

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

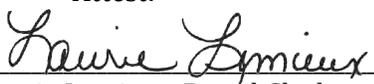
GABRIELLE STEBBINS, CHAIR  
SCOTT MOODY, VICE CHAIR  
JIM CHAGNON  
ROBERT HERENDEEN  
BETHANY WHITAKER

*To be held at Burlington Electric Department (and)*  
*Via Microsoft Teams*  
[+1 802-489-6254](tel:+18024896254)  
Conference ID: 295 615 914#

**AGENDA**  
**Regular Meeting of the Board of Electric Commissioners**  
**Wednesday, November 9, 2022– 5:30 p.m.**

- |  |                |
|--|----------------|
| 1. Agenda  | 5:30 (5 min.)  |
| 2. Minutes of the October 26, 2022 Meeting                                   | 5:35 (5 min)   |
| 3. Public Forum  | 5:40 (5 min.)  |
| 4. Commissioners' Corner (Discussion)  | 5:45 (10 min.) |
| 5. GM Update (Oral Update)   | 5:55 (10min.)  |
| 6. FY22 Audited Financial Statements (Discussion):<br>(E. Stebbins-Wheelock) | 6:05 (10 min.) |
| 7. Financials: FY23 September  | 6:15 (10 min.) |
| 8. BED 2022 Property/B&M Renewal (Discussion & Vote):<br>Paul Alexander      | 6:25 (10 min.) |
| 9. Winter 2022/2023 Update (Discussion): James Gibbons                       | 6:35 (15 min.) |
| 10. Commissioners' Check-In  | 6:50 (5 min.)  |

Attest:

  
Laurie Lemieux, Board Clerk

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

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 via Microsoft Teams, please email [llemieux@burlingtonelectric.com](mailto:llemieux@burlingtonelectric.com) to receive a link to the meeting, or call (802) 489-6254, Conference ID: 295 615 914#

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(for 11/09/2022 meeting)

**\*\*\* FYI \*\*\***

- Minutes of the October 26, 2021 Meeting
- October Monthly Report
- Dashboard

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



To: Burlington Board of Electric Commissioners  
From: Darren Springer, General Manager  
Date: November 4, 2022  
Subject: **October 2022 Highlights of Department Activities**

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### **General Manager**

- **Orb** – We were pleased to have a great announcement for the new “Orb” small vertical axis wind turbine at the BTV Airport on 11/2, with the Mayor, BED and BTV Airport teams, and ARC Turbines. We met ARC through the DeltaClime process, and this turbine represents an interesting potential additional rooftop renewable option. Read more about it here - <https://www.wcax.com/2022/11/02/new-wind-turbine-pilot-project-launched-btv-parking-garage-roof/>
- **District Energy** – The district energy project work continues, with Ever-Green visiting Burlington 11/1-3. We have construction pricing work underway, are having financing discussions, and conducting preliminary work to prepare for potential permitting.
- **Winter Energy Pricing** – Continued volatility in the winter energy markets. BED monitoring and preparing McNeil for a full wintertime run following our maintenance outage. James will provide a full briefing for the Commission on the winter dynamics at our next meeting. BED team is also planning a visit and tour to ISO-NE in Massachusetts later this month.

### **Center for Innovation - Emily Stebbins-Wheelock**

- Overseeing 2022 rate case development/implementation.
- Acting supervisor of Finance & Accounting and Billing staff; recruiting for Controller.
- Continued sponsorship of IT Forward implementations; attended annual Harris Customer Training Conference.
- Sponsoring internal discussions re improving net metering processes.

### **Finance & Accounting**

- Finalizing FY22 year-end and working with the external auditors on the FY2022 audit.
- Monitoring receivables in response to COVID19: as of October 31, 2022, BED’s total non-current receivables had decreased \$127,572 or 14.3% compared to the end of September 2022. Arrearages >60 days were \$428,525.



**Information Services**

- Ongoing security awareness training and user testing.
- Continued support of SCADA/ICCP projects for Engineering and Distribution.
- Completed Harris/SmartWorks Compass MDMS training October 25-27 with participation from Billing, IT, Customer Care, Policy and Planning, Engineering, and Energy Services teams.
- Continued work and progress on IT Forward projects.

**Policy & Planning**

- Filed 2023 Tier 3 plan with PUC.
- Filed additional changes to net metering rate with PUC.
- DPS testimony recommends approval of 2022 rate filing; final BED testimony due in November.
- Ongoing monitoring of Climate Council’s biomass task force.
- Reviewed RFP responses for removing Packetized Energy water heater control devices.
- Received RFP responses for new renewable resources.
- Received CPG for 3kW ARC wind turbine installed at BTV Airport; press event planned.
- Participated in VT winter readiness preparation.
- Solar test center proceeding at McNeil (leaf bunker and waste wood yard moved; archeology).
- Meeting with HULA on potential level 3 EV chargers.
- Planning for DES– electric boiler impact review.
- Submitted comments on statewide low-income rate and model.
- Q1 of Rate Design Initiative Pilot completed.
- Developed public EV charger deployment forecast methods.
- Submitted application for UNH Sustainability Institute 2023 summer fellowship program.
- Completed REC deliveries for vintage Q2, 2022.

**Sustainability & Workforce Development**

- In conjunction with Adam Rabin, Communications & Technology Specialist, recorded and released podcast with Annie Borden, CarShareVT.
- Vermont Low Income Trust for Electricity (VLITE) funded effort to expand EV access for low-income residents through car sharing and enhanced charging infrastructure continuing.
- Attended CATMA Transportation Summit and moderated session on the status of EV charging with Drive Electric’s Dave Roberts.
- Submitted quarterly report to DEED for efforts to create multi-unit dwelling property management plans for Burlington 2030 District members.

- Orchestrated all staff Lunch and Learn featuring Jared Duval, Director of Energy Action Network, on VT’s annual climate data and BED’s role in advancing State goals.
- Co-hosted REV Conference with Encore’s Chad Farrell. Introduced keynote speaker Alicia Barton, presented REV Leadership award to Brian Gray (Energy Co-op of Vermont), and facilitated Women in Energy lunch.
- Along with Department of Planning & Inspections (DPI), orchestrated second stakeholder meeting with UVM, the Burlington School District, Main Street Landing, and others on possible policy proposals to accelerate the decarbonization of commercial buildings. Attended bi-monthly meeting with the Building Electrification Institute (BEI) to discuss and hone policy development.
- Presented to Burlington City and Lake Program on NZE and provided BED tour to BHS students.
- Joined VT Historic Presentation annual gathering and presented “NZE Guide to Historic Properties,” written in conjunction with DPI.
- With support from Katie Dorey, created and implemented Innovation Cup survey for annual award winner selection.
- Hosted a VT Forum on World Affairs international delegation from South East Asian Nations through the U.S. Department of State's International Visitor Leadership Program (IVLP).

### **Center for Safety and Risk Management – Paul Alexander**

#### **Safety**

- Conducted Operational & Generation Field Audits.
- Participated in Workers’ Compensation quarterly review with Travelers.
- Completed update of Confined Space Manual for Generation.
- Worked on overnight outage with Line Crews to upgrade system downtown.

#### **Environmental**

- Submitted the Q3 Quarterly Emissions and RECs reports.
- Submitted the monthly wastewater report.
- Conducted Pine Street transformer disposal.
- Conducted annual McNeil waste removal and stormwater inspections.
- Continued work on Continuous Emissions Monitoring System upgrade RFP.
- Updated one-line drawings for McNeil Plant.

#### **Risk Management**

- New Claims Investigations (2 total: 1 Property, 1 Liability).
- Conduct barrel check and OSHA log for safety.
- Review Unifirst/Lenny’s program for McNeil employees.
- Continued Property/B&M renewal discussion with H&B.
- Attended Travelers WC quarterly meeting.
- Attended Insurance Agent (H&B) meeting on other insurance lines renewal.
- Reviewed insurance agent liability concerns/questions for lighting standards and policy.
- Conduct new employee orientations for 2 employees.

### **Purchasing/General Services**

- Conducted new employee orientations.
- Worked on closing the Unifirst Account for rental clothing.
- Conducted Electric Bucket Truck meeting with Lyon and GMP.

### **Center for Operations & Reliability – Munir Kasti**

- Acting Supervisor of Grid Services staff.
- Acting Supervisor of Generation staff.
- Acting Supervisor of Director of Engineering.
- Revised and posted the Director of Engineering position.
- Revised job descriptions to reflect the Gas Turbine (GT) on-call responsibility per the BED-IBEW Agreement.
- Met with BED staff and consultant from Ormsby's Computer Systems to scope the remaining work for the replacement of SCADA firewalls and switches.

### **Operations**

- Completed setting two poles and anchors on Sears Lane/Champlain Parkway so overhead lines could be moved out of the way of the new roadway. Assisted SD Ireland with installing conduits under the roadway and pulled underground wire to bypass the overhead lines.
- Preformed the second of two outages on Kilburn Street were performed to change out the old transformers and pull in new conductors.
- Completed the reconductoring of Farrington Parkway. It is the first of two sections to be reconductored. The second section will be completed when the wire from the supplier is received, which is due to arrive in December.
- Assisted BED technicians with reprogramming and updating several switches in the system.
- Started the first leg of the reconductoring of 2L5 on South Winooski Avenue and College Street. The 350MCM copper underground cable is being replaced with 1000MCM copper cable. Old wire was pulled out and conduits cleaned so the contractor could extend the conduit bank down College Street. This portion of our 2L5 circuit is de-energized until the work is completed.
- Old cable was pulled from 2L5 circuit on Bank Street and replaced with new 1000MCM copper cable. Currently working on splicing new conductors together.
- Extended a 3-phase line across Shelburne Street to Burlington Hyundai for a new EV Charging station being installed.
- Continued work to install new LED lights along South Willard Street in the Champlain College area.
- Both Apprentice Lineworkers tested into the third year at the Northeast Public Power Association (NEPPA).
- The BED Metering Department welcomed Matt Schroeder as our new Metering Technician. Matt is a Master Electrician and comes to us with previous electrical contracting experience.

### **Engineering**

- Issued design and work order for the following projects:
  - Fixture changeout for a pole at the bottom of Ledge Road due to a customer complaint. The fixture was reduced in size to match the lighting design for Shelburne Street roundabout.
  - A 3-phase line extension to car charger service at #333 Shelburne St, Hyundai dealership.

- Transfer to new pole P607 on Pine Street which was replaced by Consolidated Communications.
- South Willard Street from Maple Street to Cliff Street lighting.
- Flynn Avenue undergrounding of BED crossings on Champlain Parkway.
- Finalized Lyman Avenue rebuild project. Work order to be released to crews.
- Continued work on drafting easement documents for Sunset Cliffs rebuild project.
- Continued work troubleshooting voltage monitoring issues with new switch at South Prospect Street and Main Street.
- Issued updated estimates to developer for four related work orders in Cambrian Rise (Building C, Main Circuit Relocation, Building C Temporary power, and Underground Line Extension).
- Provided estimates for street lighting for the Main Street-Great Streets project.

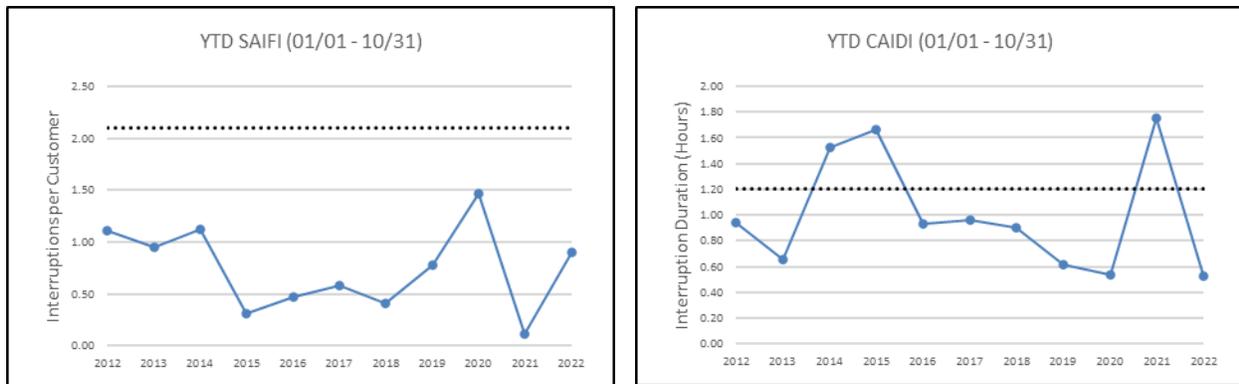
**Grid Services**

- Establishing a SCADA BED-VELCO ICCP (Inter-control center communications protocol) connection.
  - Resolved communication issues with new connection.
  - Working with Schneider Electric on application setup.
- The BED Dispatch team welcomed Alex Clark as our new Power Systems Coordinator I.

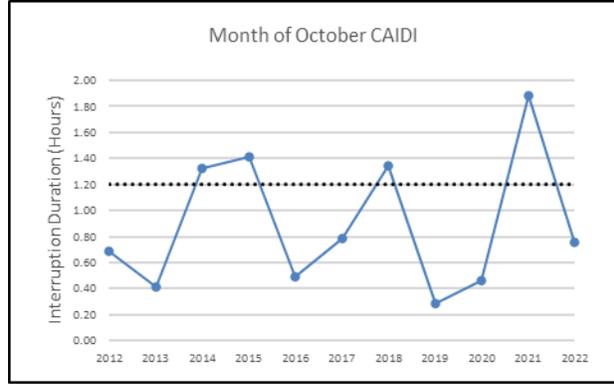
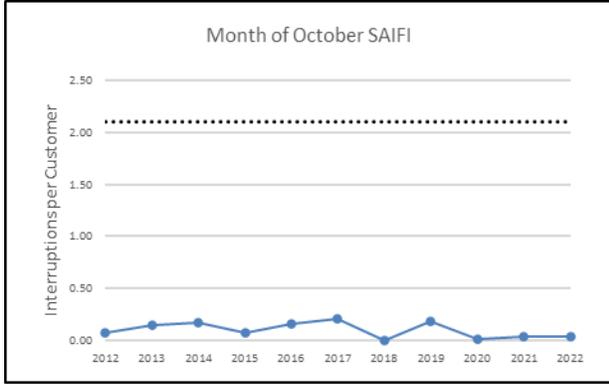
**SAIFI & CAIDI Outage Metrics:**

BED’s distribution system experienced 12 outages in October 2022 (6 unscheduled and 6 scheduled). BED’s SAIFI for the Month of October was 0.04 interruptions per customer and CAIDI was 0.76 hours per interruption. BED’s YTD SAIFI is 0.9 interruptions per customer and YTD CAIDI is 0.53 hours per interruption.

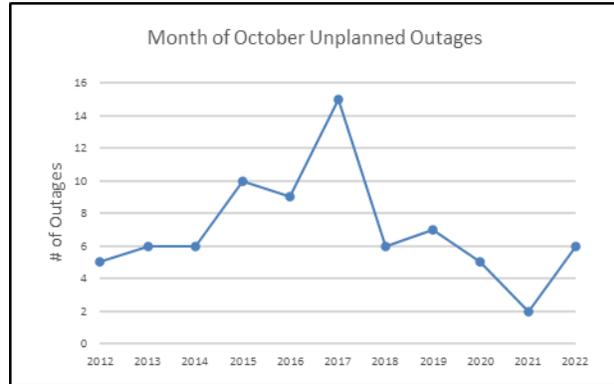
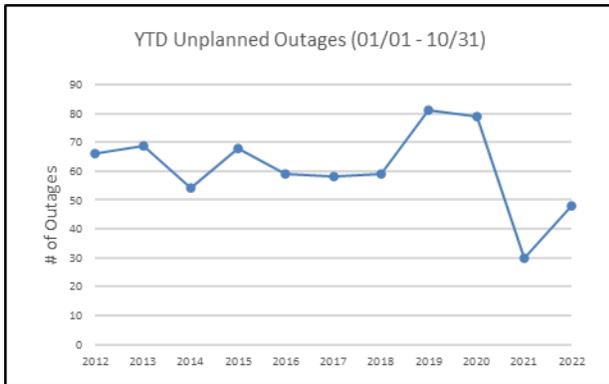
The following figure shows BED’s historical YTD SAIFI and CAIDI:



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



The following figure shows BED’s historical Unplanned Outages:



**GENERATION**

**McNeil Generating Station**

Month Generation: 0 MWh  
 YTD Generation: 17,2487 MWh  
 Month Capacity Factor: 0 %  
 Month Availability: 17.12 %  
 Hours of Operation: 0 hrs.

McNeil has been offline for the month of October due to economics and to perform maintenance. Projects completed during the fall outage included a new control oil pump, west grate rebuild, live bottom rebuild, inspections, and miscellaneous repairs. McNeil currently has a good wood stockpile for winter operations due to the forestry team’s terrific efforts.

**Winooski One Hydroelectric Station**

Monthly Generation: 1,541.238 MWH (75.403% of average)  
 YTD Generation: 20,240.606 MWH (83.56% of average)  
 Month Capacity Factor: 27.99 %  
 Annual Capacity Factor: 37.489 %  
 Month Availability: 99%

Winooski One continues its fall fishing activities through November 15. The fish truck was repaired

and received state inspection. Diligent attention was given to the pond and fishway due to fluctuating flows carrying debris to the dam.

**Burlington Gas Turbine**

Month Generation:	00.000 MWh
YTD Generation:	355.686 MWh
Month Capacity Factor:	0.000%
Month Availability:	00.000%
Hours of Operation Unit A:	0.0
Hours of Operation Unit B:	0.0

The asset has been out of service since 7/20/22 undergoing troubleshooting and repairs due to the forced outage resulting from the failed PT A (power turbine) coupling shim pack. In total, four PT and generator bearings, associated with both PT A and PT B, along with the east and west generator bearing seals were found to be out of tolerance after the failure event and are in need of repair and machining. Initial troubleshooting is completed, and repairs are underway. Initial bearing repairs failed QA/QC and a delay in shipment has occurred. Furthermore, supply chain issues have exacerbated repair activities as new raw material has not been delivered to the machine shop as expected adding more delays to the schedule. Based on present known repair lead times and commissioning expectations at this time, the asset is expected to be available for operation in late November after reassembly activities occur and vibration analysis is completed upon commissioning. The asset is unavailable for operation at the end of the month

**Solar (Airport 499 kW)**

Month Generation:	48.2 MWh (+35% from previous year)
YTD Generation:	588 MWh
Month Capacity Factor:	13%
Month Availability:	100%

**Solar (Pine Street 107 kW)**

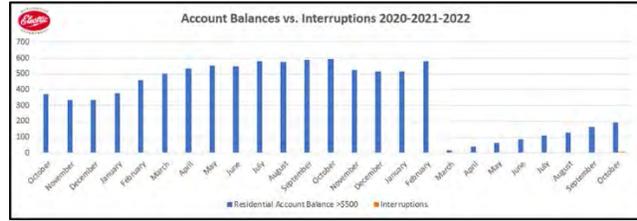
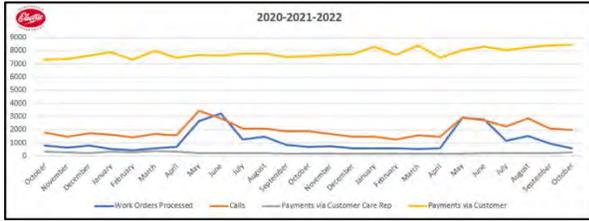
Month Generation:	8.9 MWh (+35% from previous year)
YTD Generation:	106 MWh
Month Capacity Factor:	11%
Month Availability:	100%

**Center for Customer Care & Energy Services – Mike Kanarick**

**Customer Care**

- **Call Answer Time (75% in 20 seconds):** October 2022 85.7%, September 81.4%, August 69.5%, July 79.5%, June 77.5%, May 71.1%, April 85.0%. October 2021 77.7%, September 82.4%, August 81.5%, July 81.6%, June 69.3%, May 65.8%, April 91.0%. A significant 8.0% increase from the same time last year. While Customer Care continued to lend a hand with cash receipts (taking one Rep off phones), this month we again benefitted from the hiring of temporary agency worker to administer VERAP allowing us to get another Rep back on the phones.

**October 2022 Stats:** please see dashboard for additional metrics categories.



*\*Please note that our account balances greater than \$500 was substantially reduced with the application of more than \$1M in ARPA funds in early April.*



*\*Please note that the August 12, 2022 complaint to the Consumer Affairs & Public Information (CAPI) Division of the Vermont Department of Public Service by a customer upset with having received a disconnection warning notice for failure to pay her bill in a timely manner was fully resolved by CAPI with a determination of no violation by the Customer Care Team. Therefore, we have updated our chart to reflect zero Customer Care Team complaints in August 2022/Q2 2022.*

**Communications and Marketing**

- ARC Industries Orb announcement: on November 2 atop the Burlington International Airport (BTV) parking garage roof, BED, joined by Mayor Miro Weinberger, ARC Industries Founder and CEO Robert Monteith, and leaders from BTV and the Vermont Sustainable Jobs Fund, announced a partnership with ARC Industries to pioneer ARC’s new, leading-edge wind turbine – The Orb – at BTV in pursuit of Burlington’s goal of becoming a Net Zero Energy City by 2030. The Orb, tagged with model number ORB-A-001, is ARC’s first-ever deployment of its new energy technology and will provide BED with the opportunity to pilot a potential means of further diversifying its renewable energy offerings in Burlington’s urban environment. We earned a lot of positive news coverage:
  - <https://www.wcax.com/2022/11/02/new-wind-turbine-pilot-project-launched-btv-parking-garage-roof/>
  - <https://www.mynbc5.com/article/new-wind-turbine-at-burlington-international-airport-carbon-emissions/41849006>
  - <https://www.wamc.org/news/2022-11-02/burlington-electric-department-testing-new-type-of-wind-turbine>
  - <https://vermontbiz.com/news/2022/november/02/bed-deploys-orb-wind-turbine-btv-pursuit-net-zero-energy>

- <https://vtdigger.org/news-brief/burlington-to-place-leading-edge-wind-turbine-at-airport/>
- Data Driven Digital Ad Strategy: beginning with the week of October 24 and lasting for 4 weeks, BED is digitally advertising heat pumps with Seven Days' online publication to promote our BED heat pump rebates. Simultaneously, we are including heat pump promo bill inserts and bill messages in every customer bill over the same month-long period of time. And, we are further promoting heat pumps on social media, and through Front Porch Forum and the North Avenue News.
- Annual Net Zero Energy Calendar Contest: after two years of Zooming in for virtual visits with Burlington's 4<sup>th</sup>-graders, we were back to in-person visits! Mike Kanarick, along with Vermont Energy Education Project (VEEP) Executive Director Sophia Donforth, visited the 4<sup>th</sup> graders in all six Burlington public elementary schools during the weeks of October 3 and 10, engaging in a presentation and conversation about energy. We invited the students to submit artwork that represents their visions of Net Zero Energy, energy efficiency, renewable energy, and sustainability. We judged the wonderful and creative student artwork and selected 14 winners for the 2022 calendar. Our in-person celebration will be held at BED on Wednesday, November 16 for the winners, their families, teachers, and principals, complete with pizza, cake, certificates, and goodie bags, along with appearances by the Mayor and Lake Monsters' mascot CHAMP.
- Energy Assistance Program: new monthly bill credit program to offset by 12.5% the rate increases (3.95% proposed this year and 7.5% last year) began July 1, 2022 – boost to former Temporary Energy Assistance Program of 7.5%. Last year's participants in Temporary Energy Assistance Program of 7.5% automatically enrolled in new program. So far, 142 (up from 135, 134, 120, 114, 101, 99, 90, 79, 75, 69, and 58) customers have applied with 108 approved, 33 pending verification, and 1 found ineligible. Customers can learn about eligibility requirements and apply by visiting [burlingtonelectric.com/rates](http://burlingtonelectric.com/rates).
- Vermont Emergency Rental Assistance Program (VERAP - [erap.vsha.org](http://erap.vsha.org)): launched by State in April 2021 "to help alleviate income pressure on tenants and landlords and restore stability to the rental community." VERAP helps tenant households with paying rent, as well as paying utility and home energy costs. Big news: the state has announced that the last day to apply will be December 31, 2022, and that any eligible amounts will be covered only for bills through the end of the year. In addition, as of October 1, 2022, assistance was reduced from 100% to 70% for all VERAP participants, including existing renters and new applicants. **BED has approved 1,204 of 1,550** (up from 1,136 of 1,511 September, 1,052 of 1,442 August, 962 of 1,288 July, 870 of 1,202 June, 810 of 1,099 May, 765 of 1,037 April, 709 of 972 March, 591 of 866 February, 560 of 818 January, 478 of 696 December, 411 of 639 November, 312 of 561 October, and 280 of 461 September) **program applicants for a total of \$1.053M** (up from \$991k September, \$899k August, \$796k July, \$706k June, \$660k May, \$620k April, \$568k March, \$474k February, \$434k January, \$353k December, \$323k November), **of which BED has received \$1.044M** (up from \$966k September, \$852k August, \$731k July, \$687k June, \$643k May, \$599k April, \$533k March, \$436k February, \$388k January, \$263k December, \$212k November).
- Vermont Homeowner's Assistance Program (VHAP): launched by the State of Vermont through the Vermont Housing Finance Agency (VHFA) in January 2022 to help prevent home foreclosure and displacement with assistance for overdue mortgage payments, homeowners association fees,

property taxes, and utilities. So far, BED has certified 70 (up from 61, 52, 46, 34, 27, 13, 12) applicants and received \$38k (up from \$22k, \$10k) in payments.

- Renewable Energy Vermont Conference: BED was a sponsor and tabled at this two-day conference held at the Hilton DoubleTree Hotel in South Burlington on October 27 and 28.
- Burlington Farmers Market: BED tabled at the Burlington Farmers Market on Saturday, October 8, and engaged with many members of the Burlington community. We already had tabled two times (once each in July and August) at the Old North End Farmers Market.
- Sustainability Academy's 11<sup>th</sup> Annual Harvest Run for Sustainability: BED tabled at this event on Sunday, October 16 and engaged with many members of Burlington's Sustainability Academy community.
- North Avenue News: our November column promotes heat pumps and CVOEO's Warmth Support Program. We did not post an ad in this issue.
- September 2022 Website and Facebook Highlights
  - Overall site-wide pageviews for October 2022 = 21,797
    - September = 22,639
    - August = 27,972
    - July = 23,885
    - June = 24,859
    - May = 29,609
    - April = 28,428
    - March = 23,967
    - February = 17,126
    - January = 19,000
    - December = 18,374
    - November = 19,898
    - October = 20,598
    - September = 21,327
    - August = 22,962
    - July = 23,727
    - June = 25,159
    - May = 28,428
    - April = 22,745
    - March = 21,463
    - February = 18,773
  - Unique homepage pageviews for October 2022 = 6,762
    - September = 6,921
    - August = 8,895
    - July = 8,565
    - June = 7,860
    - May = 8,211
    - April = 7,499
    - March = 7,282
    - February = 5,831
    - January = 6,380

- December = 6,346
- November = 6,379
- October = 6,857
- September = 6,905
- August = 8,464
- July = 7,931
- June = 7,484
- May = 7,499
- April = 5,404
- March = 5,775
- February = 5,165

- Full site traffic for October 2022



- Visitors by website page – some columns indicate n/a as the page-specific URLs changed when we launched our new website.

page title	Oct 2022	Sep 2022	Aug 2022	July 2022	June 2022	May 2022	Apr 2022	Mar 2022	Feb 2022	Jan 2022	Dec 2021	Nov 2021	Oct 2021	Sep 2021	Aug 2021	July 2021	June 2021
Burlington Electric Department	7730	8080	10549	8565	9206	9740	7384	8777	6657	7237	7353	7246	8186	7845	8464	9164	9085
My Bill	2862	2850	3201	3113	3207	2811	2519	2758	2585	3122	2670	2737	2825	2943	2846	3033	3295
Waste Wood Yard	1332	920	1034	1070	1386	1928	1999	653	237	527	804	1649	1069	1045	1082	1212	1160
Report A Problem	120	455	1646	103	188	233	189	516	70	95	385	93	235	119	79	153	135
Stop or Start Service	348	407	841	738	951	2184	464	323	202	248	279	306	298	454	867	803	1079
E-billing	319	330	362	443	574	287	234	266	266	340	345	274	276	376	345	522	451
Contact Us	510	553	862	530	654	784	489	555	360	445	439	448	460	577	642	638	731
McNeil Generating Station	699	624	410	425	482	648	726	557	255	374	379	644	443	347	339	447	429
Heat Pumps	508	435	579	589	490	638	512	559	331	382	264	394	477	406	456	567	369
Rebates	588	627	689	1129	754	920	636	917	488	450	377	501	537	566	571	621	795
Rebate Center	609	597	876	852	924	1025	688	732	508	549	419	499	546	530	667	679	319
Green Stimulus	19	66	32	37	29	50	53	121	49	57	27	49	91	106	113	138	233
Stop or Start Service	348	407	841	738	951	2184	464	323	202	248	279	306	298	454	867	803	1079
Leadership Team	216	224	206	159	174	185	284	269	237	265	196	222	206	243	276	228	240
Rates & Fees	206	289	228	225	208	254	220	246	180	221	203	166	214	178	132	143	247
Usage Tracker Registration	120	124	177	118	128	113	77	145	120	156	142	127	114	94	154	177	223
RFP	516	419	268	225	335	268	211	534	597	362	152	270	243	452	497	455	158
Residential   Ways to Save	133	142	187	194	199	249	171	155	146	147	157	154	156	172	191	172	220
Electric Vehicles	295	355	497	483	324	273	274	356	296	222	244	296	289	272	265	245	332
E-Bikes	151	173	292	375	202	260	167	206	89	78	76	78	161	168	265	207	192
Net Zero Energy News	40	37	25	25	32	24	57	27	30	33	26	32	67	204	129	115	178
Electric Vehicles	295	355	497	483	324	273	274	356	296	222	244	296	289	272	265	245	332
COVID-19 Updates	n/a	n/a	n/a	n/a	n/a	n/a	10	11	11	17	16	22	79	153	166	397	540
Our Energy Portfolio	74	57	102	90	55	80	79	124	54	58	48	88	104	96	59	42	n/a
Lawn Care	123	110	135	249	259	472	121	149	31	n/a	n/a						
Electric Lawn Mowers & Leaf Blowers	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	23	49	39	94	117	150	133	184	229
RFP Detail	523	214	143	35	93	151	110	422	413	214	n/a	94	49	258	334	185	n/a
Defeat The Peak	12	15	333	242	15	25	9	16	11	8	12	12	n/a	11	137	22	155
Commercial   Ways to Save	38	31	40	46	48	43	42	63	45	30	43	37	41	98	56	39	62

- Top-performing October Facebook posts

The boosted post of photos of Betsy and Seth visiting a Middlesex Forest

Jeff Padgett podcast announcement

## **Energy Services**

### **UVM**

- Continue to work with UVM on several lighting and HVAC improvements projects around campus.

### **UVMCC**

- McClure Radiology Upgrade – At the customer’s request, BED met with UVMCC and the general contractor to discuss this upcoming project. BED is reviewing the work to assure that reasonable energy efficiency features are contained within the project. Significant HVAC upgrades are necessary to provide additional cooling for this new radiology equipment. BED will be examining the details of the HVAC equipment to see if any energy efficiency rebates might apply.
- Secondary Chilled Water Balancing – The Miller Building addition, finished several years ago, created a significant new load on the central chiller plant. To optimize chiller efficiency, the chiller secondary loop needed to be re-balanced so optimal differential pressures can be maintained. This project was initiated in late 2019, but the Covid lock-down created a lengthy delay in implementation. The balancing process is now fully completed. BED is in the process of analyzing a significant amount of trending data from the Building Management System to develop an energy savings estimate. We are limited in the availability of some trending data, which would otherwise allow the calculations to be made more quickly.

### **Other Services**

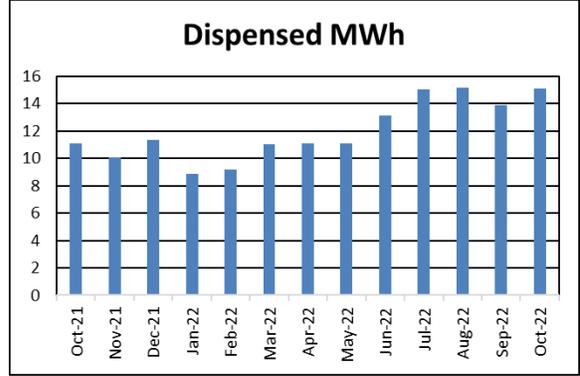
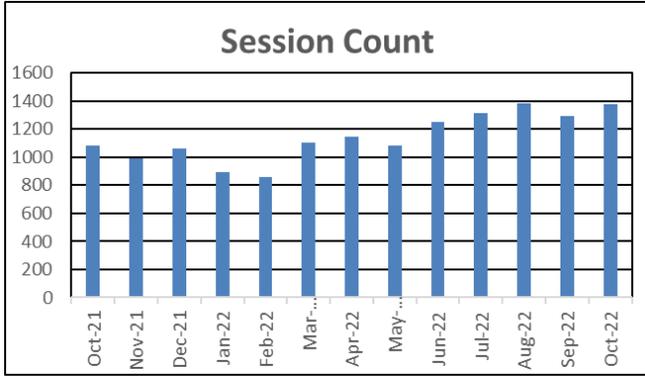
- Weatherization coordination with VGS- VGS requested electrical account usage histories (with customer permission) for 5 SF and 4 MF buildings (representing 17 living units) this month for the purpose of weatherization audit preparation and building energy use analysis. This brings the total TTD (2021-2022) requests to 146 SF and 111 MF buildings (representing 373 living units). The increase in multifamily building interest in the VGS weatherization program is being driven by the Burlington minimum energy efficiency rental housing ordinance.
- Continue to collaborate with VGS staff to target Burlington multifamily buildings (owners) that have received a VGS audit, analysis and incentive offer but have not moved forward with their projects. These buildings will fall under the new Burlington minimum housing standard ordinance at some point in the next several years. The focus for approaching this group and encouraging them to act is to add a supplemental BED incentive where appropriate, and to also notify them that the VGS incentive share will soon be reduced from 75% of project cost to 50% of project cost.
- Green State Gardener / Indoor Cannabis Grow Facility – This company on Pine St. is in the process of fitting-up an existing portion of their building into an indoor cannabis growing facility. The area is quite small – 600 SF. Last month, BED received additional detail on the design and operation of the facility, as well as the equipment being used. This information has been shared with EVT, and we are standing by for any additional data requests so that the energy modeling step can be completed.
- North Avenue Alliance Church / HVAC Retro-fit – This church was paying excessive electrical costs due to old equipment and an oversized chiller reaching the end of life. Engineering analysis recommended the HVAC improvements that came with considerable capital costs. The project has been in progress for some time and was completed two months ago. A final BED site visit with the

project engineer has been completed, and a rebate was paid on the project last month. Since then, more AMI data has been available to analyze, and an updated savings estimate completed. This has allowed this measure to be finalized and claimed in the BED DSM database.

- Hotel VT & Courtyard Marriott / HVAC Upgrades – BED made a field visit to the site at the customer’s request, to discuss planned improvements in the operation of these two hotel’s HVAC systems, to improve comfort and energy efficiency. Measures under consideration include room thermostat integration to the hotel’s reservation system, enhanced shading for southern facing windows, laundry room drain heat recovery and DHW efficient recirc pumping. BED provides technical assistance as well as an opportunity to support the work with energy efficiency rebates.
- City Market Downtown / Power Factor Correction – BED responded to a customer request to calculate the savings and simple payback for power factor correction work that was completed in early 2020. Although expensive, it was found that the correction work had a reasonable payback of about 5 years.
- COTS Main St. Addition NC / 278 Main St. – This project involves the expansion of the existing building to house sixteen additional apartments for high-risk, low-income occupants. There is significant construction cost pressure for projects such as this, and the design is being reviewed for low-impact cost reductions. BED is presently involved in an analysis of domestic hot water digital mixing valves value vs. cost and will be responding to a request from the customer if an incentive might be available for this design feature.
- City Place / CHT Affordable Apartments-West Wing – A meeting was held with the owner, the architect and BED to discuss the planned energy efficiency features of this eight-story 80-plus-unit multi-family building, a stand-alone segment of City Place Phase 1. BED is committed to providing a rebate based on the EVT High Performance Multifamily Tier.
- Switchback Brewery / New Tap Room – BED was contacted by the mechanical designer of this major renovation to an existing 3700 SF office space. The tap room will include a restaurant and bar area and a kitchen. This is a historical building with a brick façade. BED is encouraging improvements to the building envelope, especially to minimize air infiltration rates. This is especially important if it is to be a largely electrically-heating building.

### **Electric Vehicles**

- The EVSE dispensed a total of 15.1MWh and supported 1,380 sessions.
- The top 3 sales were 75, 87 & 90kWh and occurred at the Cherry St. garage and Summit St. stations.
- The top 10 sessions (0.72% of total) accounted for 4.7% (709kWh) of the total monthly sale. The ten sessions ranged from 60kWh-90kWh.
- The EVSE served 692 unique drivers.
- Session Count and Dispensed Energy plots from the public charging network are shown below.



- Number of EV and PHEV rebates to date – 435 (of this 77 LMI rebates to date as shown below)
  - New All Electric Vehicle – 177
  - New All Electric Vehicle (LMI) – 32
  - New PHEV – 114
  - New PHEV (LMI) – 40
  - Used All Electric Vehicle – 36
  - Used All Electric Vehicle (LMI) – 4
  - Used PHEV- 18
  - Used PHEV (LMI) – 1
  - New All Electric Vehicle (\$50K plus) – 12
  - New PHEV (\$50K plus) – 1
- Number of customer loans with lending partners to date – 5
- Number of customers currently participating in the new EV Rate- 153
- Number of E-Motorcycle rebates to date – 1

**Electric Vehicle Charging Stations**

- Number of home EV charging stations rebates to date – 107
- Number of Multi-family EV charging stations rebates to date – 1
- Number of Multi-family non-EVmatch charging stations rebates to date (LMI) - 1
- Number of Multi-family EVmatch Public charging stations rebates to date – 1
- Number of Level 2 Workplace charging stations rebates to date – 4

**Electric Lawn Equipment to Date**

- Number of e-mower rebates to date – 550 (11 commercial & 539 residential)
- Number of e-leaf blowers to date – 51
- Number of Residential e-Trimmers – 42
- Number of Residential e-chainsaws – 8

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

- Total Number of Heat Pump Technology rebates to date- 868 (of this 127 LMI rebates to date as shown below):
  - Number of ductless heat pumps to date – 534
  - Number of LMI eligible ductless heat pumps to date – 106

- Number of centrally ducted heat pumps to date – 169
- Number of LMI eligible centrally ducted heat pumps to date – 16
- Number of air-to-water heat pumps to date – 1
- Number of commercial VRF heat pump systems to date – 2
- Number of geo-thermal heat pump systems to date – 1
- Number of heat pump hot water heaters to date – 34
- Number of LMI eligible heat pump hot water heaters participants to date – 5

**Electric E-Bikes to Date**

- Number of e-bike rebates to date – 403

**Electric Induction Stovetops to Date (new offering in Jan 2021)**

- Number of induction Stovetops rebates to date – 28

**Electric Snow Blowers to Date (new offering in Jan 2022)**

- Number of snow blower rebates to date – 3

### BED 2022-2023 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	Oct 2022 Actuals	Sept 2022 Actuals	Aug 2022 Actuals	July 2022 Actuals	June 2022 Actuals	May 2022 Actuals	Apr 2022 Actuals	Mar 2022 Actuals	Feb 2022 Actuals	Jan 2022 Actuals	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
<b>Engage Customers and Community</b>														
Call answer time 75% within 20 seconds	75%	86%	81%	70%	79%	75%	71%	85%	86%	85%	90%	avg 82%	avg 81%	
Delinquent accounts >\$500	0	192	166	127	111	89	63	40	16	571	513	avg 529	avg 201	
Disconnects for non-payment	0	10	0	0	0	0	0	0	0	0	0	0	45	
# of residential weatherization completions	10	1	1	1	1			0	0	0	0	5	3	11
Weatherization completions in rental properties		1	1	1	0			0	-	0	0	0	0	TBD
# or % of homes or SF weatherized	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	0
Champ Challenge weatherization participants		0	0	0	0	0	0	2	2	3	3	0	1	TBD
# of commercial building with improved thermal envelopes		1	0	0	0	1	0	0	0	1	0	5	5	0
% of EEU charge from LMI customers spent on EE services for LMI customers	\$ 180,240	\$ 315,262	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
<b>Strengthen Reliability</b>														
SAIFI (AVG interruptions/customer) (annual target)	< 2.1	0.04	0.09	0.36	0.02	0.04	0.06	0.002	0.23	0.01	0.06	0.22	1.50	1.03
CAIDI (AVG time in hrs to restore service) (annual target)	< 1.2	0.76	0.67	0.50	0.89	1.23	0.31	12.05	0.38	1.4	0.12		0.55	0.75
Distribution System Unplanned Outages (annual target)	82	6	5	8	5	5	2	3	3	7	4	44	90	98
McNeil Forced Outages	0	1	1	2	1	0	3	0	1	0	2	5	21	TBD
W1H Forced Outages	0	0	1	0	0	0	2	2	0	0	0	9	2	TBD
GT Forced Outages	0	1	1	1	1	0	0	0	0	0	0	2	3	TBD
<b>Invest in Our People, Processes, and Technology</b>														
Avg. # of days to fill positions under recruitment	120	97	94	90	80	87	99	96	76	102	115	68	179	
# of budgeted positions vacant	0	10	10	13	10	7	7	9	9	9	10	avg 9	6	NA

### BED 2022-2023 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	Oct 2022 Actuals	Sept 2022 Actuals	Aug 2022 Actuals	July 2022 Actuals	June 2022 Actuals	May 2022 Actuals	Apr 2022 Actuals	Mar 2022 Actuals	Feb 2022 Actuals	Jan 2022 Actuals	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual	
<b>Innovate to Reach Net Zero Energy</b>															
<i>Tier 3 Program</i>															
# of residential heat pump installs		40	30	20	41	22	12	9	26	13	20	315	203	10	
# of commercial heat pump installs		0	0	1	0	0	0	0	0	1	1	4	13	0	
# of residential hot water heat pump installs		8	1	1	2	1	1	1	0	1	0	14	6	4	
# of commercial hot water heat pump installs		0	0	0	0	0	0	0	0	0	0	0	0	0	
Heat pump rebates		41	31	30	41	22	12	9	26	14	21	328	212	0	
Heat pump hot water heater rebates		8	1	1	2	1	1	1	1	1	0	15	3	0	
LMI heat pump rebates		3	0	8	6	6	2	4	4	6	0	28	6	4	
Heat pump technology installs in rental properties		1	1	1	0	2	0	0	1	1	1	14	9	TBD	
LMI heat pump hot water heater rebates		0	0	0	0	0	0	0	1	0	0	2	0	1	
EV rebates - new	See NZE Roadmap Goals below	7	7	4	3	3	2	3	5	2	6	67	14	36	
EV rebates - pre-owned		2	0	2	1	2	3	3	3	3	0	1	7	8	2
LMI EV rebates		1	0	0	1	3	0	1	0	0	0	0	11	7	7
PHEV rebates - new		5	0	1	2	6	1	1	6	0	0	0	41	10	17
PHEV rebates - preowned		1	1	2	2	1	1	0	1	0	1	1	6	5	3
LMI PHEV rebates		1	0	1	0	2	2	1	5	1	1	1	13	6	2
Public EV chargers in BTM (total)		27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	27 ports	14
Public EV charger energy dispensed (kWh)			15,100	13,900	15,200	15,000	13,100	11,000	11,000	11,000	9,200	8,860	86,570	35,690	78,000
Home EV charging station rebates		16	16	15	15	0	0	0	0	0	1	32	20	12	
EV rate charging customers (total)		153	149	143	135	129	123	116	109	106	102	40	40	28	
Level 2 charger rebates		4	0	0	0	0	0	0	0	0	0	10	0	1	
Level 1 charger rebates		0	0	0	0	0	0	0	0	0	0	0	1	0	
E-bike rebates		21	31	21	31	4	12	8	0	3	4	88	36	65	
E-mower rebates		6	13	20	31	56	23	4	1	1	2	154	95	142	
E-forklift rebates		0	0	1	0	0	0	0	0	0	0	0	0	0	
MWE of Tier 3 measures installed		1,670	1,850	2,905	2,967	1,883	1,890	957	2,013	829	1,730	23,763	35,112	3,342	
% Tier 3 obligation met with program measures	100%	110%	100%	89%	72%	55%	43%	32%	27%	15%	10%	159%	283%	31%	
<i>Net Zero Energy Roadmap Goals</i>															
# of solar net metering projects installed		6	2	3	2	2	7	2	3	1	4	29	24	33	
No. of homes receiving NZE Home Roadmaps		0	0	0	0	1	1	0	2	1	2	10	7		
Residential heat pumps for space heating (no. of homes)	2022: 8615	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1235, 20% of goal	891	572	
Commercial heat pumps for space heating (1000 SF floor space served)	2022: 5397	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	405, 11% of goal	374	374	
Residential heat pumps for water heating (no. of homes)	2022: 4365	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	108, 4% of goal	108	87	
Commercial heat pumps for water heating (1000 SF floor space served)	2022: 1019	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0	0	-	
EV registrations in BTM (light-duty)	2022: 2294	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	549, 45% of goal	361	296	
Greenhouse gas emissions (1000 metric tons CO2)	2022: 150	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	188, 114% of goal	185	214	
Fossil fuel consumption (billion BTU)	2022: 2418	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	3220, 120% of	3,182	3,660	

### BED 2022-2023 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	Oct 2022 Actuals	Sept 2022 Actuals	Aug 2022 Actuals	July 2022 Actuals	June 2022 Actuals	May 2022 Actuals	Apr 2022 Actuals	Mar 2022 Actuals	Feb 2022 Actuals	Jan 2022 Actuals	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
<i>Demand Response</i>														
<b>Manage Budget and Risks Responsibly</b>														
<i>Safety &amp; Environmental</i>														
No. of workers' compensation/accidents per month	0	1	0	1	1	2	3	3	0	1	0	4	8	
Total Paid losses for workers' compensation accidents (for the month)	annual	\$1,899	\$9,005	\$12,122	\$8,264	\$79,665	\$5,153	\$3,573	\$382	\$396	\$757	\$ 93,612	\$ 165,402	\$38,288
Lost Time Incident Rate (days/year) (Dec numbers reflect annual results)	<= 3.5	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0	0.93	0.89
Lost Time Severity Rate (days/year) (Dec numbers reflect annual results)	<= 71	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0	41.71	78.2
Lost work days per month	0	29	24	0	17	8	0	0	0	0	0	0.0	45	
NOx reporting levels to EPA (Quarterly) (lbs/mmbtu)	<0.075	0.0	0.068	0.068	0.1	0.065	0.062	0.0	0.07	0.07	0.071	0.07	0.07	
# of reported spills, waste water incidents (monthly)	0	0	1	2	1	2	0	0	0	0	0	4	4	
Phosphorus levels to DEC in lbs (monthly/yearly total)	<0.8/37	0/0.666	0.005/0.69	0.006/0.78	0.007/0.89	0.109/0.92	0.024/0.86	0.119/1.00	0.104/1.52	0.067/1.71	0.145/1.83	2.028		1.169
# of new power outage claims reported (monthly)	1	0	1	0	0	2	0	0	0	0	0	7	4	
# of new auto/property/other liability claims reported (monthly)	2	2	2	3	5	3	0	4	2	0	0	18	27	
<i>Purchasing &amp; Facilities</i>														
# of Purchase Orders for Inventory (Target: avg for winter months)	42	75	56	30	57	27	50	59	56	39	70	644	593	
\$ value of Purchase Orders for Inv. (Target: avg dollars spent during winter)	\$78,000	\$253,885	\$275,925	\$146,006	\$129,412	\$179,709	\$394,020	\$753,161	\$626,698	\$231,292	\$566,870	\$ 3,278,620	975,531	
# of stock issued for Inventory (Target: avg during winter months)	320	529	565	503	477	562	526	446	531	556	387	4,402	4,545	
\$ value of stock issued for Inventory (Target: avg. during winter)	\$ 65,000	\$ 194,302	\$ 168,160	\$ 115,040	\$ 92,581	\$ 333,014	\$ 114,763	\$ 231,454	\$ 141,090	\$ 71,107	\$ 39,432	855,456	1,086,478	
# of posters pulled from poles monthly (Target: goal to remove each month)	58	46	61	171	48	36	117	42	164	76	96	2,728	627	
# of Spark Space and Auditorium setup/breakdowns monthly (Target: Covid impact)	3	18	15	11	8	13	11	12	7	3	2	88	87	
<i>Finance</i>														
Debt service coverage ratio	1.25		Not avail	3.88	3.82	4.61	4.93	4.59	5.47	5.26	5.15	NA-FY basis	NA-FY basis	NA-FY basis
Adjusted debt service coverage ratio	1.5		Not avail	1.09	1.03	1.22	1.33	1.2	1.5	1.43	1.39	NA-FY basis	NA-FY basis	NA-FY basis
Days unrestricted cash on hand	>90		Not avail	101	99	120	140	139	138	145	142	NA-FY basis	NA-FY basis	NA-FY basis
<i>Power Supply</i>														
McNeil generation (MWH) (100%)	per budget	0	1,238	25,511	33,526	13,093	3,787	0	25,342	33,825	36,165	273,355	192,696	
McNeil availability factor	100%	17%	76%	74%	91%	39%	11%	60%	87%	100%	96%	80%		
McNeil capacity factor	per budget	0%	3%	69%	90%	36%	10.2%	0%	68%	100.7%	97.2%	62.4%		
Winooski One generation (MWH)	per budget	1,541	1,578	376	649	1,309	3,046	4,495	3,850	1,751	1,635	24,752	21,194	
Winooski One availability factor	100%	99%	99%	99%	99%	98%	97%	97%	99%	98%	98%	97%		
Winooski One capacity factor	per budget	28%	29%	7%	12%	55%	55%	84%	69%	35%	30%	37%		
Gas Turbine generation (MWH)	NA	0.0	0.0	0	55.2	77.3	40	16	137.4	13.7	16.1	373	441	
Gas Turbine availability factor	100%	0%	0%	0%	64%	100%	100%	100%	97%	100%	93%	96%		
Gas Turbine capacity factor	NA	0%	0%	0%	0.39%	0.56%	0.23%	0.1%	0.8%	0.09%	0.09%	0.21%		
BTV solar PV production (mWh)		467	454	620	706	637	687	488	396	235	156	5,015	5,182	
Cost of power supply - gross (\$000)			Not avail	\$2,571	\$4,078	\$5,481	\$3,649	\$2,565	\$2,718	\$2,409	\$2,116	\$30,285	\$31,081	
Cost of power supply - net (\$000)			Not avail	-\$87	\$4,078	\$4,019	\$1,331	\$2,565	\$2,718	\$746	\$2,116	\$22,134	\$23,388	
Average cost of power supply - gross \$/KWH			Not avail	\$0.08	\$0.13	\$0.19	\$0.14	\$0.11	\$0.10	\$0.09	\$0.07	\$0.09	\$0.10	
Average cost of power supply - net \$/KWH			Not avail	\$0.00	\$0.13	\$0.14	\$0.05	\$0.11	\$0.10	\$0.03	\$0.07	\$0.07	\$0.08	

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

**Wednesday, October 26, 2022 pm**

The regular meeting of the Burlington Electric Commission was convened at 5:11 pm on Wednesday, October 26, 2022 at Burlington Electric Department at 585 Pine Street, Burlington, Vermont and virtually through Microsoft Teams.

Channel 17 was present to record this meeting.

Commissioners Chagnon, Herendeen, Moody, Stebbins, and Whitaker were present.

Staff members present at 585 Pine Street included Rodney Dollar, Mike Kanarick, Munir Kasti, Laurie Lemieux (Board Clerk), Paul Pikna, Darren Springer, and Emily Stebbins-Wheelock.

Staff members present via Microsoft Teams included Paul Alexander and Erica Ferland.

**1. Agenda**

There were no changes to the agenda.

**2. September 14, 2022 Meeting Minutes**

Commissioner Whitaker made a motion to approve the minutes of the September 14, 2022 Commission Meeting; the motion was seconded by Commissioner Herendeen and approved by Commissioners Herendeen, Moody, Stebbins, and Whitaker. Commissioner Chagnon abstained as he was not present for the meeting.

**3. Public Forum**

Heather Kuney and Scott Warnetski from KPMG were present at the meeting. There were no public comments.

**4. KPMG Audit Presentation**

Ms. Stebbins-Wheelock welcomed Mr. Scott Warnetski and Ms. Heather Kuney from KPMG. Mr. Warnetski is the lead partner and Ms. Kuney is the manager for BED's audit engagement. KPMG will be presenting slides for the Commission in public session and at the appropriate time the Commission is free to move into Executive Session. At this time Ms. Stebbins-Wheelock turned the presentation over to Mr. Warnetski.

Mr. Warnetski explained that for rotation purposes within KPMG, the firm limits the tenure of a lead partner on a particular engagement to 10 years. Due to the firm limit, this year Mr. Warnetski replaced BED's previous lead partner, Mr. Brock Romano.

Mr. Warnetski began the summary of the audit results, required communications, and other matters.

- Outstanding matters include finalization of subsequent events review, update of legal letters, finalization of EEU test work, investment valuation testing, completion of journal entry testing, tie out of updated financial statements including statement of cash flow, pension contribution test work, and completion of quality control review procedures.
- There is one uncorrected audit misstatement related to the Moran Frame note. Currently this is recorded as a combination of a non-current and a current asset on the balance sheet with an offsetting liability to be paid in future years. KPMG reviewed the accounting treatment and discovered that the current accounting treatment has not been approved by the regulator to allow this to be carried as an asset. Without such approval, the appropriate treatment would be to expense this during the current period in which it was recorded. This is considered an uncorrected misstatement as management will not be correcting it. It's not a material error to the financial statements, but it is above KPMG's audit posting threshold, so they are required to communicate that to the Commission as well as attach it to the management representation letter. Commissioner Stebbins asked why the item will be left uncorrected. Ms. Stebbins-Wheelock explained that after discussion with KPMG, the Department has decided to file a request with the Vermont PUC for an accounting order to treat the Moran liability as a regulatory asset and amortize the expense over multiple years. If the accounting order is not approved by the PUC, the Department will book the expense in FY23, which would be an uncorrected misstatement for that year.
- There is one corrected audit misstatement, a reclassification issue. The financial statements' net position is broken out between two elements: restricted with bond trustees and unrestricted. Typically, when you have issued your bonds, most of those funds are allocated to capital assets. However, in FY22 the Department issued new debt, almost all of which is currently within a construction account as unspent bond proceeds, and therefore not yet associated with capital assets. These proceeds were included with unrestricted net assets instead of offsetting the investment amount. Nothing has changed as a result, but it was a large item and management has corrected the presentation.
- There were no corrected misstatement differences identified.
- Non-GAAP policies and practices: The Department has adopted certain accounting policies that, if applied to significant items or transactions would not be in accordance with U.S. generally accepted accounting principles. The Department has evaluated the effect of the application of such policies and practices on the financial statements and concluded that such effect is not material to the 2022 financial statements.
- There were no matters to communicate regarding material weakness or significant deficiencies.
- There were no disagreements with management.

- There were no significant changes to the risk assessment and audit strategy.
- KPMG has discussed with management our judgments about the quality, not just the acceptability, of the Department's accounting principles as applied to its financial reporting. During the year ending June 30, 2022, the Department implemented a change in accounting policy for the costs associated with Vermont Renewable Energy Standard compliance from an annual expense to an inventory basis. The change in accounting policy resulted in a restatement of the Department's June 30, 2021 financial statements.
- KPMG has evaluated the key factors and assumptions used to develop management's material estimates and found them to be reasonable in relation to the financial statements taken as a whole.
- KPMG has reviewed the significant financial statement disclosures and compared them against required disclosures, noting the presentation appears appropriate.
- There were no difficult matters or disagreements with management, and no actual or suspected fraud involving management, employees with significant roles in internal control, or where fraud results in a material misstatement in the financial statements were identified during the audit.

KPMG expects to issue an unmodified opinion on the Department's FY2022 financial statements. Mr. Warnetski stated that a required management representation letter will be obtained once all KPMG procedures are performed and prior to the issuance of the audit.

Commissioner Herendeen asked what level of fraud could be detected by KPMG's audit procedures. Mr. Warnetski replied that KPMG sets levels for materiality that are designed to assure that KPMG meets the standard of providing reasonable assurance. KPMG's procedures are designed to uncover financial statement fraud, or the manipulation of financial results, not misappropriation of assets, as the associated dollar amount is often quite small.

Commissioner Stebbins asked about cybersecurity matters and what the Commission should be keeping an eye on. Mr. Warnetski replied that KPMG does make inquiries during the audit as to events or incidents that could affect the financial statements, but generally speaking, cyber-incidents that could affect core utility operations are more critical than those that could affect financial systems.

Commissioner Stebbins asked for an update on inventory procedures that were an issue identified during a prior audit several years ago. Ms. Stebbins-Wheelock responded that the Department reviewed and updated its internal inventory procedure over a period of several months following the FY 2019 audit. These procedures have been implemented and appear to be working well.

The best practice following an audit report is for the Commission to call an Executive Session to review any issues that auditors may not feel comfortable discussing with management present.

Commissioner Whitaker moved to find that premature general public knowledge of KPMG's evaluation of BED's management with the Commission would clearly place the Burlington Electric

Department at a substantial disadvantage per Title 1, Section 313, Subsections (a) (1) and (a) (3) of the Vermont Statutes because such information may risk contractual relationships with BED counterparties in the regular sale and purchase of energy and is considered an evaluation of BED personnel. The motion was seconded by Commissioner Herendeen and approved by all Commissioners present.

Commissioner Whitaker moved that the Commission enter into Executive Session to discuss the KPMG information with the Commission under the provisions of Title 1, Section 313, subsection (a)(1)(A) of the Vermont Statutes. This motion was seconded by Commissioner Herendeen and approved by all Commissioners present. The Commission moved into Executive Session at 5:39 p.m.

Commissioner Whitaker made a motion to exit Executive Session at 5:50 p.m. This motion was seconded by Commissioner Herendeen and approved by all Commissioners present.

Commissioner Moody made a motion to accept the KPMG audit report. This motion was seconded by Commissioner Herendeen and approved by all Commissioners present.

## **5. Commissioners' Corner**

Commissioners Herendeen and Moody stated that they enjoyed the Net Zero Energy Festival, and it was a great success.

Commissioner Herendeen also thanked the staff for the Commissioner's Award and recognition he received at the September Commission Meeting.

Commissioner Moody stated that his neighbor has completed energy efficiency upgrades and expressed some concern regarding the quality of their electric service. Commissioner Moody stated that the quality of service after these upgrades could be a great hindrance to residents considering electrification.

Mr. Springer stated what we have learned over time regarding 100-amp or 200-amp service is that installing a heat pump, EV charging, etc. could affect your service. The department has had some conversation with the City regarding permitting and whether a permit to upgrade your service should be a requirement or a recommendation. It is possible to get to a point where a customer who is installing many upgrades may have enough power at any given time based on what items are requiring power at any one time, but if everything were being used at the same, a situation may result where the service is not able to accommodate.

Mr. Springer stated that there is a technology solution for EV charging. A company that participated in our annual DeltaClimateVT competition has created a collar for the chargers that ensures that use of the charger will not result in a failure of the circuit box.

One issue we are tracking is the State of Vermont looking at allocating \$20M in federal funds

towards supporting electricity upgrades as part of a broader electrification effort. We believe there will be income limitations around these funds, and we will share the information with our customers once these funds are available.

Commissioner Stebbins stated that at the last Commission meeting we spent a considerable amount of time discussing street lighting. Commissioner Chagnon was not at that meeting, and Commissioner Stebbins reached out to get his input and also spoke with the other Commissioners to see where they stood on the street lighting issue.

Commissioner Stebbins stated that she spoke to an energy lighting expert who lives in the South End of Burlington regarding BED's street lighting policy along with interpretation of the IES recommendations. Commissioner Stebbins asked this lighting expert if he would be willing to serve on a committee to look at our policy and BED's interpretation of the IES recommendations. He stated that he does not want to spearhead a large stakeholder initiative but is willing to attend a couple of meetings. Commissioner Stebbins stated that she spoke to Mr. Springer and Mr. Kasti regarding her findings and is hoping that in the next 3-4 weeks they could find some time to meet with herself, the lighting expert, and any others who would be interested in attending to look at whether or not there are any other nuances that could be investigated. Commissioner Herendeen expressed interest in participating in this meeting.

Mr. Kasti stated that presently he is covering for the Director of Engineering, Director of Grid Services, and Director of Generation, and that our Chief of Field Services' last day is Friday, and one Engineer will be out on 4 weeks' leave. Mr. Kasti stated that November probably would not work for him, but that he probably could schedule a meeting in the first week of December. Mr. Kasti asked for a list of individuals who Commissioner Stebbins would like invited to the meeting and indicated that BED would send the meeting invite.

Commissioner Stebbins stated that she took a drive last night around 9:30 pm to try and get a sense of what the real-life experience is regarding street lighting, and that what she discovered were striking differences from street to street.

Morse Place is so dark that it looks like it doesn't have any lighting, Ferguson Avenue and Lyman Avenue have medium grades of lighting, and the updated lighting on Scarff Avenue and Richardson Street is extremely bright. Having now driven around, Commissioner Stebbins stated that she can understand why some residents have asked about the necessity for all the lighting. Commissioner Stebbins stated that these updated streets went from 25-year-old lighting that had degraded over time to extremely bright lighting. A simple light bulb change would have seemed brighter without having increased the brightness to current levels. Commissioner Stebbins would like to ensure that the department does not move on with lighting Lyman Avenue according to our current standards until we have looked at this issue more. Mr. Kasti stated that he was good with postponing the lighting upgrades until spring.

Mr. Springer stated that he agrees that it would be helpful to have a conversation and to engage and

ensure that residents have a clear understanding of what we are doing and why. Our challenge is that this is part of our capital budget, and any postponement beyond spring could be challenging because we would be looking at violating our own standards, which we would not want to do.

Commissioner Stebbins stated that in the interim we would hold off until spring, hold the meeting, and see where it goes. Mr. Kasti stated that the department is going to start the electrical installations but will hold off on the actual street lighting until the spring because these are two separate construction projects.

Commissioner Chagnon asked if the concern was really that the lights are too bright or was it that the residents are just not used to the new levels. Commissioner Chagnon stated that the Commission has an obligation to look at the safety factor first and that as a driver he would rather see someone walking on the sidewalk or crossing the intersection than have a lower light level and not be able to see a pedestrian.

Commissioner Herendeen stated that the Commission should have a position statement regarding all the lighting issues. The statement could explain why we are pursuing a policy that might make a lot of changes and would position safety against dark skies and safety against sleep and include an explanation about why we would like to pursue lighting changes instead of doing nothing.

Commissioner Stebbins will follow up regarding this issue and will forward a list of individuals who should be invited to the meeting in December.

## **6. GM Update**

Mr. Springer stated that he would update the Commission on a couple challenges we are facing, and that Mr. Gibbons, who could not be at the meeting, will provide a more comprehensive briefing at the November meeting. There are two challenges that we are facing, which are reliability and pricing. The reliability challenge is significant enough that ISO-NE has entered into a contract to keep a liquefied natural gas tanker parked at the Mystic station and is charging utilities pro rata. The costs for this are unknown going forward, and already in FY23 have had more than a \$100,000 impact on BED. ISO-NE continues to have concerns about ensuring adequate fuel supplies, and this again highlights the relevance and importance of McNeil as a winter resource for BED and Vermont.

BED continues to monitor potential legislative issues that could come up this session relative to McNeil and the State of Vermont Renewable Energy Standard. Restrictions on what types of renewable resources count towards state requirements, restrictions on district energy, or efforts to require additional procurement from utilities that are already 100 percent renewable could present challenges for BED relative to our local climate goals and our costs for customers. Mr. Springer stated that, if there were changes to the Renewable Energy Standard that were disadvantageous to BED or if there were efforts to disadvantage McNeil, we would be particularly challenged. The Biomass Task Group is proposing restrictions that could limit our ability to do district energy, a result that would be just the opposite of what a climate focused effort would need. We would want

district energy regardless of their view of McNeil because it makes the plant more efficient and decarbonizes a significant amount in Burlington. We have a meeting with VGS to go over pricing issues, and the EverGreen team will be in town next week to work on completing some of the engineering and design work, and we had a meeting of the 501C3 board that is going to govern the EverGreen process. Mr. Springer will keep the Commission updated as we move forward.

BED held the annual employee appreciation lunch at McNeil this year on October 12, and Mr. Springer thanked Commissioner Moody for joining us. We had the chance to honor employees celebrating the 5-year anniversaries of service to the City and community, including Chery Mitchell with 35 years and Greg Thayer with 40 years.

BED has been made aware from the City that it may now be asserting that BED should be responsible for the entire cost of the retroactive payment (approx. \$1.3 million) made to BERS related to the recent IBEW arbitration over retirement/pension. Previously the City had indicated that BED would be responsible for a pro rata share (approx. \$435,000), and BED had submitted that information for prior rate case and financial audit purposes. We are engaging with outside counsel the City has retained to look at this matter.

## **5. July Financials**

Ms. Stebbins-Wheelock presented the July 2022 financial results.

The Department's net loss for the month and year to-date is \$1.1M compared to a budgeted net loss of \$446K. Ms. Stebbins-Wheelock noted that the July results reflect the incorrect recording of a \$1M REC purchase that has subsequently been corrected. The purchase occurred in FY 2022, and has been recorded there, so the July expense shown is overstated by \$1M. This entry was reversed in August, as will be reflected in the August financials.

Sales to customers were above budget by approximately \$15K. Miscellaneous revenues were under budget.

Power supply expense was over budget by \$1M, due mostly to the incorrectly recorded REC purchase. Fuel was also over budget as McNeil production was higher than budget. The Department was also charged an unbudgeted expense of \$21K by ISO-New England related to the winter reliability for the Mystic natural gas station. Wind production was also overbudget. O&M expense was favorable by almost \$500K mostly due to timing. The payment in lieu of taxes to the City was less than projected which means we will save \$240K vs. budget for the year.

Capital spending overall is 8% of budget. The Department made its budgeted VELCO equity investment in July, representing 91% of transmission capital; we will have another small equity call in December. In other capital, the Department continues to experience supply chain delays that are affecting Distribution, Production, and IT.

The Department's cash position was \$5.9M as of July 31.

### **August Financials**

Ms. Stebbins-Wheelock presented the August 2022 financial results.

The Department had a net income in August of \$2.4M, which was \$197K better than budget. For fiscal year 2023 to-date the Department has a net income of \$1.2M compared to a budget of \$1.7M, approximately \$477 under budget.

Sales to customers revenues were on budget. Power supply revenues were \$260K under budget, due to lower than budgeted McNeil and wind production in prior periods.

Power supply expenses were better than budget by \$658K. Fuel expense was favorable to budget, as McNeil was offline for part of the time, so our production was less than budgeted. This was offset by an increase in the wood price that we made to secure an adequate supply for the winter. Capacity expense was unfavorable vs. budget by \$100K; this includes a \$120K ISO-NE winter reliability charge for Mystic in August. Purchased power expense was favorable by \$523K, including the adjusting credit of the \$1M for the FY 2022 REC purchase. Operating expense was unfavorable to budget by \$182K due to timing; gain/loss on disposition of plant was also favorable due to timing.

Capital spending for August overall is at 17% of the annual budget. As of August 31 the Department had \$6.6M in cash, or 101 days cash on hand. The Department's Moody's rating metrics for the 12 months ended August 2022 were 3.88 debt service coverage ratio and 1.09 adjusted debt service coverage ratio.

### **6. Commissioners' Check-In**

There were no Commissioner Check-Ins.

Commissioner Moody made a motion to adjourn; the motion was seconded by Commissioner Chagnon and approved by all Commissioners present.

The meeting of the Burlington Electric Commission adjourned at 6:55 p.m.

Attest:

  
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Laurie Lemieux, Board Clerk

## Motion for Agenda item #8 BED 2022 Property/B&M Renewal

I make a motion to authorize the General Manager of the Burlington Electric Department to execute the Property, Boiler & Machinery insurance coverage renewal contract with AIG/ZURICH/STARR TECH/AEGIS for the policy period 11/20/2022 through 11/20/2023 with a not to exceed premium of \$683.413, as outlined in this memo, subject to review and approval of the City Attorney's Office.