from the pandemic, increased transmission costs, and delayed customer projects that would have added sales revenue have contributed to the need for a rate case. Specific factors leading to the rate case include the disruption of capital projects and supply chain that have impacted labor cost allocations and reduced customer capital contributions by approximately \$1.5 million; and significant increase in both the total number of customers who have fallen behind on paying their utility bills and the amount of money owed on those bills, exceeding any state and federal assistance.

Mr. Springer stated that to help our customers handle pandemic-related challenges, BED currently is offering several relief programs and taking steps to secure additional arrearage assistance, including suspending disconnections for non-payment, waiving late fees, and providing extended budget billing plans.

Also, BED is advocating for and implementing State of Vermont financial assistance programs, such as the Vermont COVID-19 Arrearage Assistance Program (VCAAP), advocating for and implementing an expected second round of funding to help our customers with their electric bill arrearages beyond the nearly \$350,000, and the Vermont Emergency Rental Assistance Program (VERAP) implementing the utility component of this recently created program that helps renters dealing with financial challenges related to the COVID-19 pandemic. BED also will provide additional arrearage assistance and pandemic relief to customers through City of Burlington ARPA

federal funds recommended in the Chief Administrative Officer's FY22 Budget Memorandum; and will continue to assist customers with important Net Zero Energy incentives through our Green Stimulus program, which helps customers switch to technologies, such as cold climate heat pumps, electric vehicles, electric bikes, and more.

Additionally, for FY22, BED is proposing to help low-income customers through a new energy assistance program designed to mitigate the effects of the proposed rate change. Eligibility requirements include being enrolled in the state fuel assistance program, which supports customers with incomes at or below 185% of federal poverty levels. This proposed BED energy assistance program is projected to help more than 1,300 qualified residential BED customers. While the proposed energy assistance program is a temporary relief measure, BED is exploring a permanent low-income rate with an FY23 implementation goal.

Mr. Springer stated that BED will be presenting the budget to the Board of Finance tomorrow, May 20, which is another public meeting with public forum. BED will have a rate case consideration at the Board of Finance and City Council on May 24, which also includes a public forum and then if approved, BED will file with the PUC, leading to a months-long process. This process also will be open to public participation and will go through various vetting with public forums and input at a variety of levels of local and state government.

Prior to a final decision from the PUC and in accordance with PUC rules, BED will add a 7.5% rate surcharge on customer bills beginning in August 2021.

Commissioner Chagnon made a motion to approve the Fiscal Year 2022 Capital and Operating Budgets as presented; the motion was seconded by Commissioner Herendeen.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 4 Ayes with 0 Nays, the motion carries.

4. Proposed Rate Case

Commissioner Chagnon to recommend to the Board of Finance and the City Council the authorization to pursue a rate case with the PUC in the amount of 7.5%, for services rendered beginning August 1, 2021; the motion was seconded by Commissioner Herendeen.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following

Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 4 Ayes with 0 Nays, the motion carries.

5. Financing of IT Forward Project with KeyBank

Ms. Stebbins-Wheelock stated that, in April 2019, BED obtained approval from the Board of Electric Commissioners, Board of Finance, and City Council to work with KeyBank to secure lease purchase financing limited to \$1.5 million for information technology solutions and equipment needed by the Department.

BED has completed its IT Forward procurement process and has begun the implementation projects to replace its meter data management system (MDMS) and customer portal. This financing would provide the Department with additional cash and liquidity in the FY22 budget and assist with managing the negative financial effects of the COVID-19 pandemic. We are asking the Commission to recommend that BED enter into a Lease Purchase Financing Line Agreement with KeyBank for an amount not to exceed \$800K for information technology investments.

Commissioner Chagnon made a motion to recommend to the Board of Finance and the City Council authorization for the Burlington Electric Department to enter into a Lease Purchase Financing Line Agreement with KeyBank for an amount not to exceed eight hundred thousand dollars for information technology investments; the motion was seconded by Commissioner Herendeen.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 4 Ayes with 0 Nays, the motion carries.

6. Fiscal 2022 General Obligation Bond

In March 2012, Burlington voters approved a City Charter change to allow \$3,000,000 of General Obligation Bonds to be issued by the City annually for capital improvements on behalf of BED. As part of our budget review and approval each year, we include a line item for this \$3,000,000 General Obligation Bond. City Bond Counsel requires a formal approval by the Electric Commission

before forwarding to the City.

Due to the financial impact of the COVID-19 pandemic, the City is planning to seek City Council approval to issue a Bond Anticipation Note (BAN) instead of a General Obligation Bond for FY21. The BAN will be converted to a bond in FY22.

Commissioner Chagnon made a motion to recommend to the Board of Finance and the City Council the authorization for and to direct the Chief Administrative Officer to pledge the credit of the City by issuing a BAN or bonds in an amount of \$3,000,000 for the 2022 fiscal year for electric capital improvements; the motion was seconded by Commissioner Herendeen.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 4 Ayes with 0 Nays, the motion carries.

Commissioner Herendeen made a motion to adjourn; the motion was seconded by Commissioner Chagnon.

The Board Clerk, Laurie Lemieux, conducted a roll call vote by calling on the following Commissioners:

Commissioner Chagnon. Aye
Commissioner Herendeen. Aye
Commissioner Stebbins. Aye
Commissioner Whitaker. Aye

Results: 4 Ayes with 0 Nays, the motion carries.

The meeting of the Burlington Electric Commission adjourned at 6:48 p.m.

Attest:



Laurie Lemieux, Board Clerk

BURLINGTON ELECTRIC DEPARTMENT 2021~~0~~–22~~1~~ STRATEGIC DIRECTION

MISSION

To serve the energy needs of our customers in a safe, reliable, affordable, and socially responsible manner.

VALUES

Safety, Reliability, Community, Innovation

2030 VISION

Make Burlington a Net Zero Energy city by reducing and eventually eliminating fossil fuel usage across the electric, thermal, and ground transportation sectors by strategically electrifying, managing demand, realizing efficiency gains, and expanding local renewable generation while increasing system resilience.

STRATEGIC OBJECTIVES

Engage Customers and Community

1. Focus on customer first-call resolution to provide exceptional customer care
2. Better educate and engage customers on our Net Zero Energy vision through all communications channels, with a focus on web and social media
3. Ensure all programs are equitable and accessible, with a priority given to low-to-moderate income, rental, **b**Black, **i**Indigenous, and **p**People of **e**Color (BIPOC), immigrant, and refugee populations
4. Evolve energy efficiency programs to drive deeper greenhouse gas emissions reductions, complement strategic electrification efforts, help manage peak demand, and improve community resilience and environmental health

5. Proactively seek customer input, [including through new community ambassador program, and](#) listen to and hear their needs, and incorporate their input into program design

Strengthen Reliability

1. [Update-Maintain](#) five-year Distribution System and Generation construction plans to accommodate potential load increases due to the Net Zero Energy goals, and design and construct projects to continue to improve safety, reliability, and efficiency
2. Continue to follow maintenance plans for McNeil [Generating Station](#), Winooski One [Hydro](#), Gas Turbine, and the Distribution System
3. Take steps to ensure reliable operations through succession planning
4. Ensure consistent fuel supply availability at McNeil based on annual operational strategy and procurement procedures
5. Implement Outage Management System (OMS) and grid analytics to improve response to system outages, system reliability, and efficiency

Invest in ~~Our~~ People, Processes, and Technology

1. [Work with the Director of Racial Equity, Inclusion, & Belonging, Human Resources, Change the Story, and other partners to a](#) attract, develop, and retain a diverse workforce with the knowledge, skills, and ability to support BED's Net Zero vision and strategic objectives
2. Develop a culture of integrity, safety, inclusion, innovation, teamwork, and continuous learning and improvement
3. Continually improve internal processes to design and deliver innovative programs and services, [improve-maximize](#) operational efficiency and effectiveness, and optimize use of data to inform decision-making
4. Plan and invest in the technology infrastructure necessary to support BED's mission, vision, and strategic priorities, including multi-year replacement of core business systems
- 4.5. [Implement remote work flexibility, as permitted under City policy, to lead by example in reducing vehicle miles traveled and emissions](#)

Innovate to Reach Net Zero Energy

1. Advance district energy, [microgrid-battery storage](#) projects, and ~~customer-or community-based-local~~ renewable energy production
2. Improve [and expand](#) automated demand response capability, [with focus on EV charging and thermal](#), and implement appropriate end-use technologies to manage loads
3. ~~Develop dynamic and creative rates~~ [Advance additional dynamic and creative rates](#) to achieve Net Zero Energy goal
- 3.4. [Continue to track and report to the community on progress toward the Net Zero Energy Roadmap goal](#)
4. ~~Track, monitor, and report progress toward achieving Net Zero Energy through the Performance Measures Report and other means~~
5. Provide clean and affordable transportation fuel through renewable electricity, and invest in and encourage use of the necessary infrastructure to serve customers across all modes of transportation, including electric bikes, electric vehicles, and electric transit buses

~~6. Launch electrification programs for cooking, additional lawn equipment, and snow removal~~

~~7.6.~~ Actively participate in City policy processes aimed at reducing greenhouse gas emissions in the ground transportation and building sectors

~~8.7.~~ Build and maximize use of partnerships that provide unique value and opportunities to make progress toward Net Zero Energy at a more rapid rate-pace and greater scale

~~9.8.~~ Maintain and invest in quality facilities and use them to pilot and showcase new technologies that advance Net Zero Energy

Manage Budget and Risks Responsibly

1. Create financially responsible and sustainable budgets that balance the need for stable rates, investment in core infrastructure, and strong credit rating factors

2. Develop five-year debt financing plan for Net Zero Energy to support electrification while mitigating upward rate pressure

~~2.3.~~ Ensure timely and diligent compliance with risk, safety, environmental, and other legal and regulatory standards

~~3.4.~~ Efficiently and effectively manage procurement of goods and services

~~4.5.~~ Enhance cybersecurity capabilitieses



*FY 2021
Financial Review
April*

June 4, 2021

**Burlington Electric Department
Financial Review**

FY 2021

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FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of April FY21

(\$000)	Full Yr Budget	CURRENT MONTH			YEAR TO DATE		
		Budget	Actual	Variance	Budget	Actual	Variance
Sales to Customers	45,764	3,271	3,052	(218)	38,577	37,300	(1,277)
Other Revenues	3,837	273	402	129	3,157	2,740	(417)
Power Supply Revenues	8,107	0	1,577	1,577	5,579	7,711	2,132
Total Operating Revenues	57,708	3,544	5,031	1,487	47,313	47,751	438
Power Supply Expenses	30,915	2,330	2,092	238	25,814	25,545	269
Operating Expense	18,726	1,568	1,692	(124)	15,809	15,366	443
Depreciation & Amortization	5,231	436	450	(14)	4,359	4,431	(72)
Gain/Loss on Disp of Plant	346	0	0	0	346	228	118
Taxes	3,721	301	309	(8)	3,099	3,084	15
Sub-Total Expenses	58,939	4,634	4,542	92	49,427	48,655	773
Operating Income	(1,231)	(1,090)	489	1,579	(2,114)	(903)	1,211
Other Income	5,689	639	433	(206)	4,902	4,872	(29)
Interest Expense	2,520	210	201	8	2,096	2,052	43
Net Income (Loss)	1,937	(662)	721	1,382	691	1,916	1,226

Year-to-Date Results:

- **Sales to Customers** down \$1,277,000 (3.3%). Non-Residential Sales down \$2,360,200 and Residential Sales up \$1,076,200.
- **Other Revenues** down \$417,000 (13.2%)
 - a. DSM billable (customer driven) down \$340,900.
 - b. Miscellaneous revenues down \$80,800.
- **Power Supply Revenues** up \$2,132,000 (38%); timing
 - a. McNeil REC revenue of \$3,951,000 compared to a budget of \$2,588,000.
 - b. Wind REC revenue of \$3,106,000 compared to a budget of \$2,188,000.
 - c. Hydro REC revenue of \$486,000 compared to a budget of \$651,000.
- **Power Supply Expenses** down \$269,000
 - a. Fuel down \$426,000.
 - b. Purchased Power down \$290,000.
 - c. Transmission Fees up \$446,000.
- **Operating Expenses** down \$443,000 (2.8%)
 - a. Various items are less than budget primarily due to timing and proactive recissions/expense reductions. This includes outside services (\$346,000), materials & supplies (\$162,000), transportation clearing (\$28,700), building clearing (\$62,700) and training/education (\$94,400). Offset by higher expense due to the credit for A&G (“Admin and General Expenses”) charged to Capital projects was less than planned, \$277,800.
- **Gain/Loss on Disposition of Plant** down \$118,000
 - a. Includes operating retirements. The variance is largely due to timing.
- **Other Income** down \$29,000 (within 1% of budget)
 - a. Local Government Expense (“LGER”) grant and hazard pay reimbursement received in February.
 - b. Offset by customer contributions down, \$493,000; customer driven.

FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of April FY21

Capital Spending – April YTD				
(\$000's)				
Plant Type	Full Yr. Budget	Budget	Actual	% Spent
Production	\$1,940	\$1,898	\$1,806	93%
Other	83	74	15	18%
Transmission	1,106	1,106	1,074	97%
Distribution	2,686	2,145	901	34%
General	2,148	1,887	636	30%
Total	\$7,962	\$7,110	\$4,433	56%

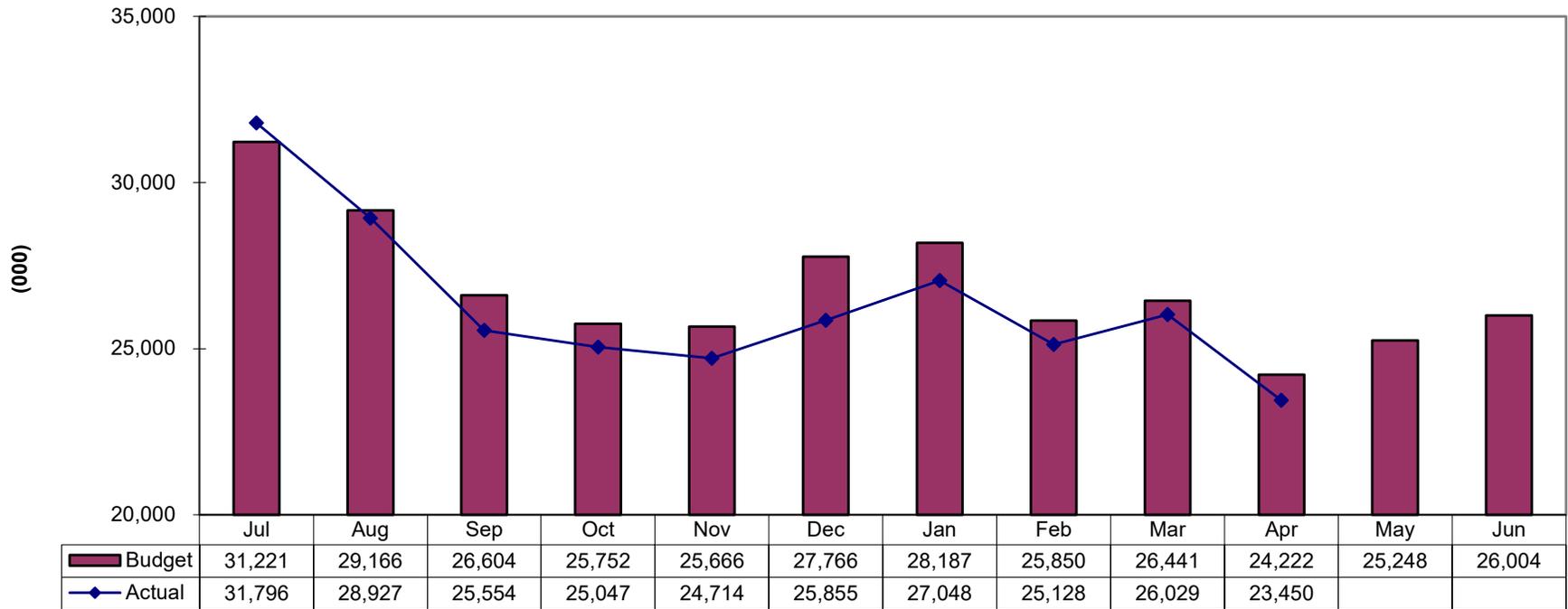
- (1) **Production** – Timing of projects at McNeil Plant; YTD expenses of \$1,237,000 compared to a budget of \$1,012,000. Offset by higher than planned Winooski One Hydro controls upgrade and the GT overhaul.
- (2) **Distribution** – Timing of various projects and includes customer contribution for UVM LCOM, \$227,500.
- (3) **General** – IT Forward project was budgeted throughout the year; YTD expenses of \$322,900 compared to a budget of \$1,394,500. Data Center upgrade YTD expenses of \$209,000 vs budget of \$300,000. Vehicle replacement and other buildings and grounds projects have been delayed, \$117,000.

As of April 30, 2021	
Cash and Investments	
Operating Funds	\$8,509,400
Operating Fund – CDs	\$1,161,300
Total Operating Fund	\$9,670,700

Credit Rating Factors – April 2021				
	"A"	"Baa"	Current	3 Year Average
Debt Service Coverage Ratio	1.25	1.25	4.47	3.85
Adjusted Debt Service Coverage Ratio	1.50	1.10	1.15	0.98
Cash Coverage - Days Cash on Hand	90	30	127	129

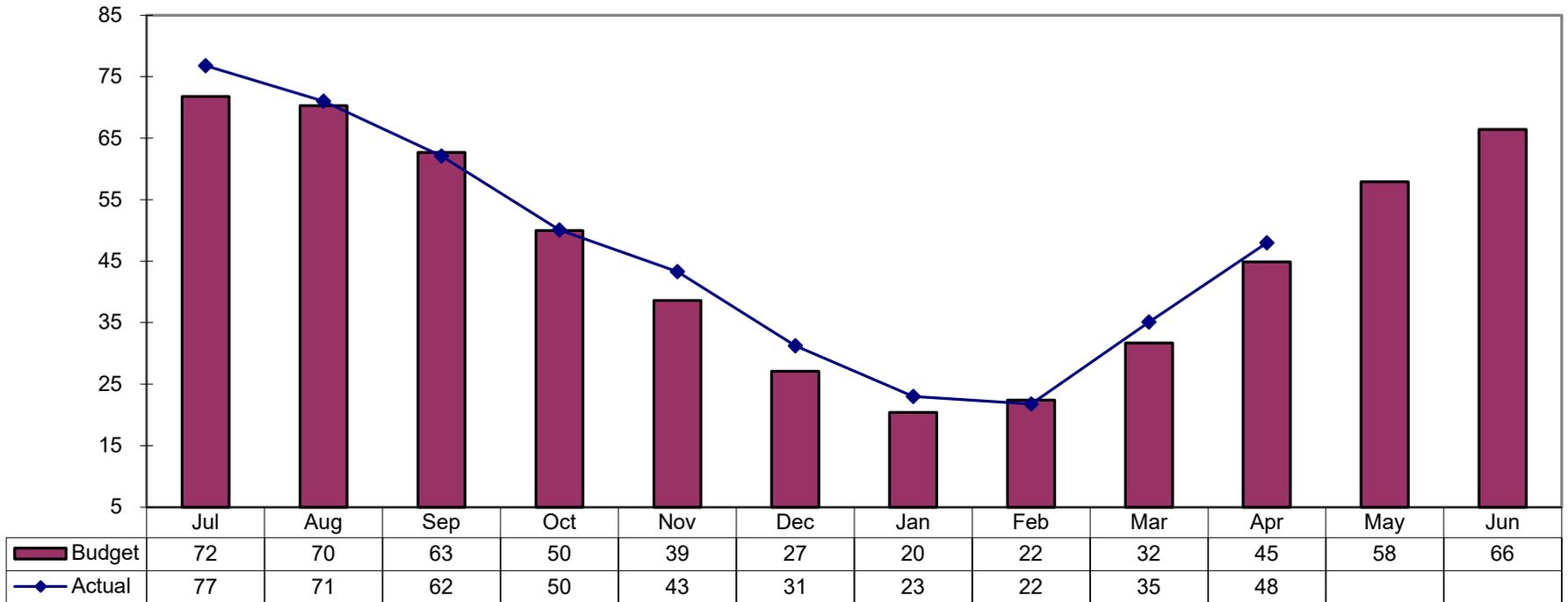
**Burlington Electric Department
Fiscal Year Ending June 30, 2021**

**Total Sales to Customers - KWH
Monthly**



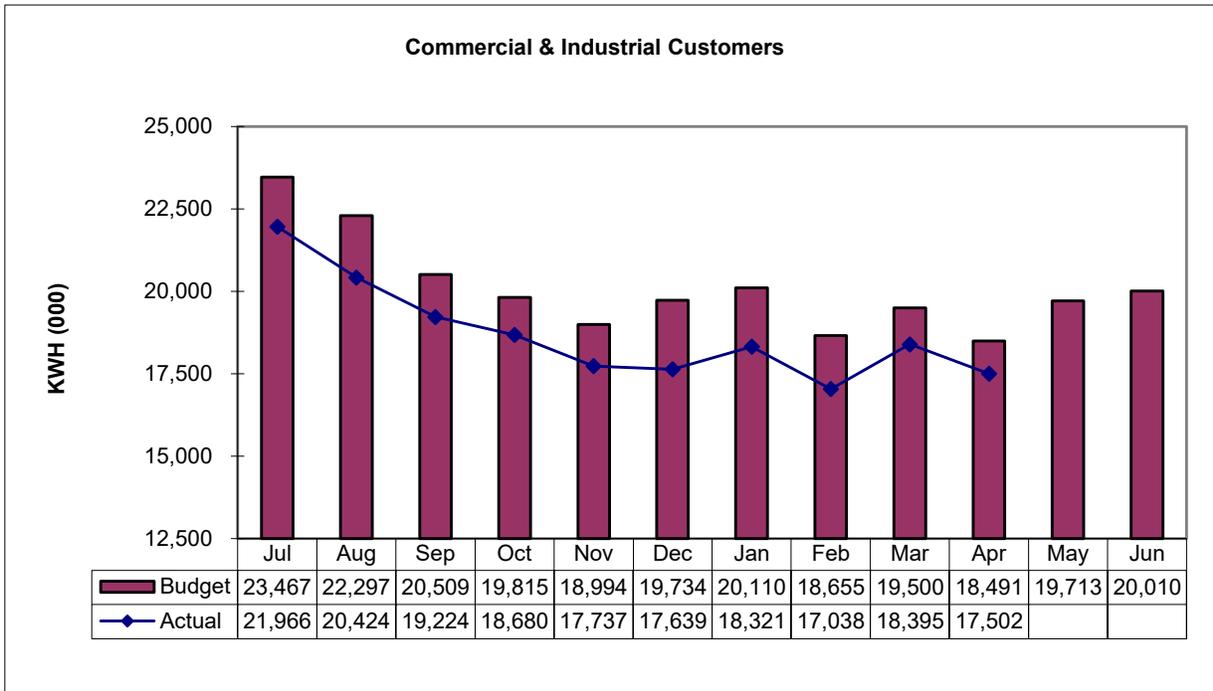
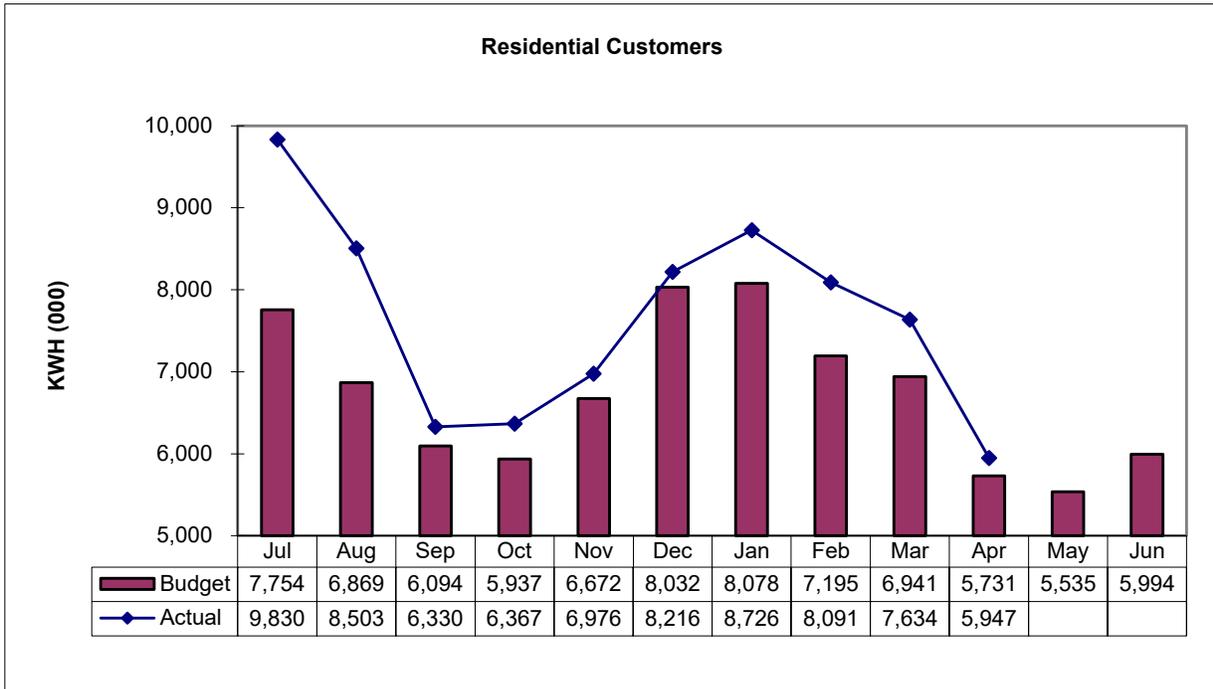
KWH Sales to Customers (YTD)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	31,221	60,386	86,990	112,742	138,408	166,174	194,361	220,211	246,652	270,874		
Actual	31,796	60,723	86,277	111,325	136,039	161,894	188,942	214,070	240,099	263,549		

**Burlington Electric Department
Fiscal Year Ending June 30, 2021
Average Monthly Temperatures - Burlington**



Information is recorded by the National Weather Service at the Burlington International Airport. Average temperatures are calculated using the min and max temperature for each day, over a 20 year period.

**Burlington Electric Department
Fiscal Year Ending June 30, 2021
KWH Sales**



Street Lighting is included with Commercial & Industrial Customers.

Net Power Supply Costs
April - FY 2021

	(\$000)					
	Current Month			Year-to-Date		
	Budget	Actual	Variance	Budget	Actual	Variance
Expenses:						
Fuel (p. 7)	\$269	\$148	\$122 (1)	\$7,189	\$6,763	\$426 (1)
Purchased Power (p.11)	1,442	1,240	202 (2)	12,489	12,200	290 (2)
Transmission Fees - ISO	461	511	(50) (3)	5,024	5,343	(319) (3)
Transmission Fees - Velco	110	118	(8) (4)	658	637	21 (4)
Transmission Fees - Other	48	75	(27) (5)	453	601	(148) (5)
Total Expenses	<u>2,330</u>	<u>2,092</u>	<u>238</u>	<u>25,814</u>	<u>25,545</u>	<u>270</u>
Revenues:						
Renewable Energy Certificates - McNeil	0	818	818	2,588	3,951	1,364
Renewable Energy Certificates - Wind	0	721	721	2,188	3,106	918
Renewable Energy Certificates - Hydro	0	0	0	651	486	(165)
Renewable Energy Certificates - Other	0	39	39	152	168	15
Total Revenues	<u>0</u>	<u>1,577</u>	<u>1,577</u> (6)	<u>5,579</u>	<u>7,711</u>	<u>2,132</u> (6)
Net Power Supply Costs	<u>\$2,330</u>	<u>\$514</u>	<u>\$1,815</u>	<u>\$20,236</u>	<u>\$17,834</u>	<u>\$2,402</u>

Current Month:

- (1) See detail on page 7.
- (2) See detail on page 10.
- (3) ISO-NE Transmission over Budget due to higher ISO-NE Transmission rates.
- (4) VELCO Transmission under Budget due to lower 91 VTA Common charges.
- (5) NYISO Transmission over Budget.
- (6) Over Budget due to timing of deliveries (RECs delivered one month early).

YTD:

- (1) See detail on page 7.
- (2) See detail on page 10.
- (3) ISO-NE Transmission over Budget due to higher ISO-NE Transmission rates.
- (4) VELCO Transmission under Budget due to lower 91 VTA Common charges.
- (5) NYISO Transmission over Budget.
- (6) Over Budget due to timing of deliveries (May RECs delivered in April). Projected to come in 1% under Budget for entire Fiscal Year due to lower Winooski 1 production.

**Net Power Supply Costs
April - FY 2021**

	(\$000)					
	Current Month			Year-to-Date		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>FUEL:</u>						
McNeil:						
Fuel Consumed	195	160	35 (1)	5,016	4,923	93 (1)
Swanton Yard	3	(69)	72 (1)	449	426	23 (1)
Train Deliveries	6	27	(21) (1)	944	799	145 (1)
Labor & Other Expenses	59	25	34 (2)	675	507	168 (2)
Total McNeil Fuel	<u>263</u>	<u>143</u>	<u>120</u>	<u>7,084</u>	<u>6,655</u>	<u>428</u>
Gas Turbine	6	5	1 (3)	106	108	(2) (3)
Total Fuel	<u>269</u>	<u>148</u>	<u>122</u>	<u>7,189</u>	<u>6,763</u>	<u>426</u>

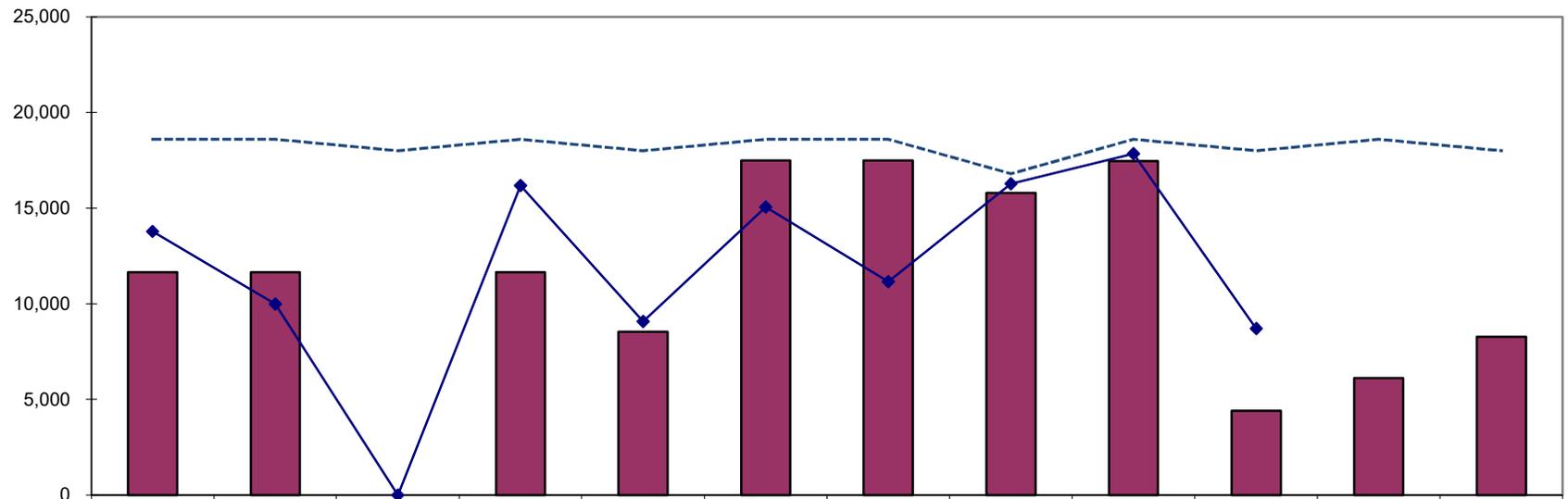
Current Month:

- (1) Actual includes inventory adjustment at McNeil (\$289K) and Swanton Yard (\$89K); McNeil produced 8,704 MWh (98% over Budget); Woodchip costs (per ton) were 3% under Budget. (p. 9)
- (2) Actual labor is based on tonnage consumed by McNeil; budgeted labor is based on personnel/days in the month, thus timing issues for comparative purposes.
- (3) GT produced 19 MWh (5% over Budget); GT Fuel costs under budget.

YTD:

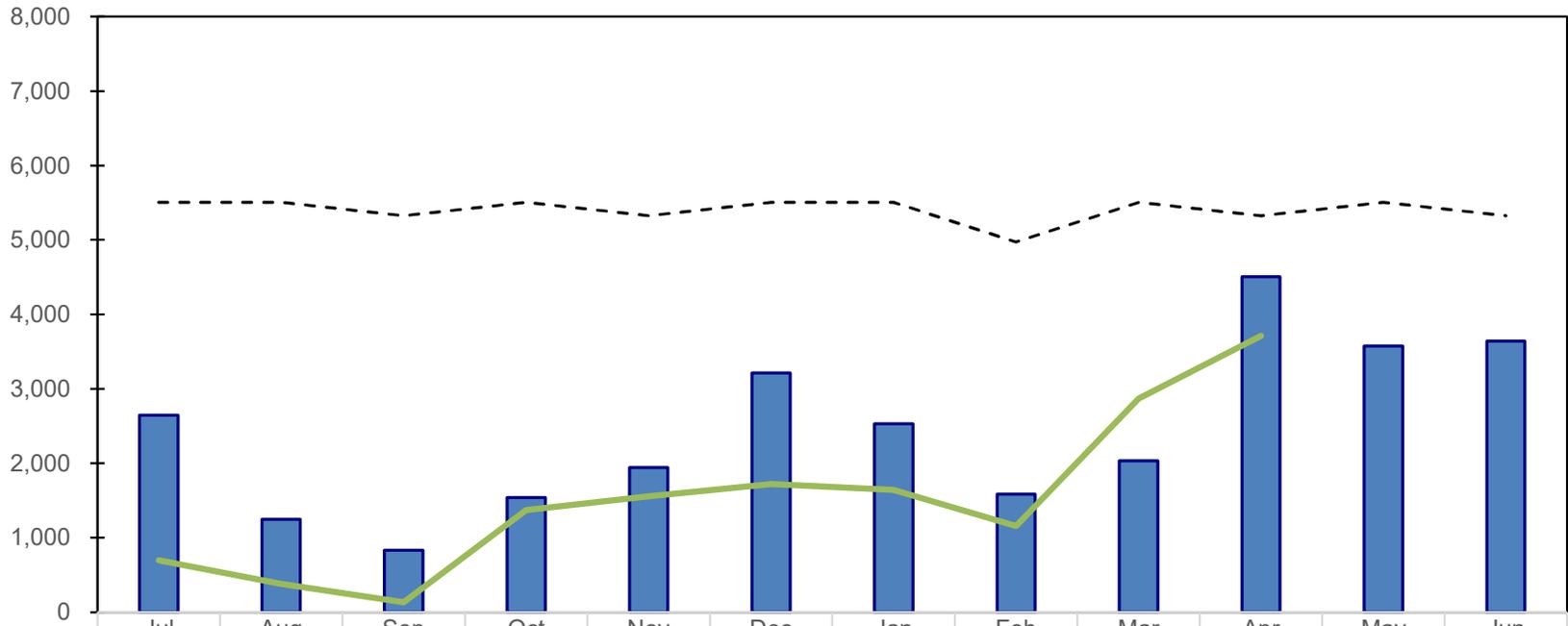
- (1) Actual includes inventory adjustments at McNeil and Swanton Yard; McNeil production was 2% over Budget; Woodchip costs (per ton) were 1% under Budget. (p. 9)
- (2) See Current Month.
- (3) GT produced 474 MWh (56% over Budget) largely due to testing of refurbished Jet A.

**Burlington Electric Department
McNeil Plant - MWH Production (50%)
FY 2021**



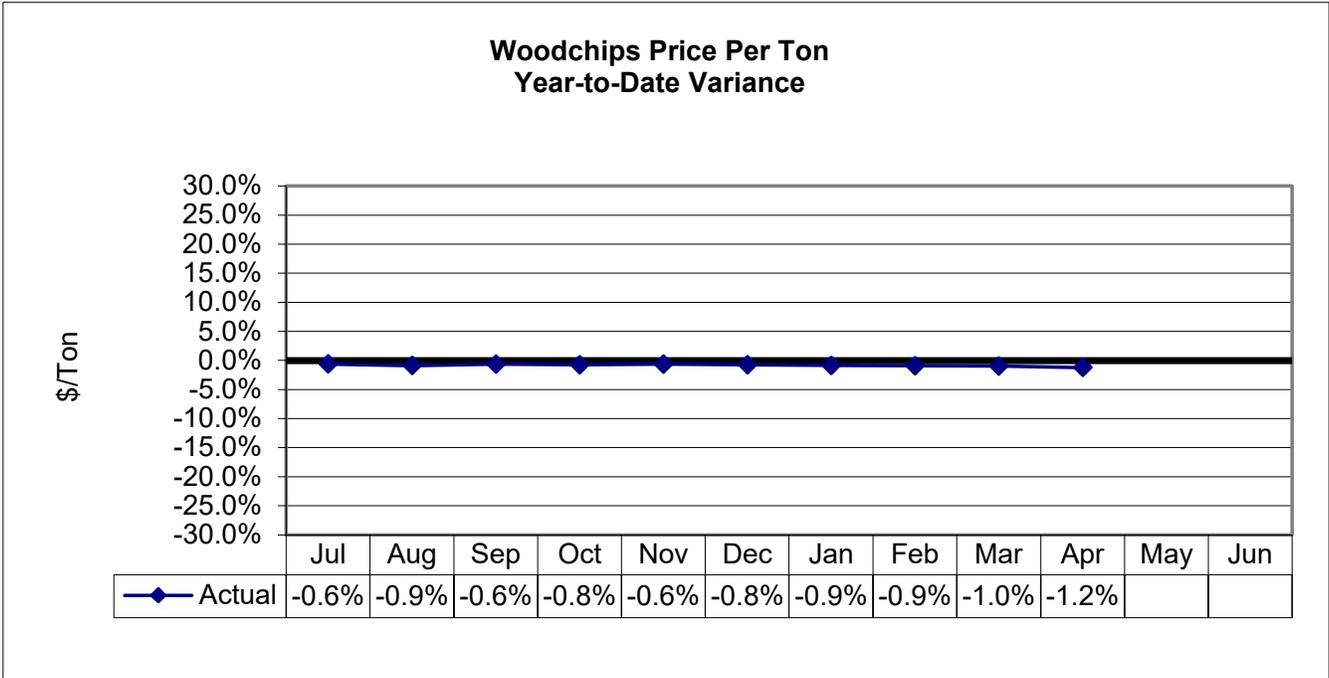
Budget	11,656	11,656	0	11,656	8,536	17,484	17,484	15,792	17,461	4,400	6,128	8,272
Actual	13,778	9,989	0	16,184	9,076	15,054	11,156	16,275	17,841	8,704		
Maximum	18,600	18,600	18,000	18,600	18,000	18,600	18,600	16,800	18,600	18,000	18,600	18,000

**Burlington Electric Department
Winooski One - MWH Production
FY 2021**



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	2,650	1,246	832	1,541	1,942	3,216	2,531	1,587	2,032	4,503	3,575	3,643
Actual	698	381	135	1,373	1,556	1,719	1,644	1,162	2,872	3,713		
Maximum	5,506	5,506	5,328	5,506	5,328	5,506	5,506	4,973	5,506	5,328	5,506	5,328

Burlington Electric Department Fiscal Year 2021



* Wood only. Does not include other costs.

**Net Power Supply Costs
April - FY 2021**

	(\$000)					
	Current Month			Year-to-Date		
	Budget	Actual	Variance	Budget	Actual	Variance
<u>PURCHASED POWER:</u>						
Non-Energy (capacity)	137	126	12	1,428	1,341	86
Energy:						
Georgia Mountain Wind	320	188	132 (1)	2,786	2,711	75 (1)
Hancock Wind	264	286	(22) (2)	2,828	2,466	362 (2)
VT Wind	254	190	64 (3)	2,326	1,791	535 (3)
Hydro Quebec	234	219	15 (4)	1,950	1,857	92 (4)
Great River Hydro	164	163	0	1,637	1,632	5
In City Solar Generators	86	89	(2)	657	662	(5)
NYPA	6	9	(3)	70	85	(16)
VEPPI	0	0	0	66	36	30 (5)
ISO Exchange	(59)	(73)	13 (5)	(1,957)	(805)	(1,152) (6)
Velco Exchange	0	(0)	0	0	(5)	5
Total Energy	<u>1,270</u>	<u>1,072</u>	<u>198</u>	<u>10,363</u>	<u>10,432</u>	<u>(69)</u>
Ancillary Charges	(4)	(6)	2	(27)	(83)	56
Miscellaneous	39	49	(10)	726	510	216 (7)
Total Purchased Power Expense	<u><u>1,442</u></u>	<u><u>1,240</u></u>	<u><u>202</u></u>	<u><u>12,489</u></u>	<u><u>12,200</u></u>	<u><u>290</u></u>

Current Month:

- (1) Production 41% under Budget. Lower CY21 production will result in lower REC revenues in FY22.
- (2) Production 18% over Budget. Rate 8% under Budget due to Financial Adjustment.
- (3) Production 25% under Budget. Lower CY21 production will result in lower REC revenues in FY22.
- (4) Rate 7% under Budget.
- (5) McNeil (98%) production over Budget.

YTD:

- (1) Production 2% under Budget.
- (2) Production 4% under Budget. Rate 9% under Budget due to Financial Adjustment.
- (3) Production 23% under Budget. Lower CY20 production has resulted in lower REC revenues in FY21 and lower CY21 production will result in lower REC revenues in FY22.
- (4) Rate 5% under Budget.
- (5) Production 43% under Budget.
- (6) Wind (10%), and Winooski One (31%) production under Budget. Energy prices under budget.
- (7) Includes REC replacement purchases which can occur at any point in the FY.

**Burlington Electric Department
Operating and Maintenance Expense by Spending Category
FY 2021 - April YTD**

Description	Budget	Actual	Variance	% Variance	*
Labor - Regular	6,246,705	6,515,322	(268,617)	4%	
Labor - Overtime	391,512	303,007	88,505	23%	a
Labor-Temporary	4,000	4,348	(348)	9%	
Labor - Overhead	2,655,275	2,518,161	137,114	5%	b
Outside Services	1,818,127	1,472,117	346,010	19%	c
DSM (rebates & outside services)	1,564,768	1,829,294	(264,526)	17%	d
Materials & Supplies	768,202	605,773	162,429	21%	e
Insurance	568,944	527,302	41,642	7%	
A & G Clearing	(561,680)	(283,865)	(277,815)	49%	f
Other - RPS Compliance	330,911	512,500	(181,589)	55%	
Other	2,022,081	1,362,485	659,596	33%	g
Operating and Maintenance Expense	15,808,844	15,366,444	442,400	3%	

(a) Areas lower than budget; Distribution (\$67,200), System Operations (\$25,800), W1 Hydro (\$10,300); offset by areas higher than budget; McNeil Plant, \$21,700.

(b) See page 13.

(c) Timing and proactive recissions/expense reductions within various areas including equipment maintenance & technical at McNeil Plant (\$57,800), Winooski One Hydro (\$147,600) and buildings & grounds (\$18,500).

(d) Projects are driven almost entirely by customer decisions. The budget is based on information on specific projects or seasonal variations; otherwise the amount is spread evenly across the year.

(e) Timing; McNeil Plant (\$10,100), Winooski One (\$36,100), Distribution (\$46,600) Safety (\$14,300).

(f) The credit for A&G ("Admin and General Expenses") charged to Capital projects was less than planned.

(g) Timing: various areas are less than budget including; Training/Education (\$94,400), Transportation Clearing (\$28,700), Building Clearing, (\$62,700), Maintenance (\$85,600), Advertising (\$30,200) and Uncollectible Accounts (\$89,000).

**Burlington Electric Department
Budget vs Actual Spending Analysis
FY 2021 - April YTD**

Labor - Overhead	(000's)			%
	Budget	Actual	Variance	
Pension	\$1,099	\$1,087	\$11	1% (a)
Medical Insurance	1,528	1,262	266	17% (b)
Social Security Taxes	747	688	59	8% (a)
Workers Compensation Ins.	355	293	62	17% (b)
Dental Insurance	77	72	5	7% (b)
Life Insurance	15	10	5	34% (b)
	\$3,821	\$3,413	\$408	11%

Rates Table:	Budget
<i>Pension</i>	12.02%
<i>Social Security</i>	7.65%

(a) Function of labor cost.

Pension amount for the year provided by the City during budget development. Needs to be verified.

(b) Budget provided by the City.

Net Income
FY 2021 - April (\$000)

	Ref	Current Month			Year - To - Date		
		Budget	Actual	Variance	Budget	Actual	Variance
Operating Revenues							
Sales to Customers	p.3	3,271	3,052	(218)	38,577	37,300	(1,277)
Other Revenues		273	402	129 (a)	3,157	2,740	(417) (a)
Total Operating Revenues		3,544	3,454	(90)	41,734	40,040	(1,694)
Net Power Supply							
	p.6	2,330	514	1,816	20,236	17,834	2,402
Operating Expenses							
Operating and Maintenance	p.11	1,568	1,692	(124)	15,809	15,366	443
Depreciation & Amortization		436	450	(14)	4,359	4,431	(72)
Gain/Loss on Disp of Plant		0	0	0	346	228	118 (b)
Revenue Taxes		35	46	(11)	441	440	2
Property Taxes Winooski One		40	40	(0)	398	399	(2)
Payment In Lieu of Taxes		226	223	3	2,260	2,245	15
Total Operating Expenses		2,304	2,450	(146)	23,613	23,110	504
Other Income and Deductions							
Interest/Investment Income		14	5	(9)	157	72	(85)
Dividends		360	360	(0)	3,536	3,573	37
Customer Contributions		249	53	(196) (b)	1,136	644	(493) (c)
Other		15	14	(1)	73	584	511 (d)
Total Other Income & Deductions		639	433	(206)	4,902	4,872	(29)
Interest Expense							
		210	201	8	2,096	2,052	43
Net Income							
		(662)	721	1,382	691	1,916	1,226

Current Month:

- (a) Energy Efficiency Program cost reimbursement was higher than planned, \$136,000. Offset by miscellaneous revenue down \$8,500.
- (b) Budget assumed contributions for UVM OBF, \$21,600, Champlain Parkway, \$83,200, LCOM, \$141,300 and Level 2 EV chargers, \$1,700. Actual includes UVM OBF, \$21,600 and other billable projects.

Year - To - Date:

- (a) Energy Efficiency Program cost reimbursement lower than planned, \$340,900. Also, miscellaneous revenues down \$80,800.
- (b) Budget included asset retirements of \$196,000 for Operating and \$150,000 for McNeil. Actual includes asset retirements for Operating of \$215,800 and \$12,500 for McNeil.
- (c) Budget assumed contributions for Champlain Parkway, \$527,100, UVM OBF, \$212,800, UVM Larner College of Medicine (LCOM), \$353,200, Level 2 EV chargers, \$30,300 and UVM Athletic facility, \$8,200. Actual includes OBF, \$212,800, LCOM, \$227,400 and other billable projects.
- (d) Includes Local Government Expense Reimbursement ("LGER") grant and one-time hazard pay reimbursement.

**Burlington Electric Department
Capital Projects - FY21**

	\$000			
	Full Year Budget	Budget	April Actual	Variance
McNeil (BED 50% Share)				
Economizer Replacement	364	364	389	(25)
Backup Boiler Feed Pump/Insurance	280	280	8	272 (a)
Boiler Gate Overhaul	200	200	280	(80) (b)
ESP Mechanical Field Rebuild	200	200	188	12
Routine Station Improvements	108	86	71	15
North Cooling Tower Sprinkler Replacement	38	38	24	14
DC Lube Oil Pump Contractor Upgrade/Insurance	37	37	21	16
Augers Replaced	15	8	10	(3)
Rooftop Fall Protection	13	13	14	(1)
Safety Valves (1.5, 2.5, 3.5, DA & Secondary)	8	8	1	7
IT Forward Upgrades (McNeil)	5		0	(0)
Other	5	5	7	(2) (c)
Total McNeil Plant	1,271	1,237	1,012	225

(a) In progress. Only half of the project is expected to hit this fiscal year.

(b) Additional as-found work, reallocated funds from other projects/expense budget.

(c) Budget includes the purchase of 4 AED's, portable radio upgrades and farmhouse furniture/equipment. Actual is for Chemical Feed Pump.

Hydro Production	164	158	227	(68) (a)
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(a) Budget includes controls upgrade, \$109,400 vs actual of \$205,200.

Gas Turbine	505	502	568	(65) (a)
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(a) Budget includes "A" major overhaul, \$425,700 vs actual of \$496,300.

Total Production Plant	1,940	1,898	1,806	91
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Other				
Packetized Energy Phase 2	54	49	3	45 (a)
Public Level 2 EV Charge	52	47	12	35
Public Level 2 EV Charge (CAFC)	(34)	(30)		(30)
Policy & Planning Research & Dev	10	9		9
Total Other	83	74	15	59

(a) Delayed due to COVID.

Transmission Plant				
VT Transco Investment	1,106	1,106	1,074	31
Total Transmission Plant	1,106	1,106	1,074	31

**Burlington Electric Department
Capital Projects - FY21**

	\$000			
	Full Year Budget	Budget	April Actual	Variance
Distribution Plant-General				
Aerial				
1L1 P2832 to P3650 Reconductor	176	176	91	85 (a)
1L1 P2824 to P2832 Reconductor	142	142	78	64 (a)
1L4 P3650 to P3131 Reconductor			53	(53) (b)
Replace Condemned Poles	109	82	49	32
Rebuild 3L4 Long Spans	63	63	15	48
Rebuild 1L4 Long Spans	29	29	10	19
Rebuild 1L4 Long Spans PH2			90	(90) (b)
Ferguson Ave, Wells St & Richardson St RB	22	22	1	21
Blodgett Redevelopment			28	(28) (c)
Total Aerial	542	515	416	99

(a) Project complete and lower than planned.

(b) New project.

(c) Prior year project.

Underground

Airport SA02 Circuit Rebuild	428	214	230	(16) (a)
Replace UG Switch (821,401,727,349,233)	215	215	4	211 (b)
Replace UG Switch (731,736,760,761)	186	93	0	92 (c)
Replace system at Living & Learning UVM	118	118	99	19 (d)
Replace UG Switch (721,722,743,702,703,705)	43		4	(4) (e)
Replace Switch 801D with 801s			15	(15)
Total Underground	989	639	352	287

(a) This project is projected to be \$131,000 less than planned due to civil work much lower than estimate. Budgeted Sep-Oct & May-Jun.

(b) This project is projected to be \$5,500 less than planned. Switch lower than planned. Budgeted Oct-Nov.

(c) This project is projected to be \$10,200 less than planned. Switch lower than planned. Budgeted Apr-May.

(d) Timing: budgeted August - November. This project is projected to be higher than planned, \$4,000. Civil work higher than estimate.

(e) This project was completed in FY2020. Small amount in FY21 due to finishing work. Budgeted May-Jun.

**Burlington Electric Department
Capital Projects - FY21**

	\$000			
	Full Year Budget	Budget	April Actual	Variance
Customer Driven/City Projects				
Champlain Parkway C6	620	589		589
Champlain Parkway C6 (CAFC)	(555)	(527)		(527)
UVM-Larner College of Medicine (LCOM)	353	353	30	323
UVM-Larner College of Medicine (LCOM) (CAFC)	(353)	(353)	(227)	(126)
UVM New Athletic Facility	8	8		8
UVM New Athletic Facility (CAFC)	(8)	(8)		(8)
UVM New Athletic Facility (CAFC) (OBF)	(213)	(213)	(213)	(0)
Total Underground	<u>(148)</u>	<u>(151)</u>	<u>(410)</u>	<u>259</u>
Other				
Distribution Transformers	264	264	74	191
SCADA Virtualization	98	98	34	64
Distribution System Efficiency Improvements	71	71	37	33 (a)
Replace Overloaded Transformers	54	38	18	20 (b)
Communication Equipment Emergency Repair	37	37	27	10
Backup control center -SCADA	10	10		10
Purchase Spare GT2/3 Breaker			21	(21)
Other			2	(2)
Total Other	<u>535</u>	<u>518</u>	<u>213</u>	<u>306</u>
Total Distribution Plant-General	<u>1,918</u>	<u>1,522</u>	<u>571</u>	<u>951</u>
 (a) This project is projected to be less than planned. Budgeted Jul-Oct.				
(b) This project is projected to be less than planned. Budgeted Jul-Oct & Apr-Jun.				
Distribution Plant - Blanket				
Lighting	280	224	192	32
Lighting (Rebate)	(6)	(5)		(5)
Underground	186	145	196	(51)
Underground (CAFC)			(177)	177
Aerial	107	89	91	(1)
Aerial (CAFC)			(26)	26
Meters	94	91	27	64
Replace Corroded Vista CT's / PT's	20	19	12	7
Tools & Equipment - Distribution/Technicians	39	33	16	17
Substation Maintenance	20	20		20
Substation-Temperature Alarms	8	8		8
Total Distribution Plant - Blanket	<u>748</u>	<u>624</u>	<u>331</u>	<u>293</u>
Total Distribution Plant	<u>2,666</u>	<u>2,145</u>	<u>901</u>	<u>1,244</u>

**Burlington Electric Department
Capital Projects - FY21**

	\$000			
	Full Year Budget	Budget	April Actual	Variance
General Plant				
Computer Equipment/Software	2,018	1,739	609	1,131 (a)
Vehicle Replacement	40	40	0	40
Buildings & Grounds	102	102	26	77 (b)
Other	6	5	1	3 (c)
Total General Plant	<u>2,167</u>	<u>1,887</u>	<u>636</u>	<u>1,251</u>

(a) Budget includes IT Forward, \$1,394,500, Data Center Upgrades, \$300,000, Desktop/Laptop purchases, \$20,000 and AMI Cell Relay replacement, \$19,600. Actual includes IT Forward, \$322,900, Equipment for the Data Center, \$209,000, smart grid outage router, \$12,000, and other.

(b) Budget includes area upgrades, \$59,000, truck bay air system, \$15,000, auto flush for lavatory, \$10,500, security camera replacements, \$13,000 and signage, \$5,000. Actual includes truck bay air system and auto flush.

(c) Budget includes AED purchase for Pine Street. Actual includes fogger for COVID.

Sub-Total Plant	<u>\$7,962</u>	<u>\$7,110</u>	<u>\$4,433</u>	<u>\$2,677</u>
Add: CAFCA* reclass to "Other Income"	1,168	1,136	644	493
Total Plant	<u><u>\$9,130</u></u>	<u><u>\$8,246</u></u>	<u><u>\$5,076</u></u>	<u><u>\$3,170</u></u>

* Customer Advances (Contributions) for Construction.

Operating Cash - FY 2021 Monthly Ending Balance

