

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

SCOTT MOODY, CHAIR
BETHANY WHITAKER, VICE CHAIR
LARA BONN
JIM CHAGNON
ROBERT HERENDEEN

*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, May 10, 2023- 5:30 p.m.

- | | |
|---|----------------|
| 1. Agenda | 5:30 (5 min.) |
| 2. Minutes of the April 12, 2023 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) | 5:50 (10min.) |
| 6. Financials: FY23 March: E. Stebbins-Wheelock | 6:00 (10 min.) |
| 7. Fiscal Year 2024 Updated Draft Budget (Discussion and Vote):
E. Stebbins-Wheelock | 6:10 (15 min.) |
| 8. Proposed 2023 Rate Case (Discussion and Vote):
D. Springer/E. Stebbins-Wheelock | 6:25 (15 min.) |
| 9. IRP Forecast Update #4 (Discussion): J. Gibbons | 6:40 (10 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 to receive a link to the meeting, or call (802) 489-6254, Conference ID: 295 615 914#

TABLE OF CONTENTS (for 05/10/23 meeting)

***** FYI *****

- Minutes of the April 12, 2023 Meeting
- April Monthly Report
- Dashboard
- FY23 March Financials
- FY24 Draft Budget

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: May 5, 2023
Subject: **April 2023 Highlights of Department Activities**

General Manager

- **FY24 Budget** – As we'll discuss in more detail at the Commission meeting, the FY24 budget is now ready for consideration. We have reached key financial metrics in the budget as proposed and have held non-power supply/transmission expenses lower in FY24 than the prior budget, despite inflationary pressures. As projected, our rate need with those changes will be 5.5% for FY24.
- **MDM Go-Live** – One of our major IT Forward systems projects is now live, with the Meter Data Management System switched over. Much appreciation for Billing, IT, Customer Care and Finance for their efforts!
- **Legislative Update** – S. 137, the efficiency modernization bill, has passed House Committee and is on track to be passed by both the House and Senate prior to adjournment. A possible RES study or workgroup may move forward as well.
- **Wood Energy Policy Update** – The Vermont Climate Council rejected recommendations that would have had potential adverse impacts for McNeil and for district energy. We are looking at possible TEUC meeting in late May or early June. Work proceeds on district energy, and we expect to have updated McNeil carbon analysis by end of May.
- **Net Zero 2022 Update** – I will share a verbal update on NZE 2022 data at the Commission Meeting.
- **New Signs** – We have new signs on the south end (front entrance) and a new Net Zero sign facing Pine Street. Pictured below is the BED team with second graders from Champlain Elementary with the new south end sign in the background.

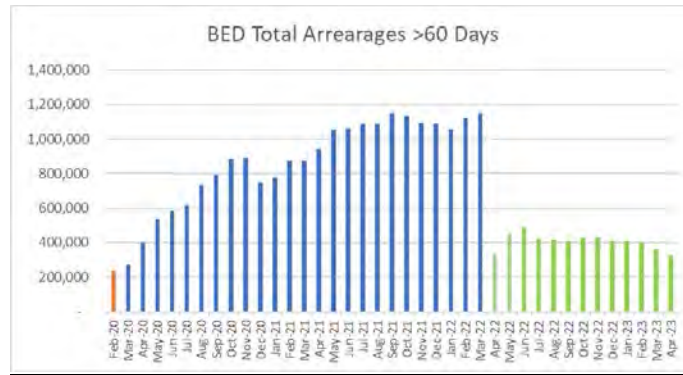


Center for Innovation - Emily Stebbins-Wheelock

- Acting supervisor of Finance & Accounting and Billing staff; recruiting for Controller position.
- Coordinating efforts to track and respond to federal IIJA and IRA funding opportunities, including buildout plan for public EV chargers.
- Overseeing 2022 and 2023 rate case development/implementation.
- Overseeing FY24 budget development.
- Continued sponsorship of IT Forward implementations. New Meter Data Management System (MDMS) went live on April 27, 2023. Portal go-live tentatively scheduled for July.

Finance & Accounting

- Monitoring FY23 net income and cash position.
- Continued work on FY24 budget development.
- Continued work on cost of service for potential 2023 rate case.
- Discussions with VELCO re timing of equity calls.
- Pursuing FEMA reimbursement grant for damage from Winter Storm Eliot.
- Staff field visit to South Forty Solar and line crew work on underground and overhead distribution projects.
- Monitoring receivables in response to COVID19: as of April 30, 2023, BED's total non-current receivables had decreased \$81,069 or 12% compared to the end of March 2023. Arrearages >60 days were \$329,780.



Information Services

- Ongoing phishing and security testing of our users.
- Continued work on MDMS and Portal IT Forward projects. MDMS go-live successful on April 27.
- Pole-mounted router project to replace AMI cell relays underway. Nine units have been deployed by the metering team; six additional are waiting to be deployed. Prioritization of replacements based on location.
- Implementation of Itron Mobile Radio for metering Field Collection System underway.
- Continued support of SCADA/ICCP projects and infrastructure.
- Planning for AMI network switch replacements.

Policy & Planning

- Completed power supply budget for FY24-FY28.
- June 2022 rate case testimony.
- Final FY23 REC sales; some REC purchases as well.
- Development of potential accounting order to amortize winter 22-23 energy price shortfall.
- Meetings with VELCO on K42 upgrade proposal.
- Discussed strategic membership in VPPSA.
- Drafted revised term sheet for McNeil sale of thermal energy to District Energy System.
- DeltaClimaVT 2023 cohort meetings and presentations.
- Completed VGS carbons scorecard draft.
- INRS McNeil carbon analysis and McNeil economic report completed.
- Heat pump flexible load management pilot in process.
- Supplied data to Synapse for VT 100% RES modelling.
- Continuing IRP work; energy services and distribution chapters in process.
- Legislature monitoring and testimony.
- Reviewed DES Act 250 filings and shared with McNeil joint owners.
- Discovered gas line complication at McNeil Solar Test Center.
- PUC upheld BED's position on net metering tariff filing.
- UNH program intern interviews.
- Arranged no-cost Vermont Law School student externship for this fall.
- Presentations to Mongolian Delegation, UVM Technology Week, VSPPC, DeltaClima, and Better Buildings by Design.

- Interview on Renewable Energy and Sustainable Cities.

Sustainability & Workforce Development

- Worked with Communications & Technology Specialist Adam Rabin to record and edit four new podcast episodes with: 1) Adam Sherman, Senior Consultant, VEIC, and Betsy Lesnikoski, BED Chief Forester, on biomass; 2) Ita Meno, Program and Equity Analyst, on equity and diversity in BED's work; 3) Cristina Garcia, Deputy Director, Building Electrification Institute, and founder of Latinx in Sustainability Network, on workforce diversification and retention; and 4) Lee Perry, DPW, and David Hammond, DPW Fleet Manager, on the City of Burlington's EV fleet and proposed plans for electrification by 2030.
- Hosted monthly Lunch and Learn with Mike Leach on Burlington's current and anticipated demand, creation, and acquisition of energy.
- Orchestrated and participated in two Better Buildings by Design panel discussions on: 1) electric cooking with Chef Chris Galarza (Forward Dining Solutions), Joe McDonald (E3 Commercial Kitchen Solutions), and Alec Bauer (Kitchen Restaurant & Bar Specialist); and 2) Burlington's building electrification policies including the new carbon impact pollution fee with Darren Springer (BED General Manager), Chris Burns (Director of Energy Services), and Cristina Garcia (Deputy Director, Building Electrification Institute).
- Engaged with Burlington International Airport staff and BED Energy Services team on prospective geothermal renovation.
- Along with Energy Services and Engineering staff, participated in the City of Burlington's first annual career fair in Contois Auditorium.
- Met the Rewiring America team to discuss prospective engagement including financial support to Burlington and several other cities on electrification assistance.
- Joined the fourth session of Clean Energy to Communities working group hosted by World Resources Institute; participated in USDN All Network Spring 2023 call.
- Represented BED at Champlain College's Sustainable Transportation Fair.
- As a member of UVM's Grossman School of Business Women in Leadership Program, attended advisory meeting including conversation on workforce trends and challenges.
- Awarded grant funding through the USDN's Emergent Learning Fund proposal to support non-profit bike shop partner Old Spokes Home and their development of an inclusive bike workshop for BIPOC and low-income customers.
- Oversaw completion of VLITE-funded work at the ONE Community Center while waiting for the electrification of CarShare VT's charger in the Marketplace Garage.
- Joined monthly meeting with DPI, VGS, and Energy Services team on the Rental Weatherization Ordinance; first meeting of ongoing Equity and Energy meetings with BED, EVT, and VGS.
- Continued outreach to stakeholder groups and community members, including the translation of BED materials.
- Continued Program and Equity Analyst Monday afternoon visits to King Street Laundry to answer questions and address customer bill concerns.
- Supported the work of the Vermont Language Access Project, including providing feedback and analysis for multiple videos.
- Prepared and presented a session on Equity and Energy to Leadership Champlain.

- With Communications team, represented BED at Earth Day Celebration on the Church St Marketplace.
- Collaborated with EVT and Button Up Vermont to service a clinic at the ONE Community Center.
- Continued USDN Equity Foundations training, including attendance at 2nd BIPOC Caucus session.
- Supported community engagement effort with users of the Elmwood Ave Pods and surrounding neighbors. Scheduled meetings with folks that have moved on to long-term housing in Burlington.

Center for Safety and Risk Management – Paul Alexander

Safety

- Conducted April Generation Safety Committee meeting.
- Conducted 6 training sessions at McNeil for Burlington Fire Department.
- Conducted General Manager safety briefing for Senior Management & Union.
- Conducted Operational & Generation Field Audits.
- Completed weekly OSHA 300 reporting.

Environmental

- Coordinated Air Sampling testing at Pine Street for the EPA.
- Conducted weekly HazMat Storage inspections at Pine Street.
- Completed McNeil & Gas Turbine Hazardous Waste disposal.
- Submitted quarterly data report to the EPA.

Risk Management

- New Claims Investigations (3 total: 3 Property, 0 Liability).
- Create releases (3) for BED's 2nd annual NZE festival.
- Sit in on 2 VT State Attorney pole claim hearings re: claim restitution.
- Produce/conduct OSHA log and barrel check for Safety.
- Create release for Mutual aid with GMP for Distribution.
- Supply insurance info for FEMA reimbursement.
- Meeting with City, H&B, and insurance carrier.
- Supply testimony for PUC's Q's re: the Frame Project and Moran history re: insurance.

Purchasing/General Services

- Meet with management and contractors on possibility of moving dispatch into the Auditorium space in FY24.

Center for Operations & Reliability – Munir Kasti

- Acting Supervisor of Grid Services staff.
- Acting Supervisor of Generation staff.
- Conducted an interview for the vacant Protection Engineer position.
- Hired Alec Grant for the vacant Power System Coordinator I position.
- Created the job description for the SCADA Engineer position.
- Created the job description for the Supervisor of Power System Coordinator position.
- Continued to work on the FY24 budget.
- Participated in the SCADA/ADMS RFP process.
- Attended the Electric Vehicle (EV) working group meetings.

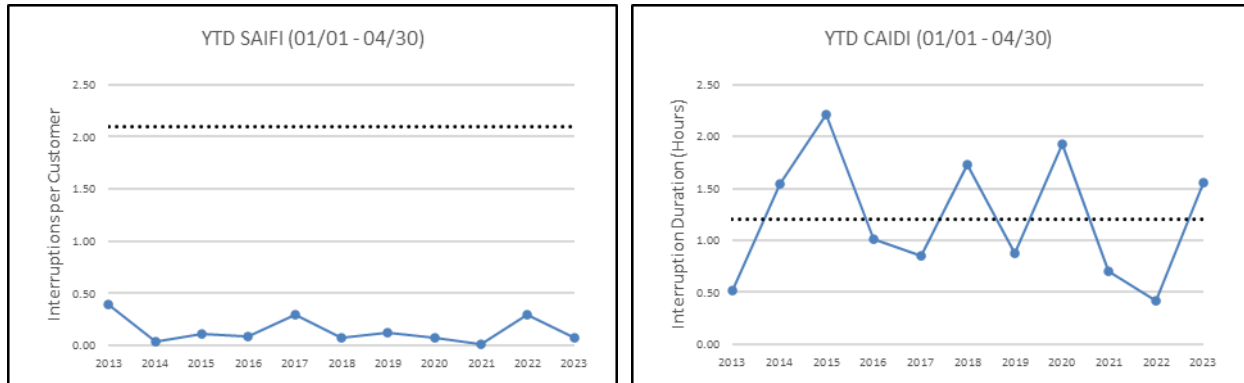
Engineering & Operations

- Completed connection of a temporary service for Cambrian Rise Building M.
- Completed 1L2 reconductoring from the Milot Building Switch (725s-724s) to the College Street substation. This replaced the old 350MCM copper conductors with new 1000MCE copper conductors.
- Replaced the existing Milot Building Switch (725s – 724s). During installation, an issue arose with one of the connection points, resulting in communication with the manufacturer to get a new part and have their technicians replace the connection point.
- Completed the reconductor work along Ethan Allen Parkway.
- Completed a service upgrade at 162 South Champlain Street.
- Completed a service upgrade at 371 Main Street.
- Completed a design of new services for two new DC Fast EV Chargers to be installed at 585 Pine Street and Church Street Marketplace Garage. These will replace the existing chargers and is scheduled to be completed in May.
- Set 14 new poles on Sunset Cliff Road and pulled new conductors in preparation to upgrade the primary voltage from 4kv to 13.8. The contractor is currently installing underground conduits for individual services.
- Installed a new transformer and temporary service to feed the construction trailers at Burlington High School and removed a leased light in preparation for the demolition of the old high school building.
- Reviewed plans for proposed rebuild of Main Street related to the Great Streets project.
- The Distribution group hosted the BED finance staff on a field visit. Finance was able to see the crews installing new service conductors at the Sunset Cliff Road project site, visit the South 40 solar array, and see the old and new Milot Building Switch.
- All three line crew apprentices attended classes at the Northeast Public Power Association (NEPPA) facility and have attended two days of training at the McNeil training yard.
- Completed estimates for new services at:
 - 40 Edinborough Drive
 - 60 Lafountain Street

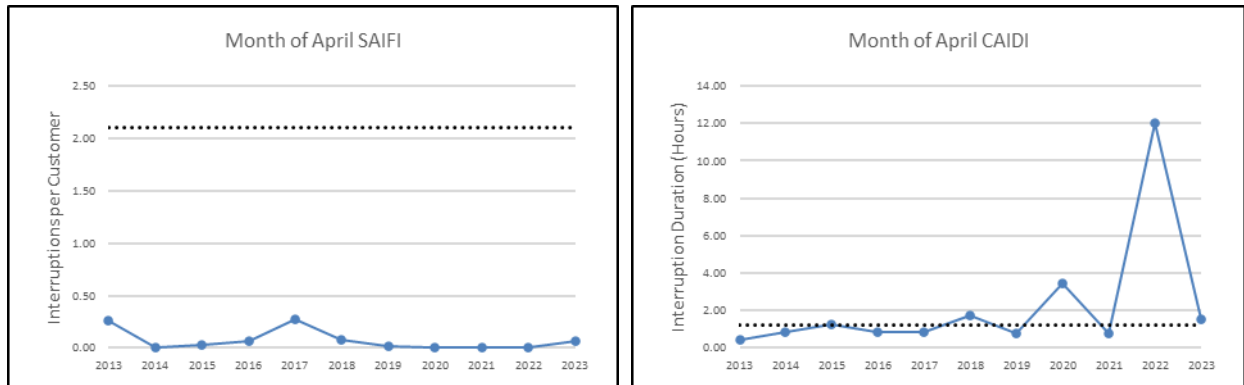
SAIFI & CAIDI Outage Metrics:

BED's distribution system experienced 7 outages in April 2023 (2 unscheduled and 5 scheduled). BED's SAIFI for the Month of April was 0.06 interruptions per customer and CAIDI was 1.51 hours per interruption. BED's YTD SAIFI is 0.08 interruptions per customer and YTD CAIDI is 1.55 hours per interruption.

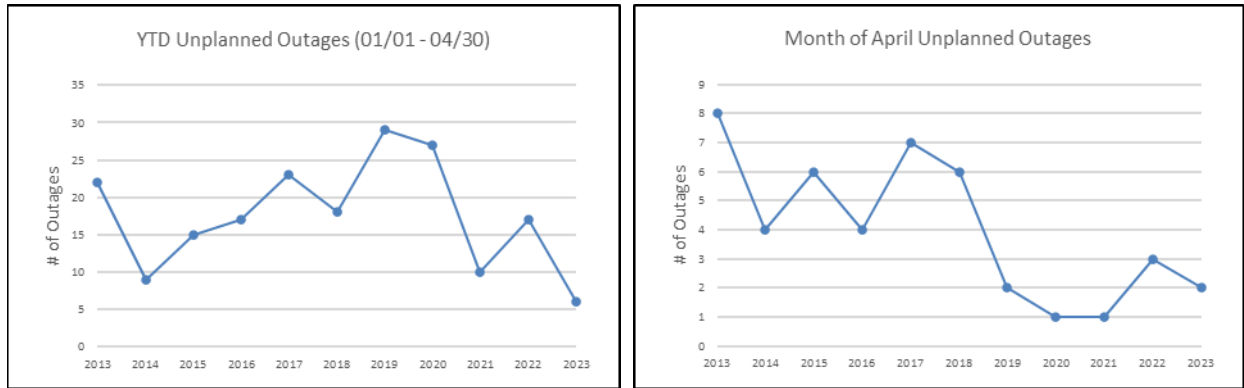
The following figure shows BED's historical YTD SAIFI and CAIDI:



The following figure shows BED's historical April SAIFI and CAIDI:



The following figure shows BED's historical Unplanned Outages:



GENERATION

McNeil Generating Station

Month Generation: 0 MWh
 YTD Generation: 81,947 MWh
 Month Capacity Factor: 0%
 Month Availability: 32.08%
 Hours of Operation: 0 hours

This month the annual Spring outage occurred at McNeil. The projects completed during this time included conveyor rebuilds, cyclone refractory work, electro-static precipitator (ESP) field rebuild, induced draft (ID) fan hydraulic coupling overhaul, well reclaiming, trestle retaining wall repairs, turbine minor overhaul, switchyard maintenance, inspections, preventative maintenance, miscellaneous repairs, gas burner upgrades, and cooling tower structural work. Two open positions were posted for a Station Operator and Yardworker.

Winooski One Hydroelectric Station

Monthly Generation: 3716.86 MWH (87.435% of average)
 YTD Generation: 12692.027 MWH (103.193% of average)
 Month Capacity Factor: 69.761%
 Annual Capacity Factor: 59.553%
 Month Availability: 95%

This month at Winooski One miscellaneous repairs and projects were conducted. The spring fishing season will continue until May 15, 2023. Rake boom repairs are underway and will be back onsite for installation this week. Winooski One is experiencing high flows consistent with normal conditions of Spring.

Burlington Gas Turbine

Month Generation:	00.000 MWh
YTD Generation:	12.870 MWh
Month Capacity Factor:	0.000%
Month Availability:	35.109%
Hours of Operation Unit A:	0.0
Hours of Operation Unit B:	0.0

The asset has been fully out of service since July 20, 2022 undergoing troubleshooting and repairs due to the forced outage resulting from the failed power turbine (PT) A coupling shim pack. After commissioning activities initiated, alignment and vibrations were found to be excessive. One unit, B Jet, was eventually commissioned on March 9, 2023 with a successful single unit operation, however A PT vibrations were too severe hence A Jet could not be commissioned and is presently out of service. To remedy the misalignment of A PT that is resulting in high vibrations, a coupling capable of taking up the misalignment has been engineered. Additional unavailability during the month resulted from performing fuel line modifications so that testing the asset on B20 biodiesel in the future will be possible. The asset was available for operation at approximately half capacity at the end of the month.

Solar (Airport 499 kW)

Month Generation:	67 MWh (+25% from previous year)
YTD Generation:	115 MWh
Month Capacity Factor:	18%
Month Availability:	100%

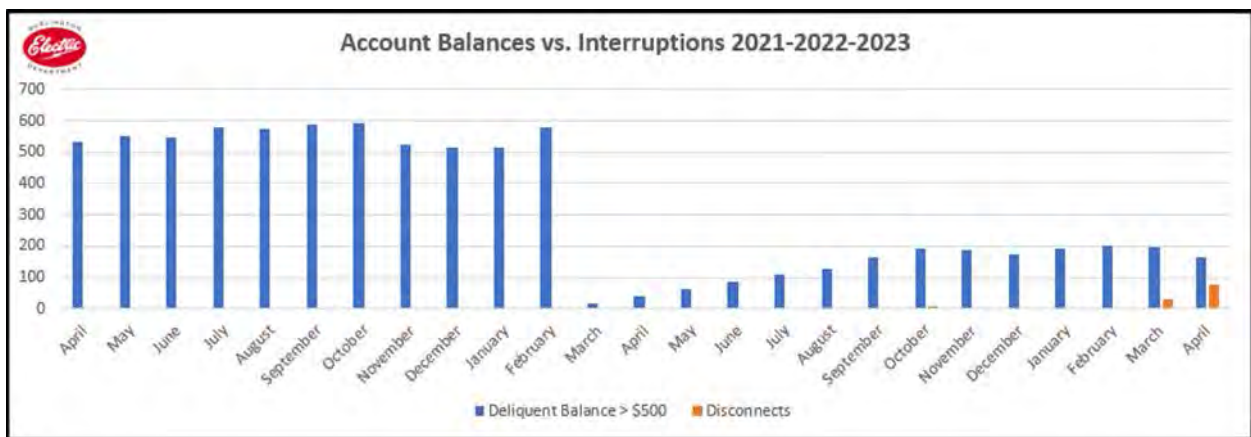
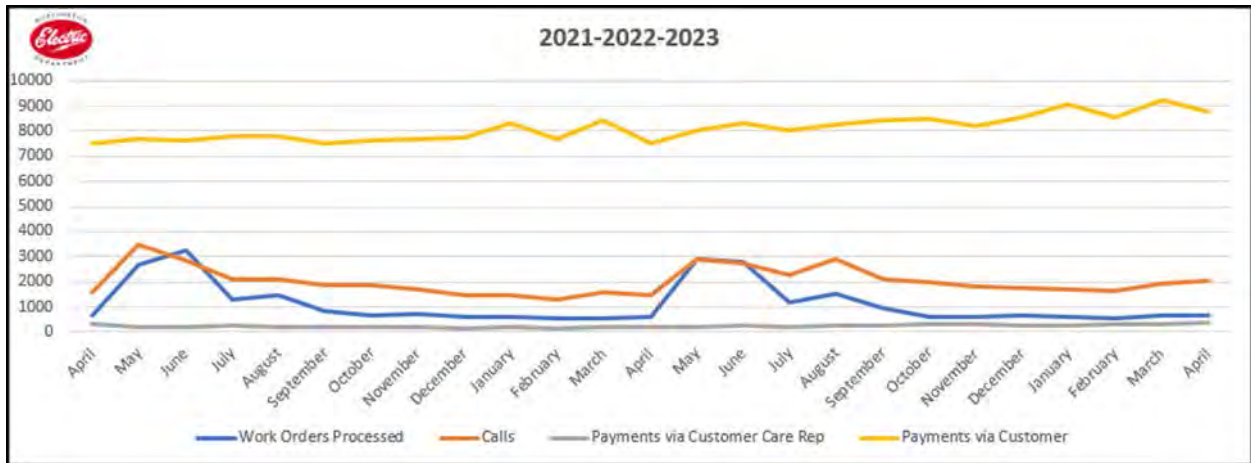
Solar (Pine Street 107 kW)

Month Generation:	13 MWh (+8% from previous year)
YTD Generation:	22 MWh
Month Capacity Factor:	16%
Month Availability:	100%

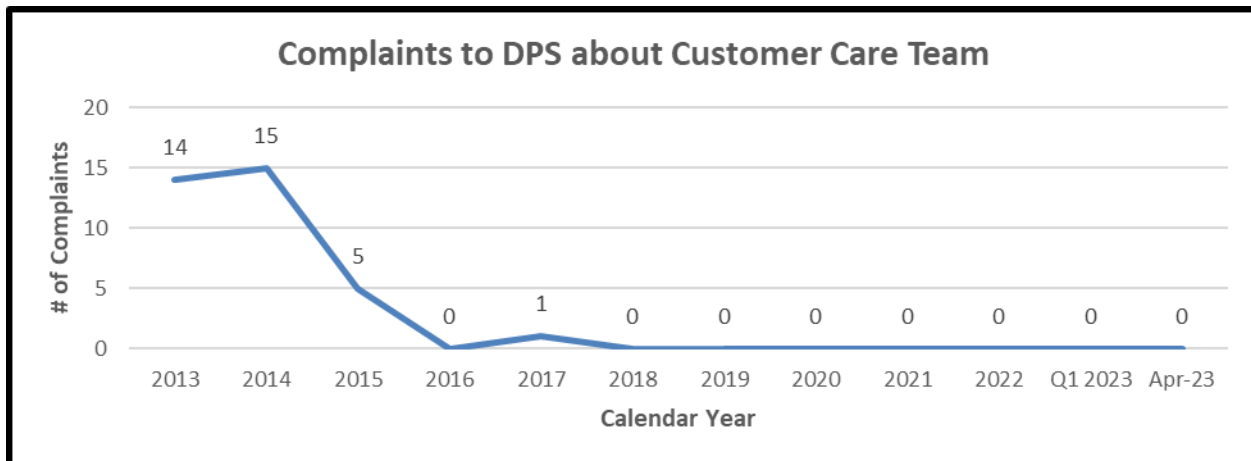
Center for Customer Care & Energy Services – Mike Kanarick

Customer Care

- **Call Answer Time (75% in 20 seconds):** April 2023 85.3%, March 87.9%, February 88.9%, January 85.4%, December 2022 87.5%, November 83.5%. April 2022 85.0%, March 85.8%, February 85.2%, January 83.9%, December 2021 84.6%, November 85.2%.
- **April 2023 Stats:** please see dashboard for additional metrics categories.



**Please note that our account balances greater than \$500 were substantially reduced with the application of more than \$1M in ARPA funds in early April 2022.*



Communications and Marketing

- National Lineworker Appreciation Week: the week of April 17, we recognized via social media and internal communications BED's dedicated and hard-working lineworkers for all they do for the Burlington community.

- Free Net Zero Energy Yard Signs: BED continues to encourage community members to help spread the word about the impactful NZE steps they've taken by planting a sign in their yard and having conversations with as many members of our community as possible about what they have done to reduce their carbon footprint. We are up to 105-yard signs requested throughout the community, including 10 in the past week since we posted through our communications channels. Team BED will deliver a free yard sign to the homes of anyone who requests one. You can view and order a sign at burlingtonelectric.com/yardsign.
- Energy Assistance Program: 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, 138 customers have been approved. Customers can learn about eligibility requirements and apply by visiting burlingtonelectric.com/rates. As of this month, we have added this metric to the dashboard and will continue to report it on the dashboard rather than as part of this report.
- Vermont Emergency Rental Assistance Program (VERAP - erap.vsha.org): VERAP helps tenant households with paying rent, as well as paying utility and home energy costs. While December 31, 2022 was the last date to apply for assistance, the state will continue to provide certain levels of assistance for the most vulnerable Vermonters through June 2023. BED so far has received \$1.195M in funds awarded to its customers.
- 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 88 (up from 85) applicants requesting \$54k of which we have received \$38k in payments. The VHAP program applicant portal will close on June 12, 2023.
- Net Zero Energy Podcast: the latest episode of BED's NZE Podcast features Mary O'Neil, Principal Planner at the City of Burlington Department of Permitting and Inspections, who also is an historic preservationist and speaks about historic building preservation in Burlington. Please take a listen at burlingtonelectric.com/podcast.
- North Avenue News: our May column promoted lineworker appreciation week, BED's participation in the Church Street Marketplace Earth Day Celebration on Church Street on April 22, our E-lawn equipment and E-bike rebates, energy efficiency, and another heads-up about our 2nd annual NZE Festival on September 23, 2023. We did not place an ad in the May NAN issue.
- Website and Facebook Highlights
 - Overall site-wide pageviews for April 2023 = 40,507
 - March = 41,409
 - February = 31,290
 - January = 40,165
 - December = 20,272
 - November = 21,290
 - October = 21,797

- September = 22,639
- August = 27,972
- July = 23,885
- June = 24,859
- May = 29,609
- April = 28,428
- Unique homepage pageviews for April 2023 = 23,286
 - March = 28,317
 - February = 15,040
 - January = 21,866
 - December = 8,207
 - November = 7,371
 - October = 6,762
 - September = 6,921
 - August = 8,895
 - July = 8,565
 - June = 7,860
 - May = 8,211
 - April = 7,499
- Full site visits for April 2023



NZE Podcast note: our episode with Mary O'Neil about Historic Buildings in Burlington, premiering on April 18, was downloaded 91 times in April, far exceeding our single-month record for any episode.

- Visitors by website page

page title	Apr 2023	Mar 2023	Feb 2023	Jan 2023	Dec 2022	Nov 2022	Oct 2022	Sep 2022	Aug 2022	July 2022	June 2022	May 2022	Apr 2022
Burlington Electric Department	24511	29277	19854	26553	8207	7134	7730	8080	10549	8565	9206	9740	7884
My Bill	2541	2657	2512	2735	2445	2520	2862	2850	3201	3113	3207	2811	2519
Waste Wood Yard	2010	330	259	593	590	1234	1332	920	1034	1070	1386	1928	1999
Report A Problem	344	91	74	82	871	167	120	455	1646	103	188	233	189
Stop or Start Service	603	269	230	289	273	294	348	407	841	738	951	2184	464
E-Milling	207	240	240	280	234	241	319	330	362	443	524	287	234
Contact Us	746	485	514	474	473	597	510	553	862	530	654	784	489
McNeil Generating Station	906	384	334	396	393	614	699	624	410	425	482	648	725
Heat Pumps	515	446	421	519	408	883	508	435	579	569	490	638	512
Rebates	831	645	562	860	554	584	588	627	689	1129	754	920	626
Rebate Center	769	650	595	732	524	617	609	597	876	852	934	1026	688
Rebates for 2023	73	71	219	333	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Green Stimulus	n/a	n/a	n/a	38	22	36	19	66	32	37	29	50	53
Stop or Start Service	603	269	230	289	273	294	348	407	841	738	951	2184	464
Leadership Team	244	204	191	249	178	202	216	224	206	159	174	185	284
Rates & Fees	239	216	169	209	201	226	226	289	228	225	208	254	220
Usage Tracker Registration	92	99	115	118	112	124	120	124	177	118	128	113	77
RFP	354	331	316	498	413	374	516	419	268	225	335	268	211
Residential Ways to Save	173	132	123	125	134	125	133	142	187	194	199	249	171
Electric Vehicles	454	414	431	492	331	356	295	355	497	483	324	273	274
E-Bikes	205	172	114	118	76	107	151	173	292	375	202	260	167
Net Zero Energy News	28	38	23	33	40	48	40	37	25	25	32	24	57
Electric Vehicles	454	414	431	492	331	356	295	355	497	483	324	273	274
Our Energy Portfolio	94	108	85	70	49	65	74	57	102	90	55	80	79
Lawn Care	205	103	79	120	67	71	123	110	135	249	259	472	121
RFP Detail	190	84	274	622	195	241	533	214	143	35	93	151	110
Defeat The Peak	5	7	3	13	8	9	12	15	333	242	15	25	9
Commercial Ways to Save	47	43	28	34	46	49	38	31	40	46	48	43	42

- Top-performing April Facebook posts

Mary O'Neil NZE podcast episode, EVs, National Lineworker Appreciation Day

	== Talking Burlington Historic Buildings w... Burlington Electric Department	Boost post	...	Wed Apr 19, 8:19am	278 Accounts Center accou...	14 Post engagements	3 Reactions
	Here's a pic of Ita (front left) and our frie... Burlington Electric Department	Boost post	...	Tue Apr 18, 1:44pm	611 Accounts Center accou...	49 Post engagements	10 Reactions
	National Lineworker Appreciation Day is ... Burlington Electric Department	Boost post	...	Tue Apr 18, 8:05am	387 Accounts Center accou...	37 Post engagements	15 Reactions

Energy Services

UVM

- Residential Dorm Lighting Upgrade Projects – BED is working with a UVM Zone Manager and local lighting distributors to develop strategies to eliminate fluorescent fixtures products from dorm common areas, corridors, and stairwells and replace them with LED technology. The effort is to maximize incentives so that the work can be implemented in the timeliest manner possible. BED is working with these lighting distributors to facilitate fixture quoting so that lighting products can be ordered.
- Server Room Cooling Upgrades – Server rooms in the Waterman and Southwick buildings need cooling equipment replacements, as several of the units are reaching end of life. UVM has completed engineering analyses to right-size the new equipment and reduce the first cost. A meeting was held this month with UVM and their engineering contractor to discuss the Southwick replacements and possible incentives. Investigation is continuing.

UVMCC

- ACC Scheduling and Energy Engineering Offer – After a long Covid-hiatus, the dialog is reinitiating between UVMCC, BED, and VGS concerning a potential project in the ACC portion of the campus, involving improved HVAC scheduling of these office and outpatient spaces. We are

also discussing with facilities staff the possible BED/VGS funding of an Energy Project Engineer that can initiate and manage energy improvement projects at the Main Campus. The hospital has limited resources to focus in this area, and this is one way to get known energy efficiency projects to move forward.

- ACC Lighting Retrofits to LED – BED is working with several facility entities to determine the least-cost methods of upgrading existing fluorescent fixtures to LED. The installation of 1000 high-bay LED fixtures has begun in the ACC mechanical room and switch-gear areas. Discussion is also continuing on how to best expand LED replacements to the ACC outpatient and office areas.

Other Services

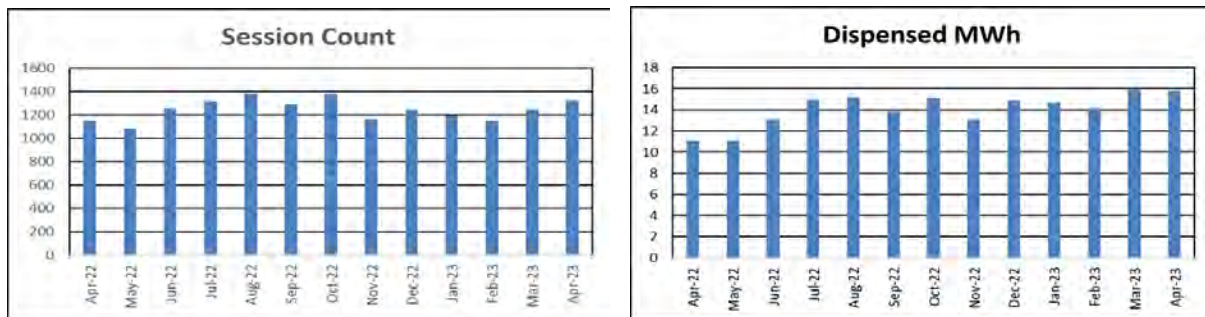
- Weatherization coordination with VGS - VGS requested electrical account usage histories (with customer permission) for 10 SF and 5 MF buildings (representing 22 living units) this month for the purpose of weatherization audit preparation and building energy use analysis. This brings the total YTD (2021-2023) requests to 175 SF and 136 MF buildings. The overall increase in multifamily building interest in the VGS weatherization program is being driven by the Burlington rental housing weatherization ordinance.
- Consolidated Communications / Chiller System Replacement – A local engineering company is working with the owner to create a proposal for the replacement of the existing water-cooled chiller system at this large telecom facility on Main St. Although the chiller system is old, it is well maintained and can continue running. However, it is expected that new equipment with more sophisticated control can greatly reduce the cooling energy usage of the building. Cooling is required by this facility all-year around. BED completed a site visit this month and is actively working with the engineering company to develop an energy savings and rebate estimate for the project.
- Hula Office Building Campus / Scheduling and Demand Limiting Improvements – BED has been working with the facility staff to identify areas where HVAC scheduling can be improved to reduce energy use. AMI data has also revealed that the house-meters associated with the two major campus buildings have a repetitive pattern of high KW peaks which may be able to be reduced to lower demand charges on those accounts.
- Defeat the Peak at Hula - Automatic HVAC Demand Response implementation through Policy and Planning. Using Champlain College as prototype.
- Rhino Foods / Efficient Freezer Dehumidifier – A meeting with the customer and BED was held this month, with assistance from VEIC. The purpose was to discuss the energy efficient features of the freezer dehumidifier recently installed, compared to a baseline dehumidifier. Engineering calculations have been made to estimate annual KWH savings. It has been suggested to the customer that energy-logging of the unit may be needed to reliably quantify the final savings for the project. A decision on how to proceed is now in progress.
- YMCA / Re-Commissioning of Boiler and DHW – BED has been working with this customer for a number of months to assist in reducing their electric and natural gas usage. One problem still in need of resolution involves the stabilization of natural gas boiler short cycling, along with improved DHW temperature control. BED has been assisting the customer in identifying a commissioning agent that will investigate the issue and develop a reliable solution.

- Intervale Community Farm / Greenhouse Heating – An existing greenhouse biomass furnace has reached end-of-life. One possible replacement was to install a high-efficiency propane heater. BED offered an incentive to replace the biomass furnace with a new biomass unit, which was the more expensive option. The customer decided to order and install biomass. BED completed a site visit last month to view the installation and a rebate check was mailed this month.
- Village Hydroponics / Shipping Container Vegetable Grow – A non-profit in Burlington is working on a design for a fully enclosed vegetable grow facility which will fit into a standard metal shipping container. The focus is on non-summer only growing, and to provide vegetable types that may be unavailable in Vermont, especially in winter, but familiar to various other cultures now living here. Last month a complete engineering design was delivered to BED for the facility.
- City Market Lighting Control Replacements – The legacy LED lighting control systems that have been operating in this grocery store for ten years plus are reaching end-of-life. BED provided a rebate offer this month for a portion of the lighting retrofit work, which includes 35 fixture replacements and advanced controls.
- Burlington School District / Energy Performance Contracting – BED attended a meeting this month with the BSD and an energy performance contracting company that will be developing proposals to reduce energy use at BSD school buildings. The areas of focus are HVAC, lighting and possibly building envelope improvements. BED feels that this meeting went very well, and that there is good potential for successful projects developing within the coming months.
- Black Diamond / Energy Audit – BED has completed a site visit to this retailer on upper Church St. Initial investigation of AMI data has shown a high electric base load, as well as a pattern of KW spikes that tend to occur at the time of store opening. Investigation is continuing.
- Burlington International Airport /North Hangar Renovation and Expansion – BED attended a virtual meeting with the owner and their engineering partner in this project. This specific meeting was focused on the potential geothermal aspects of the project, and how BED may be able to assist in moving that portion of the work forward, possibly with financial help for an initial test well.
- Zero Gravity Brewing / 15HP Air Compressor – BED completed a final walk-through of the installation, which has just been completed. It includes a VFD driven air compressor system as well as a cycling air dryer.
- The Elks Lodge - Met with the Elks Lodge on March 9 and discussed possible improvements to lighting and refrigeration. Dropping off some interior downlight can retrofit kits for them to sample in their dining room.
- Kinney Drugs - Work on the LED lighting retrofit at store on Shelburne St.
- City of Burlington - The City has ordered replacement LED lighting for the stacks area of the Fletcher Free Library. Savings come from both wattage reduction and imbedded occupancy controls.
- Vermont Housing Finance Agency - A request came in regarding thermal comfort related issue at this office building. VGS and BED partnered on a site visit and found a potential opportunity in the basement to seal the rim joist cavities. The utilities have also offered cost-sharing for a professional third party to perform a proper air leakage test.

- Champlain Club - Working with customer on air source heat pumps for a substantial part of the facility and weatherization upgrades.
- Rock Point Episcopal Diocese Bishops House & Office – Customer is considering air source heat pumps in both buildings with a goal of 100% thermal electrification.

Electric Vehicles

- The EVSE dispensed a total of 15.9MWh and supported 1,323 sessions.
- The top 3 sales were 84, 86 & 89kWh and occurred at the Cherry St. and College St. garages.
- The top 10 sessions (0.8% of total) accounted for 4.7% (756kWh) of the total monthly sale. The ten sessions ranged from 65kWh-89kWh.
- The EVSE served 669 unique drivers' last month.
- DCFC installation has begun.
- We have purchased a ChargePoint CT4000 for Parks and Recreation to install at Oakledge Park. It should arrive in 3-5wks. It will be located behind their meter so we will have to map out a reimbursement strategy.
- ChargePoint determined that the damage to BE01(Church and Main) does not require a head replacement. They sent a technician to repair the connector latch mechanism. We cancelled the PO.
- The Flo station Gateway is not operating. ES will research. (Flo data is not incorporated into any of these statistics or charts).
- *Session Count* and *Dispensed Energy* plots from the public charging network are shown below.



- Number of EV and PHEV rebates to date – 518 (of this 91 LMI rebates to date as shown below)
 - New All Electric Vehicle – 214
 - New All Electric Vehicle (LMI) – 40
 - New PHEV – 132
 - New PHEV (LMI) – 41
 - Used All Electric Vehicle – 42
 - Used All Electric Vehicle (LMI) – 7
 - Used PHEV- 22
 - Used PHEV (LMI) – 3
 - New All Electric Vehicle (\$60K plus) – 15
 - New PHEV (\$60K plus) – 2

- Number of customer loans with lending partners to date – 5
- Number of customers currently participating in the new EV Charging Rate- 192
- Number of E-Motorcycle rebates to date – 1

Electric Vehicle Charging Stations

- Number of home EV charging stations rebates to date – 141
- Number of Multi-family EV charging stations rebates to date – 1
- Number of Multi-family Non-EVmatch charging stations rebates to date (LMI) – 3
- Number of Multi-family Non-EVmatch charging stations rebates to date – 3
- Number of Multi-family EVmatch Public charging stations rebates to date – 2
- Number of Level 2 Workplace charging stations rebates to date – 6

Electric Lawn Equipment to Date

- Number of e-mower rebates to date – 569 (11 commercial & 558 residential)
- Number of e-leaf blowers to date – 63
- Number of Residential e-Trimmers – 48
- Number of Residential e-chainsaws – 10

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

- Total Number of Heat Pump Technology rebates to date- 979 (of this 140 LMI rebates to date as shown below)
 - Number of ductless heat pumps to date – 585
 - Number of LMI eligible ductless heat pumps to date – 113
 - Number of centrally ducted heat pumps to date – 197
 - Number of LMI eligible centrally ducted heat pumps to date – 18
 - 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 – 53
 - Number of LMI eligible heat pump hot water heaters participants to date – 9

Electric E-Bikes to Date

- Number of e-bike rebates to date – 439

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

- Number of induction Stovetops rebates to date – 39

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

- Number of snow blower rebates to date – 17

BED 2022-2023 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	Apr 2023 Actuals	Mar 2023 Actuals	Feb 2023 Actuals	Jan 2023 Actuals	2022 Yearly Actual	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
Engage Customers and Community									
Call answer time 75% within 20 seconds	75%	85%	88%	89%	85%	avg 82%	avg 82%	avg 81%	
Delinquent accounts >\$500	0	163	197	203	194	avg 188	avg 529	avg 201	
Disconnects for non-payment	0	77	32	3	0	12	0	45	
Energy Assistance Program Participants		138	134						
# of residential weatherization completions	10	3	1		0	5	5	3	11
Weatherization completions in rental properties		2	0	2	0	6	0	0	TBD
# or % of homes or SF weatherized		TBD	TBD	TBD	TBD	TBD	TBD	TBD	0
# of commercial building with improved thermal envelopes		1	1	0	0	4	5	5	0
% of EEU charge from LMI customers spent on EE services for LMI customers (cumulative for year)	\$ 180,240	\$ 462,410	\$ 375,327	\$ 350,165	\$ 348,213	\$ 335,234	TBD	TBD	TBD
Strengthen Reliability									
SAIFI (AVG interruptions/customer) (annual target)	< 2.1	0.06	0.0	0.0	0.01	1.06	0.22	1.50	1.03
CAIDI (AVG time in hrs to restore service) (annual target)	< 1.2	1.51	1.36	1.22	2.17	21.39		0.55	0.75
Distribution System Unplanned Outages (annual target)	82	2	0	1	3	61	44	90	98
McNeil Forced Outages	0	1	1	0	1	14	5	21	TBD
W1H Forced Outages	0	0	0	0	0	6	9	2	TBD
GT Forced Outages	0	1	1	1	1	6	2	3	TBD
Invest in Our People, Processes, and Technology									
Avg. # of days to fill positions under recruitment	120	155	178	238	179	100	68	179	
# of budgeted positions vacant	0	11	10	7	7	avg 9	avg 9	6	NA

BED 2022-2023 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	Apr 2023 Actuals	Mar 2023 Actuals	Feb 2023 Actuals	Jan 2023 Actuals	2022 Yearly Actual	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
Innovate to Reach Net Zero Energy									
<i>Tier 3 Program</i>									
# of residential heat pump installs	See NZE Roadmap Goals below	13	8	10	25	255	315	203	10
# of commercial heat pump installs		0	0	1	0	4	4	13	0
# of residential hot water heat pump installs		1	1	0	6	26	14	6	4
# of commercial hot water heat pump installs		0	0	0	0	0	0	0	0
Heat pump rebates		14	9	12	26	271	328	212	0
Heat pump hot water heater rebates		1	1	16	6	18	15	3	0
LMI heat pump rebates		1	2	0	0	43	28	6	4
Heat pump technology installs in rental properties		1	1	1	1	10	14	9	TBD
LMI heat pump hot water heater rebates		0	2	1	0	1	2	0	1
EV rebates - new		5	10	6	4	53	67	14	36
EV rebates - pre-owned		5	0	0	0	18	7	8	2
LMI EV rebates		0	1	2	1	9	11	7	7
PHEV rebates - new		0	4	3	3	27	41	10	17
PHEV rebates - preowned		1	1	1	0	12	6	5	3
LMI PHEV rebates		0	0	0	0	15	13	6	2
Public EV chargers in BTV (total)		30 ports	30 ports	30 ports	30 ports	30 ports	27 ports	27 ports	14
Public EV charger energy dispensed (kWh)		16,000	15,900	14,100	14,700	151,360	86,570	35,690	78,000
Home EV charging station rebates		12	8	5	3	70	32	20	12
EV rate charging customers (total)		192	178	168	162	157	40	40	28
Level 2 charger rebates		1	0	0	1	11	10	0	1
Level 1 charger rebates		0	0	0	0	-	0	1	0
E-bike rebates		13	3	3	0	152	88	36	65
E-mower rebates		16	0	0	1	159	154	95	142
E-forklift rebates		0	0	0	0	1	0	0	0
MWE of Tier 3 measures installed		1,563	965	786	1,602	22,837	23,763	35,112	3,342
% Tier 3 obligation met with program measures	100%	26%	17%	12%	8%	131%	159%	283%	31%
<i>Net Zero Energy Roadmap Goals</i>									
# of solar net metering projects installed		3	5	4	5	33	29	24	33
No. of homes receiving NZE Home Roadmaps		0	0	0	0	7	10	7	
Residential heat pumps for space heating (no. of homes)	2022: 8615	NA	NA	NA	NA	TBD	1235, 20% of goal	891	572
Commercial heat pumps for space heating (1000 SF floor space served)	2022: 5397	NA	NA	NA	NA	TBD	405, 11% of goal	374	374
Residential heat pumps for water heating (no. of homes)	2022: 4365	NA	NA	NA	NA	TBD	108, 4% of goal	108	87
Commercial heat pumps for water heating (1000 SF floor space served)	2022: 1019	NA	NA	NA	NA	TBD	0	0	-
EV registrations in BTV (light-duty)	2022: 2294	NA	NA	NA	NA	TBD	549, 45% of goal	361	296
Greenhouse gas emissions (1000 metric tons CO2)	2022: 150	NA	NA	NA	NA	TBD	188, 114% of goal	185	214
Fossil fuel consumption (billion BTU)	2022: 2418	NA	NA	NA	NA	TBD	3220, 120% of goal	3,182	3,660

BED 2022-2023 Strategic Direction Dashboard

Metrics by Strategic Initiative	Target	Apr 2023 Actuals	Mar 2023 Actuals	Feb 2023 Actuals	Jan 2023 Actuals	2022 Yearly Actual	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
<i>Demand Response</i>									
Manage Budget and Risks Responsibly									
<i>Safety & Environmental</i>									
No. of workers' compensation/accidents per month	0	1	0	1	0	16	4	8	
Total Paid losses for workers' compensation accidents (for the month)	annual	\$4,412	\$2,472	\$8,466	\$4,031	\$ 145,102	\$ 93,612	\$ 165,402	\$38,288
Lost Time Incident Rate (days/year) (Dec numbers reflect annual results)	<= 3.5 annual	N/A	N/A	N/A	N/A	1.99	0.0	0.93	0.89
Lost Time Severity Rate (days/year) (Dec numbers reflect annual results)	<= 71 annual	N/A	N/A	N/A	N/A	112.63	0.0	41.71	78.2
Lost work days per month	0	0	0	0	0	avg 9	0.0	45	
NOx reporting levels to EPA (Quarterly) (lbs/mmbtu)	<0.075	0.070	0.070	0.070	0.067	0.06	0.07	0.07	
# of reported spills, waste water incidents (monthly)	0	0	0	0	0	6	4	4	
Phosphorus levels to DEC in lbs (monthly/yearly total)	<0.8/37	0.294/0.650	0.037/0.475	.050/.543	0.017/0.560	0.688	2.028		1.169
# of new power outage claims reported (monthly)	1	0	0	0	0	5	7	4	
# of new auto/property/other liability claims reported (monthly)	2	2	4	2	2	27	18	27	
<i>Purchasing & Facilities</i>									
# of Purchase Orders for Inventory (Target: avg for winter months)	42	59	56	72	40	636	644	593	
\$ value of Purchase Orders for Inv. (Target: avg dollars spent during winter)	\$78,000	\$130,111	\$94,837	\$196,551	\$229,809	\$ 4,861,023	\$ 3,278,620	975,531	
# of stock issued for Inventory (Target: avg during winter months)	320	575	571	516	569	6,187	4,402	4,545	
\$ value of stock issued for Inventory (Target: avg. during winter)	\$ 65,000	\$ 317,305	\$ 130,896	\$ 175,308	\$ 275,666	\$ 2,200,233	855,456	1,086,478	
# of posters pulled from poles monthly (Target: goal to remove each month)	58	43	59	43	73	900	2,728	627	
# of Spark Space and Auditorium setup/breakdowns monthly (Target: Covid impact)	3	18	20	9	16	132	88	87	
<i>Finance</i>									
Debt service coverage ratio	1.25		2.36	2.64	3.91	NA-FY basis	NA-FY basis	NA-FY basis	NA-FY basis
Adjusted debt service coverage ratio	1.5		0.67	0.8	1.02	NA-FY basis	NA-FY basis	NA-FY basis	NA-FY basis
Days unrestricted cash on hand	>90		93	100	120	NA-FY basis	NA-FY basis	NA-FY basis	NA-FY basis
<i>Power Supply</i>									
McNeil generation (MWH) (100%)	per budget	0	22,522	29,391	30,034	228,981	273,355	192,696	
McNeil availability factor	100%	32%	94%	100%	84%	67%	80%		
McNeil capacity factor	per budget	0%	61%	87%	81%	52.4%	62.4%		
Winooski One generation (MWH)	per budget	3,717	2,878	2,489	3,609	25,350	24,752	21,194	
Winooski One availability factor	100%	99%	99%	99%	99%	98.3%	97%		
Winooski One capacity factor	per budget	69.8%	52.3%	50.1%	67.7%	41.7%	37%		
Gas Turbine generation (MWH)	NA	0	8.1	4.7	0.0	356	373	441	
Gas Turbine availability factor	100%	35%	36%	0%	0%	54.5%	96%		
Gas Turbine capacity factor	NA	0	0.0	0%	0%	0.2%	0.21%		
BTV solar PV production (mWh)		531	359	233	82	5,260	5,015	5,182	
Cost of power supply - gross (\$000)			\$3,558	\$2,953	\$2,772	\$36,755	\$30,285	\$31,081	
Cost of power supply - net (\$000)			\$3,558	\$927	\$2,772	\$27,487	\$22,134	\$23,388	
Average cost of power supply - gross \$/KWH			\$0.13	\$0.11	\$0.10	\$0.11	\$0.09	\$0.10	
Average cost of power supply - net \$/KWH			\$0.13	\$0.04	\$0.10	\$0.08	\$0.07	\$0.08	

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

Wednesday, April 12, 2023

The regular meeting of the Burlington Electric Commission was convened at 5:33 pm on Wednesday, April 12, 2023 at Burlington Electric Department at 585 Pine Street, Burlington, Vermont and virtually through Microsoft Teams.

Channel 17 was present to record this meeting.

Commissioners Lara Bonn, Jim Chagnon, Robert Herendeen, and Scott Moody were present. Commissioner Bethany Whitaker was not present for the meeting.

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

Staff members present via Microsoft Teams included Amber Widmayer.

1. Agenda

There were no changes to the agenda.

2. February 8, 2023 Meeting Minutes

Commissioner Herendeen made a motion to approve the minutes of the February 8, 2023 Commission Meeting; the motion was seconded by Commissioner Chagnon and approved by all Commissioners present.

3. Public Forum

No one from the public was present for the meeting.

4. Commissioners' Corner

Commissioner Herendeen stated that at last month's meeting he would reach out to other towns that have lowered their light levels but stated he did not have time to do so. Commissioner Herendeen did send correspondence to Commissioner Moody and Gabrielle Stebbins regarding what the Commission would like to accomplish regarding street lighting. Although there are a lot of reasons for not changing the present policy such as legal precedence and IES recommendations, there are a few options the department could do such as dimming lights late at night. The lights

could be dimmed from midnight to 5:00 am which could benefit health, vegetation and saving money. Commissioner Herendeen realizes that there are argument on keeping the policy as it stands especially due to the legal ramifications.

Commissioner Herendeen pointed out that in his opinion the legal issue has two potentially independent parts. First is the Kelly Devitt injury case, in which BED'S insurance was deployed to cover a large City settlement. Second is the precedent that the City has adhered to IES recommendations for many years, so that abrupt changes would be problematic.

Commissioner Herendeen has had conversations with Mr. Tim Brothers from Pepperell, Massachusetts and he forwarded a reference to an article about what Pepperell did regarding their lighting levels. Commissioner Herendeen is waiting for actual numbers from him regarding what the present light levels are in Pepperell.

Commissioner Moody asked if there were other meetings set up regarding street lighting. Commissioner Herendeen stated that there are no meeting scheduled and feels that another meeting is not necessary or all that fruitful. There are some tweaks that could be made, the question is what the department is willing to do.

Mr. Springer stated that Mr. Alexander and Mr. Kasti participated in these meetings around street lighting and understand that there is desire for additional dialogue. Mr. Springer stated that the department did pause any ongoing street lighting projects that were happening or scheduled to happen until spring. As weather is indicating we feel strongly that we are operating under our current policy and we need to move forward with the work that is currently in the budget for FY23. We want to give the Commission notice of that ahead of time and work as best we can with the community within the confines of the current policy.

Mr. Springer stated that we can have a discussion around what flexibility, if any, there are under the IES recommendations or what other types of options there are. Our team feels strongly that we are not in a position, from a legal or insurance standpoint to go outside of these recommendations. From a legal standpoint, we want to have a defensible, identifiable legal standards that we can fall back on as there would be safety concerns.

Mr. Kasti stated that his takeaway from the street lighting meeting is that the department is doing everything per IES recommendations to minimize light levels and yes, the IES does speak about dimming the lights but does not give any specific light levels to dim to on residential streets.

Mr. Kasti stated that the department does not have the technology to dim lights and it would be a very costly endeavor. This would require a controller on the lights and software to run these controllers.

Mr. Alexander stated that from a legal, risk management, safety, and liability standpoint that he is not in favor of changing the present policy. Our current insurance agent/broker weighed in and

their opinion is that they would not support changes to our policy that was adopted in 2020. This policy speaks clearly that we are to meet the minimum IES recommendations.

Commissioner Chagnon stated that he agrees that the department should not slow down our projects. There are so few resident complaints regarding lighting that he feels that the department should continue with the street lighting projects and not adjust anything until we get all the facts.

Mr. Springer stated that we are and will continue to be sensitive to feedback when we are designing the street lighting. In previous installations we have been able to accommodate concerns without compromising safety and we will keep working with neighborhoods as these project come up. For now, given that the policy remains in force, we will continue to comply and projects will go forward.

5. GM Update

Mr. Springer stated that the BED team has submitted full applications for the two federal grant concept papers that were encouraged under the Infrastructure bill. BED also is pursuing other state and federal grants related to further policy development for buildings and EV charging station infrastructure. Lastly, the new CarShare Vermont EV and charger, supported by BED and grant funds from VLITE, are operational in the Old North End at the Community Housing Trust building, with an additional charger available to building tenants certain times of the day, and the public after hours.

The legislature is active with much legislation that potentially impacts BED. S. 137, which continues the energy efficiency program allowing BED to spend a portion of our EEU funds on emissions reduction projects, has passed the Senate and is in the House. We testified in the Senate, and we are testifying next week on the Renewable Energy Standard (RES) in the Senate. A bill that would increase Tier 1 of the Renewable Energy Standard to 100 percent is pending. The only impact on BED would be that the REC prices for compliance may become a little more expensive. The Affordable Heat Act is in the House, having already passed the Senate. The Senate continues to support Renewable District Energy as an option, and language stating this remains in the bill.

There are also EV fees that we are tracking as there might be a milage-based registration fee. We have not wanted to have a kWh charge-based EV fee that was easily by-passable. If you are going to put a fee on EV plug-in drivers and if you only charge those who are participating in our off-peak rate, then it creates a disincentive for residents to sign up for the special rate since they can just plug into the wall or get any charger. The committee is trying to articulate that concern, and other utilities have been involved in that effort.

The Mayor mentioned making a “Go/No Go” decision on district energy in the next several months. BED, VGS, and Ever-Green continue work on several fronts including financials, term sheets, and expect to present potential customers with updated term sheets over the next month or two. The Act 250 permit process continues, with a reconsideration of the initial decision about the “municipal” nature of the project.

The Mayor mentioned implementation of the carbon pollution impact fee and buildings policy in his State of the City address, and we expect to work with the Ordinance Committee on this over the next few months with the policy taking effect in 2024.

Mr. Springer stated that we soon will have updated Net Zero Energy 2022 data and updated McNeil third-party analysis for our IRP. When we have the data, we will share it with the Commission.

Mr. Springer informed the Commission that the Jim Reardon Public Service Award presentation is being held at 1:00 pm on Tuesday, April 18 at the Lund Home, in the Jim Reardon Pavilion. We welcome any members of the Commission who would like to attend. Commission Chair Moody was helpful in serving with the Executive Team to select the awardee for this year. Members of Jim's family will be in attendance to honor Jim's legacy of public service.

5. FY23 February Financials

Ms. Stebbins-Wheelock presented the February FY2023 financial results.

The Department's net income for the month of February was \$1.4M compared to a budgeted net income of \$1.8M, which is \$396K worse than budget.

Sales to customers were \$100K lower than budget for February and \$679K or 1.9% below budget for the fiscal year to-date. Commercial sales overall for the year are down \$507K vs budget and residential sales are down \$173K vs budget.

Other revenues, primarily EEU, were \$157K better than budget for the month and \$1.2M for the fiscal year-to-date.

REC revenues of \$2.03M were \$318K favorable compared to budget due to timing of McNeil REC sales. The Department projects REC revenues to be below budget for the fiscal year due to lower renewable generation in prior periods.

Power supply expenses net of power supply revenues were unfavorable to budget by \$1.1M in February due primarily to lower than budgeted prices for sales of excess energy. The Department continues to experience unbudgeted capacity charges related to the Mystic, MA power plant, which were \$317K in February.

Non-power supply operating expenses for February were \$136K lower than budget and \$193K or 1.4% higher than budget for the fiscal year to date, largely due to timing variances.

Other income was \$183K higher than budget due a combination of increased interest income, timing of customer contributions, and timing of fixed asset retirements.

For FY23 to date, the Department has an actual net income of \$627K compared to a budgeted net income of \$3.7M.

As of February 28, the Department's capital spending was \$5.2M versus the \$6.6M budgeted, or 57% of the total FY23 capital budget. Ms. Stebbins-Wheelock noted that significant capital spending on the production plant is expected for April, due to the annual McNeil overhaul currently in progress.

Operating cash as of February 28 was \$7.8M compared to a budget of \$12.1M, or 100 days cash on hand. Department management will continue to monitor the cash position closely over the remainder of the fiscal year.

For the 12 months ended February 2023, the Department's debt service coverage ratio is 2.64 and the adjusted debt service coverage ratio is 0.76.

Commissioner Bonn asked whether February's results were better or worse than the Department's projections. Ms. Stebbins-Wheelock responded that February results were in line with the Policy & Planning team's forecast based on the energy prices experienced in February. The impact of lower energy prices on budget-to-actual results will be less severe as we move into the shoulder season months.

Commissioner Herendeen asked for clarification on the ISO-NE charges for the Mystic, MA natural gas plant. Mr. Springer and Mr. Gibbons responded that these capacity charges were unbudgeted because utilities did not receive advance notice of the contract from ISO-NE. Other utilities in Vermont and New England are experiencing similar charges, based on their load share. The pricing formula is very complex, but under the contract terms ISO-NE cannot share the contract or the details of the pricing mechanism, so there is no transparency and little ability for utilities to project the costs. The contract continues until May 2024.

Commissioner Bonn asked about the Department's mitigation strategies for the challenging FY23 budget vs actual results. Ms. Stebbins-Wheelock responded that the Department is monitoring expenditures closely and making reductions wherever possible. Mr. Springer added that the Department has reached out to its debt advisor to preview the situation in preparation for our annual Moody's review.

6. Budget and Rate Update

Mr. Springer stated that our adjusted debt coverage metric for FY23 are not going to be where we want them to be, regardless of any mitigation strategy. We knew going into this budget that energy prices would be a significant variable, and this broke against us in a way that seemed unlikely at the beginning of the year based on where the forward prices were when we did our rate case. Our entire focus now is how much cash we end with in FY23 so we can start FY24 in as strong a cash

position as possible and we end FY23 with a cash position in line with our Moody's metrics, even if the adjusted debt coverage for this year is not. We should have the March actuals within the next week, and then we will be able to reforecast the remaining quarter of the fiscal year.

Mr. Springer stated that some of this preliminary budget is subject to revision and the Commission will see a couple placeholders where we are still finalizing projections. We started the FY24 budget in a tough position, which Ms. Stebbins-Wheelock will review in the opening slide. Ms. Stebbins-Wheelock will cover the preliminary FY24 budget, and Mr. Springer will cover the proposed rate increase. The work that the Department has done, including many cuts, revisions, and creative thinking, has brought us closer to where we want to be. We're using a different assumption for energy prices that is more conservative, and we are trying to build in some cushion.

Ms. Stebbins-Wheelock presented the PowerPoint presentation by reviewing the FY24 Preliminary Budget Assumptions, which are subject to modifications pending final May budget presentation. These preliminary assumptions include:

- 1 percent underlying sales growth vs. FY22 actuals.
- 5.5 percent rate increase effective on bills rendered September 1.
- REC revenues in line with FY23.
- Wood fuel cost reduction of \$1.80/ton vs FY23.
- Energy prices at midpoint between current forwards and prior 2-year average.
- 5 percent COLA per IBEW contract.
- Strategic electrification rebates at 1.5 times compliance requirement.
- Increased capital investments using the proceeds of the 2022 Revenue Bond.
Annual \$3 million GO Bond; and
- \$1.7 million VELCO equity investment.

Mr. Springer noted that the VELCO equity investment is the only piece of the capital budget that's not funded by either the GO bond or the revenue bond. The Department is exploring a couple of different options for financing future VELCO equity purchases, including becoming a strategic member of Vermont Public Power Supply Authority (VPPSA). The Commission authorized the Department in 2018 to become a VPPSA member for a one-year pilot period, and we haven't done so yet due to the pandemic disruption. Among the various synergies that BED has with VPPSA, VPPSA is able to finance the VELCO equity investments for their members, using the cash flow from the dividend income to pay off the debt service. The Department is also looking at whether we can defer equity purchases with VELCO for a longer period of time so we can buy in increments. The VELCO equity provides a roughly 12% return in dividend which is key part of our budget, but it is challenging to come up with seven figures of cash annually for the equity calls.

Ms. Stebbins-Wheelock then reviewed the more significant variances in the FY24 budget compared to FY23 budget. For revenues and other income, REC revenues are down slightly by \$140K, interest income is predicted to be higher by \$402K, and capital contributions are anticipated to be down by approximately \$350K.

For expenses, fuel expense is budgeted to be \$124K less than the FY23 budget. Purchased power expenses are budgeted at \$3.5M more than FY23, mainly due to more conservative assumptions about energy prices. We are predicting transmission expenses to be down slightly by just under \$200K. Labor and labor overhead expenses combined are going to be lower than last year due to a combination of two things working in opposite direction: labor itself is up \$666K but it's offset by our labor overhead expense decreasing by \$745K. City allocations, what BED pays the City for HR, City Attorney, Racial Equity, Inclusion & Belonging services, is up \$83K. Finally, FY24 Tier 3 compliance expense is up \$249K per the renewable energy standard compliance obligation, which increases every year.

Ms. Stebbins-Wheelock noted that combined non-power supply operating expense for FY24 is basically flat compared to FY23; it is down 0.4% or \$133,000. Also, even though net purchased power expenses are significantly increased compared to FY23, they are only \$621,000 more than FY22. Purchased power expense is not actually increasing very much; instead, revenues from sales of excess energy are projected to be less.

The preliminary FY24 capital budget is \$13.2M, with the revenue bond funding \$9.1M of that amount and the general obligation bond funding and the Department's own cash reserves covering the remaining \$4.1M, which includes the VELCO equity purchase of \$1.7M.

The Department's preliminary FY24 budget shows an operating loss of \$2.8M, and a total net loss of \$461K. The FY24 ending cash position has not been projected yet because we are still unsure of the June 30 2023 ending cash position.

Ms. Stebbins-Wheelock stated that over the course of the budget development process, the Department has done a lot of work to improve its net income by \$5.8M and its cash position by approximately \$8M through cuts to operating and capital expenses.

Mr. Springer stated that our goal is to get the net income to be at least modestly positive in the FY24 budget.

Ms. Stebbins-Wheelock shared a slide indicating the projected Moody's metrics for the FY24 budget. For now, the days cash on hand is to be determined. The debt service coverage ratio at the currently projected level of net income would be 3.46, and the adjusted debt service would be 1.03. As we improve net income, the goal is to raise the adjusted debt service coverage metric.

Mr. Springer presented the Rate Case slides. The first slide shows the history of BED rate changes dating back to the 1980s, including some big, double-digit increases of 22 percent and 11 percent.

In our 2021 five-year forecast submitted to Moody's, the Department had projected a 7.5 percent increase in FY22 and a 4.95 percent increase in FY23. Instead, we asked for a 3.95 percent increase in FY23 because the energy price forwards were so high that it would have been difficult to justify the full amount that we had planned.

The next slide compares prices of various commodities, including the cost of BED's electricity, from 2010 to 2023, indicating that BED's electric rates have increased much less by comparison.

The next slide shows changes to the rate of inflation and BED's electric rates from 2020 to 2023. Even with the rate changes, the total increase to BED's rate is still below the rate of inflation, which is a reasonable accomplishment.

The next slide compares residential electric rates, splitting out BED's regular residential rate and the BED Energy Assistance Program (EAP) or low-income pilot rate. Both of these rates are favorable to the rest of Vermont and the rest of New England, even with the proposed 5.5% increase.

On the commercial side, based on what we know of rate changes for other utilities, we project that with the proposed increase BED's rates would be slightly higher than the Vermont average and lower than the New England average.

The Total Electric Rate Comparison shows that BED's rates would be below the Vermont projected average and well below the New England projected average. BED's current rate is lower than every other New England state with the proposed change. We might edge ahead of the Maine residential average but would still be below the Vermont utility average and the other four New England states. Commercial rates would not really change our respective position but would be lower than four New England States, higher than Maine, and a little bit higher than the Vermont average. Total rates would be below every state except Maine, as Maine is traditionally the lowest cost state for electricity in New England.

The next slide shows the effect the rate increase would have on customer bills, using the monthly residential average customer bill. With the proposed rate increase, customers would see a \$4.39 monthly increase on average. For the average small general customer, which represents about 2/3 of our commercial customers, it would be about a \$5 monthly increase.

The next slide looks at the BED Energy Assistance Program. The bill impact for low- and moderate-income residential customers is on average \$3.20 a month but varies based on electric usage. Monthly assistance will mitigate the rate increase impact on the monthly bill. Eligibility is 185 percent of the Federal Poverty Level and currently participating in the Vermont State Fuel Assistance Program. As of April 10, 2023, we have 134 customers approved.

The last slide shows the Vermont Electric Vehicle Rate Comparison or the cost to charge an electric vehicle per kWh. BED has the lowest rate of all the Vermont utilities even after the 5.5 percent rate increase. BED is and continues to be the cheapest place to charge an electric vehicle in the State of Vermont.

Commissioner Herendeen asked about the timing of the rate increase. Mr. Springer replied that, following approval of the rate increase by the Commission, the Department would request approval from the City Board of Finance and City Council in late May or early June, with the goal of filing the rate request with the PUC 45 days or more before implementation on Sept 1 on a bills-rendered basis. The rate case review process would then begin at the State level. The Department's 3.95% request filed in 2022 that was implemented for FY23 is still under review. Mr. Springer expects this cycle of implementing a given rate change at the beginning of the fiscal year, even while the rate case from the prior year is being finished, to continue. Mr. Springer also stated that in the 2021 and 2022 rate cases the Department has requested less of an increase than could be justified, and this will be the case again with the potential 5.5% increase. The Department likely could justify a double-digit increase based on the metrics used by the regulatory process. We are doing everything we can to keep the increase at a manageable level for customers, which is why we are requesting only 5.5%.

Mr. Springer thanked the Commission for bearing with us and stated that we are not seeking approval or a vote this evening. This presentation is a draft, and we will have more detail on the budget in May. The plan is to send a note to the City Council in a day or two outlining what our proposed rate change is going to be and giving them time to ask questions in advance of our Board of Finance meeting presentation.

The Commission had a few questions that Mr. Springer and Ms. Stebbins-Wheelock answered to their satisfaction.

7. IRP Forecast Update #3

Mr. Gibbons stated that the Board Clerk had just sent out an email to the Commission that included the Itron forecast report and a PowerPoint which summarizes the forecast results. BED has its recurring engagement meeting with the PSD next week and the primary topic will be the forecast package that the Commission received. We will be sharing these documents with the Department of Public Service prior to our meeting for their comments. We are finishing the McNeil Economics appendix to the appendix and the McNeil Carbon study (a detailed carbon assessment by INRS). The carbon assessment is not required by the last IRP, but the update to the economic assessment is. As long as we are doing the economic assessment, we felt we should get another carbon metric to measure against other carbon review that have been or are being done (the original VEIC work and an upcoming Vermont Gas report). So we will have different ways of looking at the carbon profile of McNeil, different timelines, different levels of granularity. Those will be shared with you in advance of the May meeting.

Engineering is working on their section of the IRP, for which they have updated the costs associated with serving a 102.8 MW threshold level from the last IRP, they have also calculated the costs associated with system upgrades to serve a 120 MW case. Given the forecast, we may stop at the 120 MW case and not run the math for the 140 MW case from the Net Zero Roadmap. We do know that the 120 MW case is probably a threshold above which major substation work would be

required. At this time, we are nowhere near the 120 MW level, in fact, the IRP forecast does not exceed 80 MW, which is roughly the capability of the existing system. You will see in the PowerPoint that was sent why that is, and what is not included in the Itron forecast (largely the commercial industrial heating space which is hard to model through an end use forecast).

There is one Delta Climb cohort member that is working on modeling utility system requirements under increasing renewability and expanded distributed energy resources. I do plan to speak to them about the proposal that we had for modeling 100% renewability and see if they are in a position of offering assistance with the IRP.

Mr. Gibbons stated that once the Commission has had time to read the documents sent to them, he is available to answer any questions.

Commissioner Moody stated that if possible, would Mr. Gibbons provide a PowerPoint presentation at the next meeting. Mr. Gibbons stated that if after answering the Commission questions they still required a presentation then he would be happy to present Commission schedule permitting.

8. Commissioners' Check-In

Commissioner Moody stated that he is taking advantage of the weatherization programs BED and VGS are offering. So far, the process has been easy, and Commissioner Moody stated that within a year, he will have a more efficient house.

Commissioner Bonn 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 7:07 p.m.

Attest:



Laurie Lemieux, Board Clerk



*FY 2023
Financial Review
March*

May 1, 2023

Burlington Electric Department Financial Review

FY 2023

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FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of March FY23

(\$000)	Full Yr Budget	CURRENT MONTH			YEAR TO DATE		
		Budget	Actual	Variance	Budget	Actual	Variance
Sales to Customers	51,553	4,424	4,398	(26)	39,683	38,978	(705)
Other Revenues	3,631	282	488	205	2,670	4,060	1,391
Power Supply Revenues	8,385	0	0	0	6,214	5,851	(363)
Total Operating Revenues	63,569	4,706	4,885	179	48,566	48,889	323
Power Supply Expense (Net)	31,423	2,621	3,558	(937)	22,989	27,099	(4,110)
Operating Expense	22,952	1,817	2,173	(356)	16,102	16,652	(550)
Depreciation & Amortization	6,391	533	525	7	4,793	4,642	151
Taxes	3,466	286	266	20	2,609	2,428	181
Sub-Total Expenses	64,232	5,257	6,522	(1,265)	46,494	50,821	(4,327)
Operating Income	(664)	(551)	(1,637)	(1,086)	2,072	(1,932)	(4,005)
Other Income & Deductions	5,009	457	648	191	3,654	4,005	351
Interest Expense	3,114	242	275	(33)	2,388	2,711	(323)
Net Income (Loss)	1,231	(336)	(1,264)	(928)	3,338	(637)	(3,975)

Year-to-Date Results:

- **Sales to Customers** down \$705,000 (1.8%). Non-Residential Sales down \$546,800 and Residential Sales down \$159,100.
- **Other Revenues** up \$1,391,000 (52%)
 - a. DSM billable (customer driven).
- **Power Supply Revenues** down \$363,000 (5.8%)
 - a. McNeil REC revenue of \$3,208,000 compared to a budget of \$3,286,000.
 - b. Wind REC revenue of \$2,140,000 compared to a budget of \$2,168,000.
 - c. Hydro REC revenue of \$509,000 compared to a budget of \$601,000.
 - d. Other REC revenue down \$165,000.
- **Power Supply Expenses (Net)** up \$4,110,000 (18%)
 - a. Purchased Power up \$4,960,000.
 - b. Fuel down \$457,000.
 - c. Transmission down, \$394,000.
- **Taxes** down \$181,000 (7%)
 - a. Actual Payment in Lieu of Tax (PILOT) is less than budget assumption.
- **Operating Expenses** up \$550,000 (3.4%)
 - a. DSM (rebates & outside services) higher \$1,523,000. Offset by items that are less than budget. This includes labor and overhead (\$732,000).
- **Other Income & Deductions** up \$351,000 (9.6%)
 - a. Interest/investment income up \$306,000 and unrealized gain on investment of \$21,900.
 - b. Timing: retirements budgeted in August, December and February delayed.
 - c. Budget assumed customer contributions for Champlain Pkwy, \$401,600 and other overhead/underground billable, \$157,000. Actual includes prior year billable for UVM LCOM \$237,400, Champlain Pkwy \$42,300, University Place decorative lighting \$86,400, other overhead/underground projects and grant proceeds.

FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of March FY23

Capital Spending – March YTD (\$000's)				
Plant Type	Full Yr. Budget	Budget	Actual	% Spent
Production	\$1,637	\$842	\$740	45%
Other	267	227	121	45%
Distribution	4,460	3,611	3,143	70%
General	2,127	1,685	896	429%
Sub-Total	8,491	6,364	4,900	58%
Transmission	632	632	634	100%
Total	\$9,123	\$6,996	\$5,535	61%

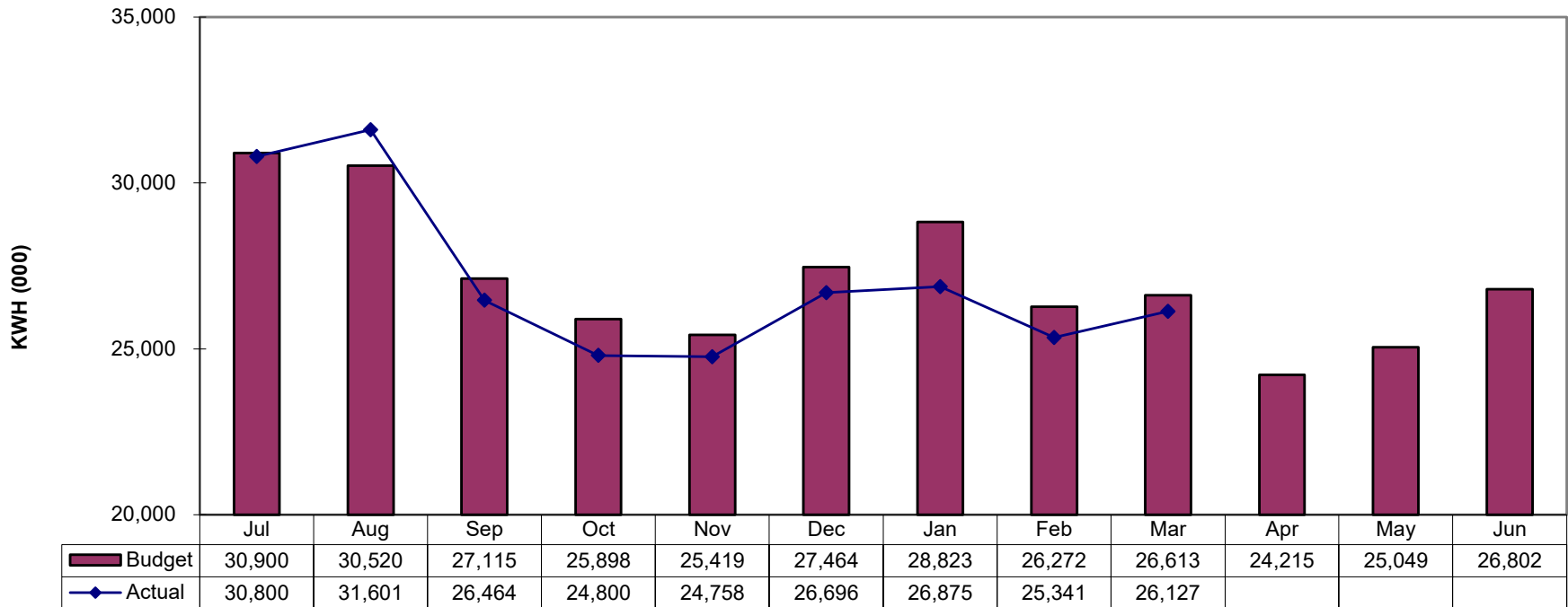
- (1) **Production** – Timing of Winooski One projects, \$168,000 and roof replacement at the Gas Turbine has been deferred to FY24, \$85,000.
- (2) **Other** – Spending for direct current fast chargers is within budget. Timing of other projects include Distributed Energy Resources, and research & development.
- (3) **Distribution** – Timing of various projects.
- (4) **General** – IT Forward project budgeted throughout the year; YTD expenses of \$498,000 compared to a budget of \$1,046,400. Virtualized Hardware Refresh has deferred to FY24, \$109,500.

As of March 31, 2023 Operating Cash and Investments	
Operating Funds	\$6,000,900
Operating Fund – CDs	\$979,600
Total Operating Cash	\$6,980,500

Credit Rating Factors – March 2023				
	"A"	"Baa"	Current	3 Year Average
Debt Service Coverage Ratio	1.25	1.25	2.36	3.85
Adjusted Debt Service Coverage Ratio	1.50	1.10	0.67	1.01
Cash Coverage - Days Cash on Hand	90	30	93	118

**Burlington Electric Department
Fiscal Year Ending June 30, 2023**

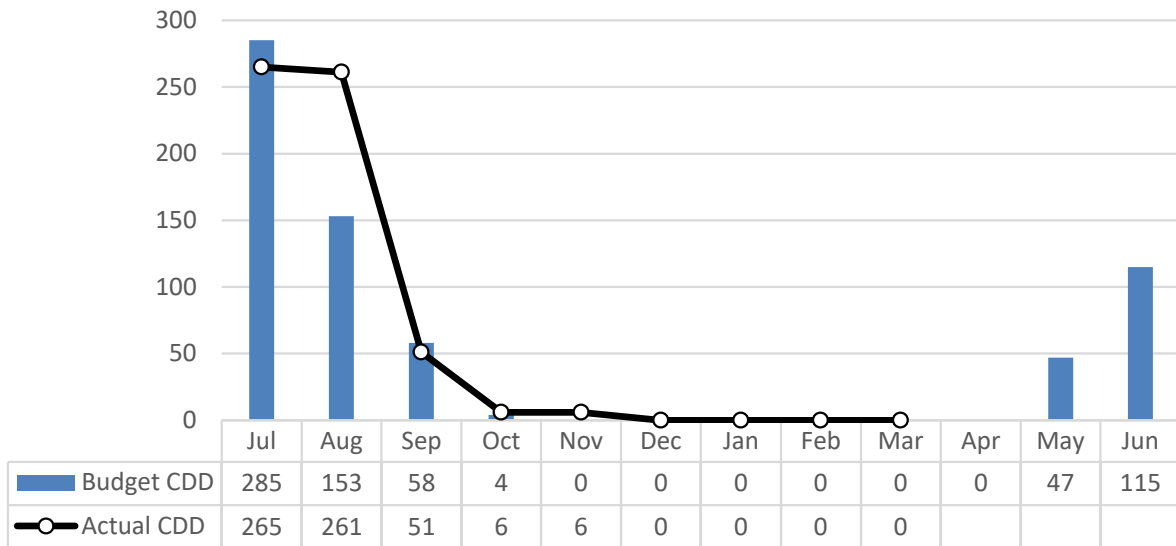
**Total Sales to Customers - KWH
Monthly**



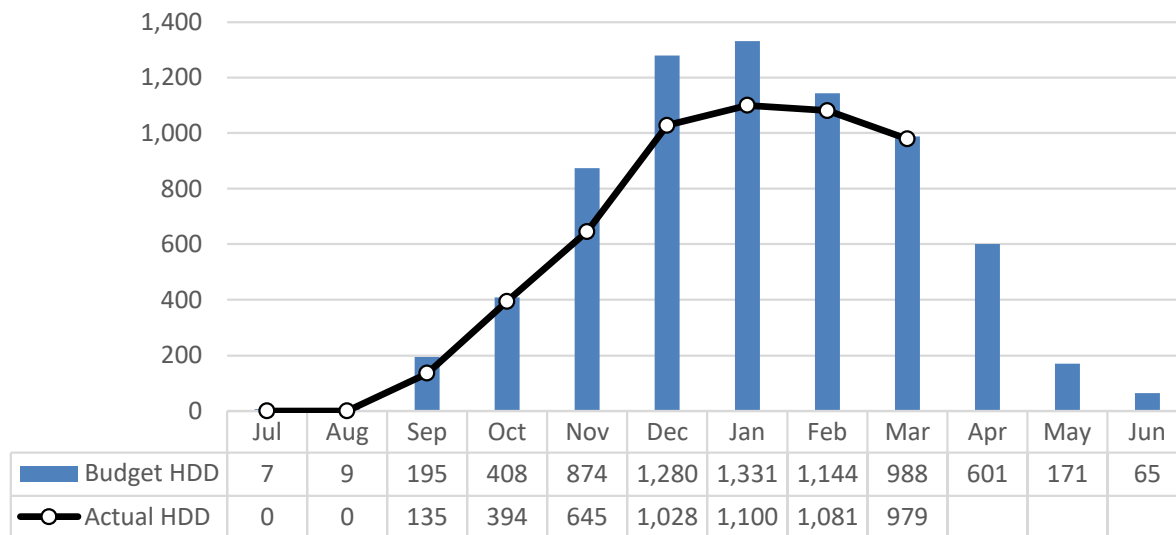
KWH Sales to Customers (YTD)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	30,900	61,420	88,534	114,432	139,851	167,316	196,138	222,410	249,023	273,239	298,288	325,090
Actual	30,800	62,400	88,864	113,664	138,422	165,118	191,993	217,334	243,461			

FY 2023

Cooling Degree Days (CDD)



Heating Degree Days (HDD)

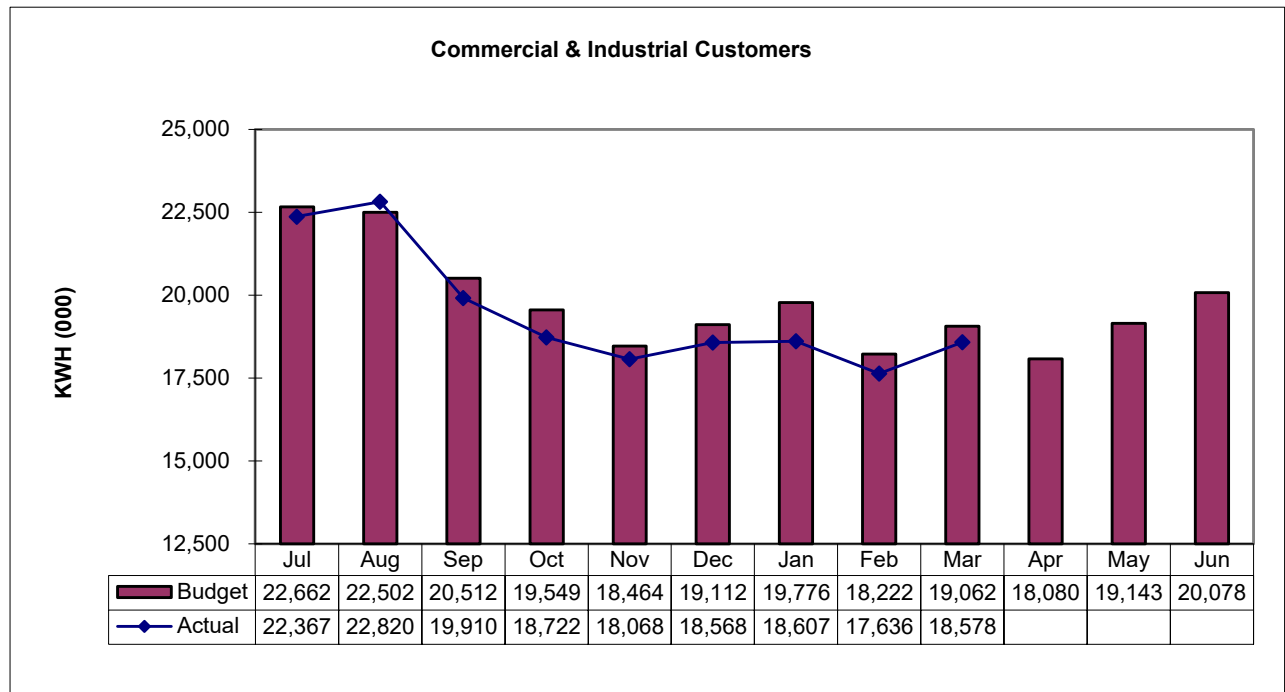
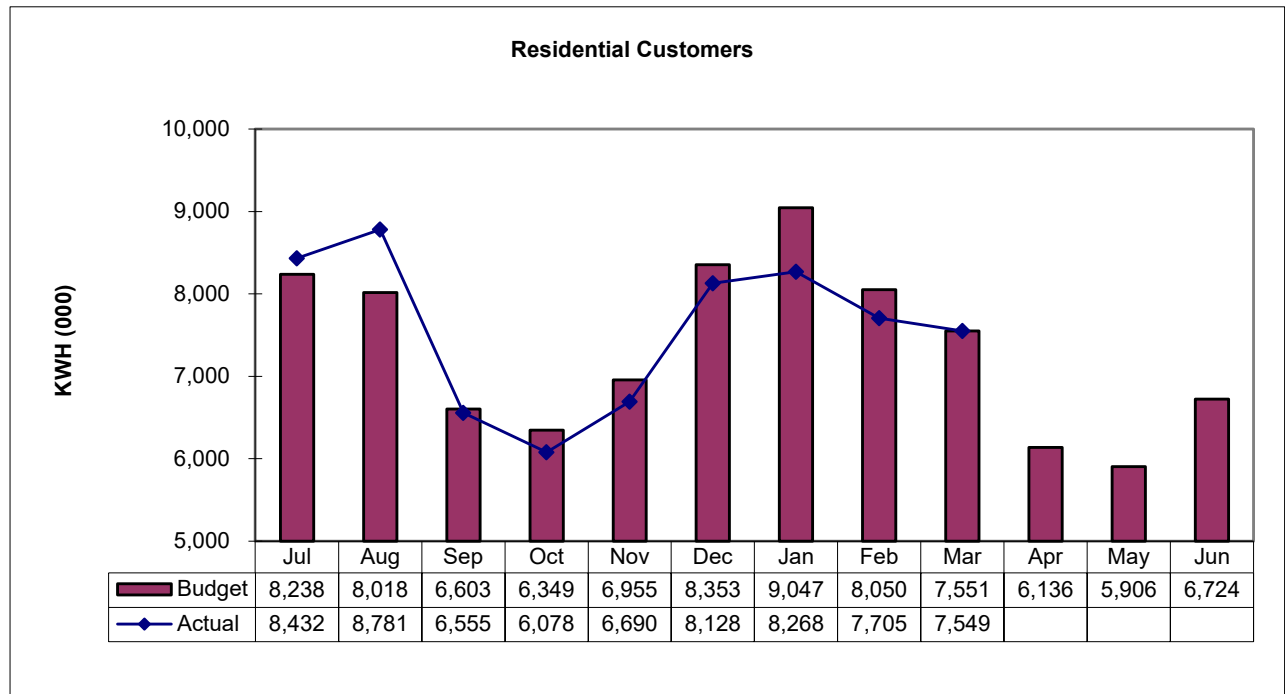


Average Monthly Temperature

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	72	71	63	50	39	28	20	22	32	45	58	67
Actual	73	73	62	52	44	30	29	26	33			

CDD/HDD definition per National Weather Service: Degree days are based on the assumption that when the outside temperature is 65°F, we don't need heating or cooling to be comfortable. Degree days are the difference between the daily temperature mean (high temperature plus low temperature divided by two) and 65°F. If the temperature mean is above 65°F, we subtract 65 from the mean and the result is Cooling Degree Days. If the temperature mean is below 65°F, we subtract the mean from 65 and the result is Heating Degree Days.

**Burlington Electric Department
Fiscal Year Ending June 30, 2023
KWH Sales**



Street Lighting is included with Commercial & Industrial Customers.

Net Power Supply Costs
March - FY 2023

	(\$000)						
	Current Month				Year-to-Date		
	Budget	Actual	Variance		Budget	Actual	Variance
Expenses:							
Fuel (p. 7)	\$902	\$954	(\$52)	(1)	\$8,149	\$7,692	\$457 (1)
Purchased Power (p.11)	851	1,801	(950)	(2)	7,496	12,456	(4,960) (2)
Transmission Fees - ISO	644	636	8		5,663	5,421	242 (3)
Transmission Fees - Velco	152	127	25	(3)	1,130	889	241 (4)
Transmission Fees - Other	71	40	32	(4)	551	641	(90) (5)
Total Expenses	2,621	3,558	(937)		22,989	27,099	(4,109)
Revenues:							
Renewable Energy Certificates - McNeil	0	0	0		3,286	3,208	(77)
Renewable Energy Certificates - Wind	0	0	0		2,168	2,140	(28)
Renewable Energy Certificates - Hydro	0	0	0		601	509	(92)
Renewable Energy Certificates - Other	0	0	0		160	(6)	(165) (6)
Total Revenues	0	0	0		6,214	5,851	(363) (7)
Net Power Supply Costs	\$2,621	\$3,558	(\$937)		\$16,775	\$21,248	(\$4,473)
Load (MWh)	27,369	26,812	(556)		255,813	249,974	(5,840)
\$/MWh	\$95.77	\$132.69	\$36.93		\$65.57	\$85.00	\$19.42

Current Month:

(1) See detail on page 7.

(2) See detail on page 11.

(3) VELCO Common Charges and BED's share of Common Charges under Budget.

(4) NYPA NYISO Transmission includes true up from overestimation in February, underestimation in March will be trued up in April.

YTD:

(1) See detail on page 7.

(2) See detail on page 11.

(3) Peak Load and Transmission rates under Budget.

(4) VELCO Common Charges and BED's share of Common Charges under Budget.

(5) NYPA NYISO Transmission charges over Budget.

(6) Other (Solar) REC sales generally completed towards the end of the fiscal year. Negative due to timing.

(7) REC Sales projected to be 11% under Budget due to lower McNeil and Winooski One production in calendar year 2022.

Net Power Supply Costs
March - FY 2023

	(\$000)							
	Current Month				Year-to-Date			
	Budget	Actual	Variance		Budget	Actual	Variance	
<u>FUEL:</u>								
McNeil:								
Fuel Consumed	663	704	(41)	(1)	5,917	5,848	69	(1)
Swanton Yard	52	64	(11)	(1)	457	457	0	(1)
Train Deliveries	108	110	(3)	(1)	923	853	70	(1)
Labor & Other Expenses	71	72	(1)	(2)	720	509	211	(2)
Total McNeil Fuel	894	950	(56)		8,018	7,668	351	
Gas Turbine	8	3	5	(3)	131	25	107	(3)
Total Fuel	902	954	(52)		8,149	7,692	457	

Current Month:

(1) McNeil production 11% under Budget. Wood Price per Ton 17% over 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 8 MWh (54% under Budget).

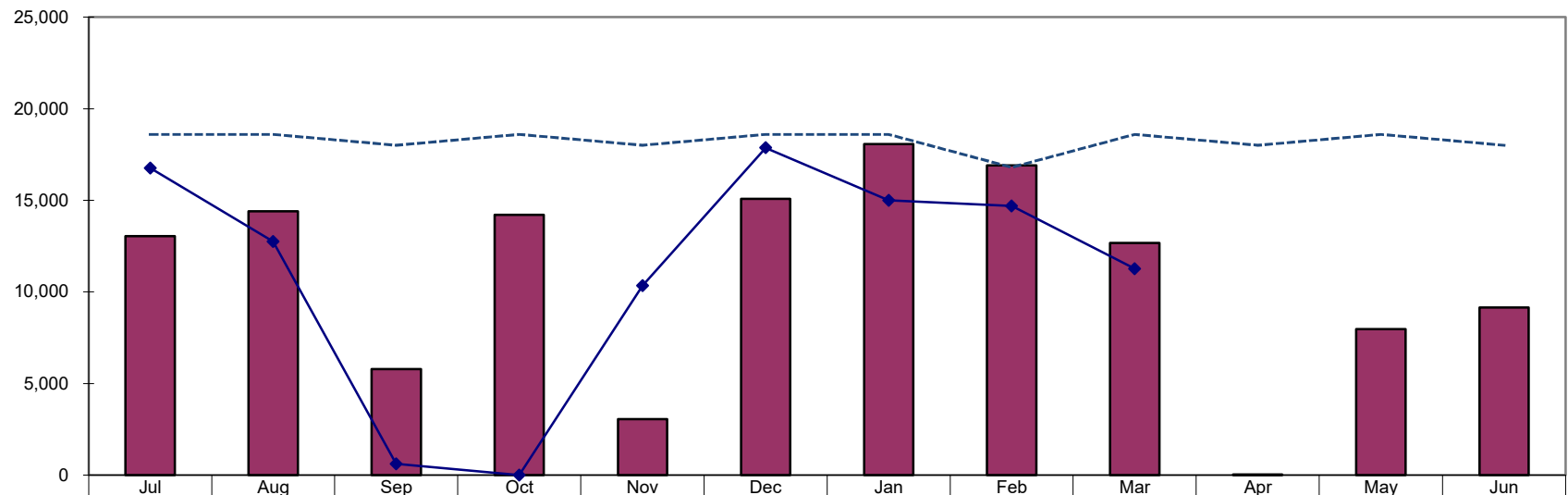
YTD:

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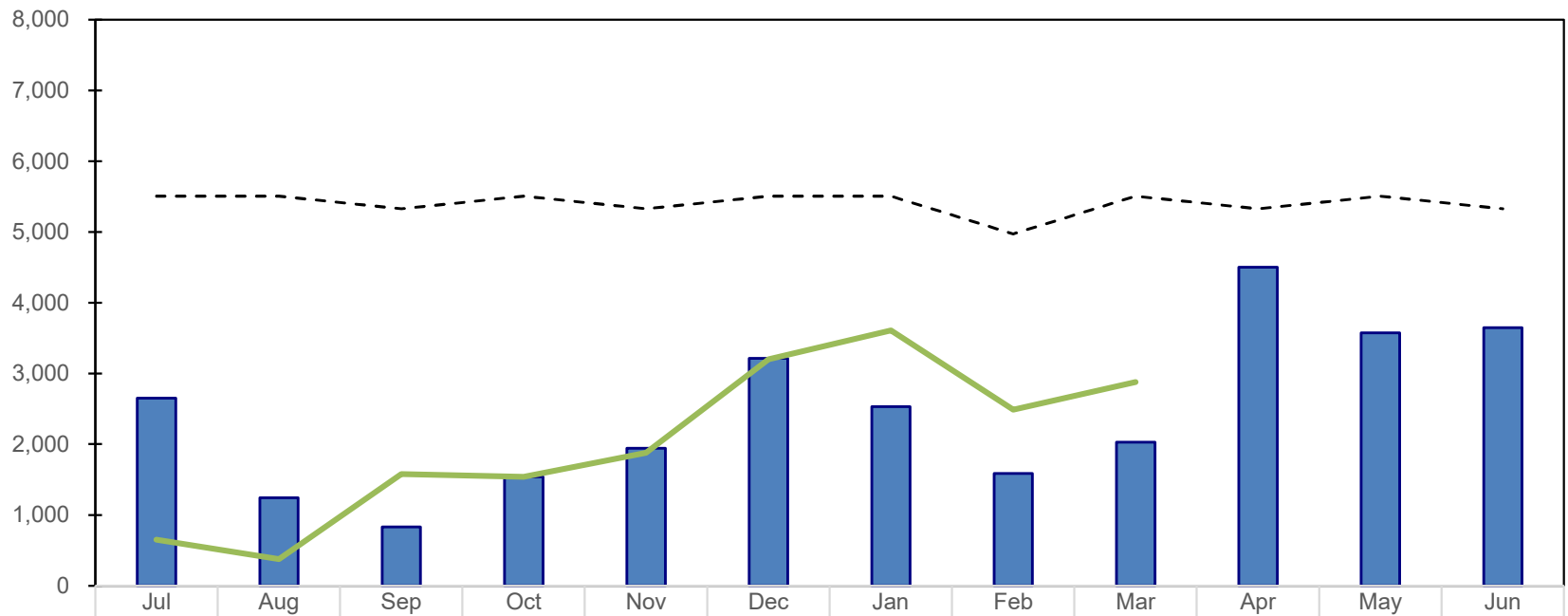
(3) GT produced 70 MWh (76% under Budget). GT outage started on 7/20/22. B Jet was brought online in the middle of March. A Jet continues to be offline.

**Burlington Electric Department
McNeil Plant - MWH Production (50%)
FY 2023**



 Budget	13,047	14,395	5,792	14,209	3,057	15,088	18,082	16,912	12,671	23	7,963	9,152
 Actual	16,763	12,756	619	0	10,354	17,868	14,993	14,691	11,263			
 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

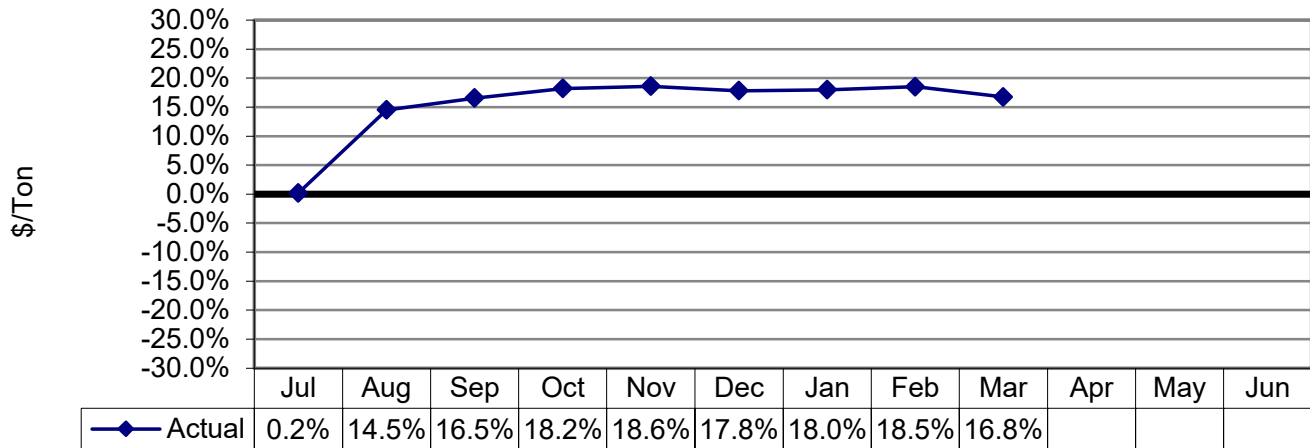
**Burlington Electric Department
Winooski One - MWH Production
FY 2023**



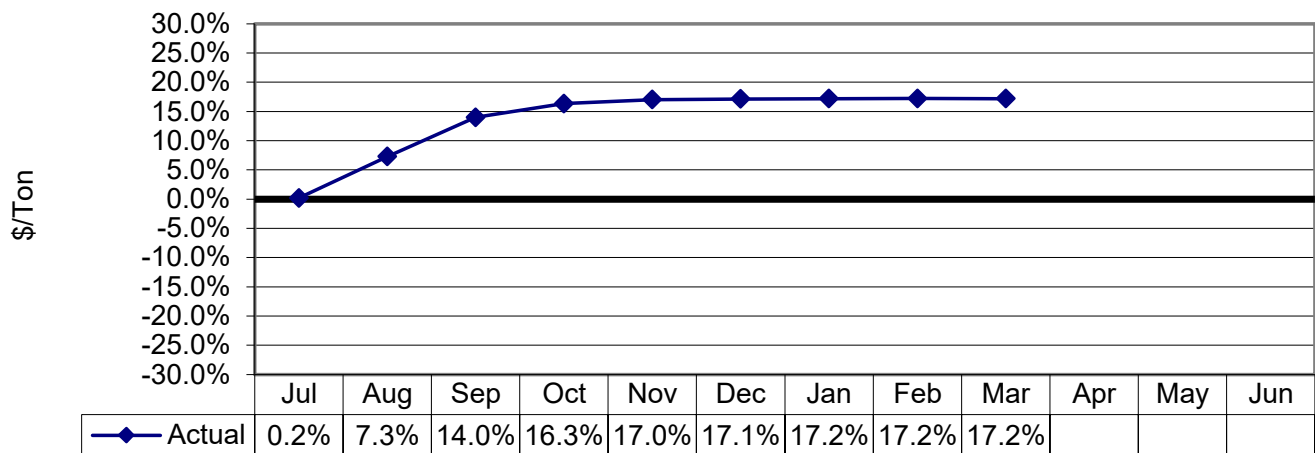
█ Budget	2,650	1,246	832	1,541	1,942	3,216	2,531	1,587	2,032	4,503	3,575	3,643
— Actual	651	376	1,578	1,541	1,878	3,197	3,609	2,488	2,878			
- - - Maximum	5,506	5,506	5,328	5,506	5,328	5,506	5,506	4,973	5,506	5,328	5,506	5,328

Burlington Electric Department Fiscal Year 2023

Woodchips Price Per Ton Monthly Variance



Woodchips Price Per Ton Year-to-Date Variance



* Wood only. Does not include other costs.

Net Power Supply Costs
March - FY 2023

	(\$000)						
	Current Month				Year-to-Date		
	Budget	Actual	Variance		Budget	Actual	Variance
<u>PURCHASED POWER:</u>							
Non-Energy (capacity)	83	372	(288)	(1)	824	1,942	(1,118) (1)
Energy:							
Georgia Mountain Wind	270	313	(43)	(2)	2,398	2,482	(84) (2)
Hancock Wind	389	327	62	(3)	2,509	2,255	254 (3)
VT Wind	306	258	47	(4)	1,924	1,396	528 (4)
Hydro Quebec	293	293	(0)		2,435	2,436	(0)
Great River Hydro	176	176	0		1,535	1,601	(65) (5)
In City Solar Generators	84	65	19	(5)	571	574	(3)
NYPA	7	8	(1)		56	63	(7)
ISO Exchange	(809)	(219)	(591)	(6)	(5,866)	(1,378)	(4,489) (6)
Velco Exchange	0	(0)	0		0	(3)	3
Total Energy	714	1,220	(506)		5,562	9,425	(3,862)
Ancillary Charges	2	8	(6)		45	211	(167) (7)
Miscellaneous	51	201	(150)		1,065	879	187 (8)
Total Purchased Power Expense	851	1,801	(950)		7,496	12,456	(4,960)

Current Month:

- (1) Includes \$284k Mystic Cost of Service not in Budget.
 (2) Production 16% over Budget.
 (3) Production 16% under Budget.
 (4) Production 16% under Budget.
 (5) Production under Budget.
 (6) Energy Prices under Budget. Production (McNeil (-11%) and Wind (-9%)) under budget.

YTD:

- (1) Includes \$1M for Mystic Cost of Service not in Budget.
 (2) Production 3% over Budget.
 (3) Production 10% under Budget.
 (4) Production 27% under Budget.
 (5) Includes REC purchases Budgeted under Miscellaneous.
 (6) Energy Prices under Budget. Production (McNeil (-12%) and Wind (-12%)) under budget.
 (7) Reflects loss of Forward Reserve Revenues due to GT outage.
 (8) Includes REC Adjustment Expense.

Burlington Electric Department
Operating and Maintenance Expense by Spending Category
FY 2023 - March YTD

	Budget	Actual	Variance	% Variance	*
Labor-Regular	6,548,822	6,114,957	433,865	7%	
Labor-Overtime	449,007	398,831	50,176	11%	a
Labor-Temporary	8,500	56,030	(47,530)	559%	b
Labor-Overhead	2,659,153	2,363,606	295,547	11%	c
Outside Services	1,714,600	1,918,216	(203,616)	12%	d
DSM	1,434,030	2,956,634	(1,522,604)	106%	e
Materials & Supplies	685,821	700,920	(15,099)	2%	
Insurance	558,186	558,791	(605)	0%	
A & G Clearing	(674,084)	(478,903)	(195,181)	29%	f
Other - RPS Compliance	493,360	428,388	64,972	13%	
Other	2,224,721	1,633,191	591,530	27%	g
Operating and Maintenance Expense	16,102,116	16,650,661	(548,545)	3%	

(a) Areas lower than budget include Customer Care (\$6,400), System Operations (\$68,000) and Engineering & Technicians (\$5,200); offset by areas higher than planned include Finance & Accounting, \$14,400 and McNeil Plant, \$18,400.

(a) Budget assumed intern positions in Policy & Planning, \$8,500. Actual includes temporary help in System Operations, \$53,000 and Finance & Accounting, \$3,000.

(c) See page 13.

(d) Actual includes gas turbine expense items that will be reclassified to capital next month, \$272,000.

(e) 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. Actual includes Act 151 pilot programs and TEPF spending on the District Energy System engineering work.

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

(g) Timing; higher Uncollectible Accounts, \$134,300 offset by various areas that are less than budget including, Maintenance Contracts (\$164,9000), Education & Training (\$82,900), Transportation Clearing (\$67,500) and Utilities (\$51,300).

Burlington Electric Department
Budget vs Actual Spending Analysis
FY 2023 - Mar YTD

Labor - Overhead	(000's)				
	Budget	Actual	Variance	%	
Pension	\$1,148	\$1,281	(\$133)	-12%	(a)
Medical Insurance	1,064	1,060	4	0%	(b)
Social Security Taxes	745	683	61	8%	(a)
Workers Compensation Ins.	283	256	27	10%	(b)
Dental Insurance	61	56	5	9%	(b)
Life Insurance	14	15	(1)	-4%	(b)
	\$3,315	\$3,350	(\$35)	-1%	

Rates Table:	Budget
<i>Pension</i>	12.49%
<i>Social Security</i>	7.65%

(a) Function of labor cost. Actual includes monthly pension arbitration amortization, \$5,440.

Pension amount for the year provided by the City during budget development.

(b) Budget provided by the City during budget development.

Net Income
FY 2023 - March (\$000)

		Current Month				Year - To - Date		
	Ref	Budget	Actual	Variance		Budget	Actual	Variance
Operating Revenues								
Sales to Customers	p.3	4,424	4,398	(26)		39,683	38,978	(705)
Other Revenues		282	488	205 (a)		2,670	4,060	1,391 (a)
Power Supply Revenues	p.6	0	0	0		6,214	5,851	(363)
Total Operating Revenues		<u>4,706</u>	<u>4,885</u>	<u>179</u>		<u>48,566</u>	<u>48,889</u>	<u>323</u>
Operating Expenses								
Fuel	p.6	902	954	(52)		8,149	7,692	457
Purchased Power	p.6	851	1,801	(950)		7,496	12,456	(4,960)
Transmission	p.6	868	803	65		7,344	6,950	394
Operating and Maintenance	p.12	1,817	2,173	(356)		16,102	16,652	(550)
Depreciation & Amortization		533	525	7		4,793	4,642	151
Revenue Taxes		47	46	1		453	448	5
Property Taxes Winooski One		43	40	3		390	364	26
Payment In Lieu of Taxes		196	180	16 (b)		1,766	1,616	150 (b)
Total Operating Expenses		<u>5,257</u>	<u>6,522</u>	<u>(1,265)</u>		<u>46,494</u>	<u>50,820</u>	<u>(4,326)</u>
Other Income and Deductions								
Interest/Investment Income		5	54	49		45	351	306
Dividends		367	367	(0)		3,291	3,296	5
Customer Contributions/Grant Proceeds		80	65	(15) (c)		559	451	(107) (c)
Gain/(Loss) on Disp of Plant		0	0	0		(282)	(13)	269 (d)
Other		5	162	158 (d)		42	(80)	(121) (e)
Total Other Income & Deductions		<u>457</u>	<u>648</u>	<u>191</u>		<u>3,654</u>	<u>4,005</u>	<u>351</u>
Interest Expense		242	275	(33) (e)		2,388	2,711	(323) (g)
Net Income		<u>(336)</u>	<u>(1,264)</u>	<u>(928)</u>		<u>3,338</u>	<u>(637)</u>	<u>(3,975)</u>

Current Month:

- (a) Energy Efficiency Program cost reimbursement was higher than planned, \$231,200.
- (b) Actual Payment in Lieu of Tax (PILOT) is less than budget assumption.
- (c) Budget assumed customer contributions for Champlain Pkwy, \$57,400 and other overhead/underground billable, \$22,800. Actual includes billable for Champlain Parkway, \$42,300, UVM LCOM \$23,200 and other overhead/underground billable, \$68,000 and grant proceed adjustment from prior year (\$69,075).
- (d) Includes unrealized loss on investment of \$158,600.
- (e) Revenue Bond 2022 actual interest higher than projected.

Year - To - Date:

- (a) Energy Efficiency Program cost reimbursement was higher than planned, \$1,374,000.
- (b) See current month.
- (c) Budget assumed customer contributions for Champlain Pkwy, \$401,600 and other overhead/underground billable, \$157,000. Actual includes prior year billable for UVM LCOM \$237,400, Champlain Pkwy, University Place decorative lighting \$86,400, other overhead/underground projects and grant proceeds.
- (d) Timing; retirements budgeted in August, December & February.
- (e) Timing of jobbing unfavorable, \$128,700.
- (g) Revenue Bond 2022 actual interest higher than projected.

**Burlington Electric Department
Capital Projects - FY23**

	\$000			
	Full Year Budget	Budget	March YTD Actual	Variance
McNeil (BED 50% Share)				
ESP Mechanical Field Rebuild (312)	245		77	(77)
Boiler Grate Overhaul West	200		338	(338) (a)
Routine Station Improvements	167	100	78	22
Continuous Emissions Monitoring Repl/Upgrade	146	146		146
Replacement Rail Cars	75	75		75
Switchyard 3321 Breaker Replacement	70	70		70
Turbine Control System Upgrade/Insurance (314)	49	49	30	19
A-Belt Belt Replacement (312)	30			0
Augers Replaced (312)	30	30		30
Demi/Service Water Pump	15	15		15
Safety Valve Replacements (312)	13	5		5
Shelving Footings	13	13	11	2
Station Tools & Tool Boxes	8	8	4	3
Rigging Equipment (316)	5	5		5
Other	11	5	8	(3) (b)
Total McNeil Plant	1,076	521	545	(24)

(a) Timing; budget assumed April.

(b) Budget includes energy efficiency improvements, equipment cameras, perimeter fence upgrade, portable radios upgrade and furniture replacement. Actual includes west grate emergency repairs, \$3,100, furniture replacement, \$1,100, backup boiler feed bpump, \$1,100 & perimeter fence upgrade, \$1,900.

Hydro Production	<u>224</u>	<u>214</u>	<u>46</u>	<u>168</u> (a)
-------------------------	------------	------------	-----------	----------------

(a) Timing of various projects including Control Room Fire Suppression, \$70,000, Turbine Painting, \$15,000 & Rake Hydraulic Pump replacement, \$40,000 deferred to future year.

Gas Turbine	<u>338</u>	<u>107</u>	<u>148</u>	<u>(42)</u> (a)
--------------------	------------	------------	------------	-----------------

(a) Roof, \$85,000 and painting outside, \$9,000 have been put off until future year.

Other				
Direct Current Fast Charger (new locations)	162	137	113	24
EV Charger Installation (Level 2)	39	33		33
Distributed Energy Resources	37	31		31
Policy & Planning Research & Dev	29	25	5	19
Total Other	<u>267</u>	<u>227</u>	<u>118</u>	<u>108</u>

Transmission Plant				
VT Transco Investment	<u>632</u>	<u>632</u>	<u>634</u>	<u>(2)</u>
Total Transmission Plant	<u>632</u>	<u>632</u>	<u>634</u>	<u>(2)</u>

**Burlington Electric Department
Capital Projects - FY23**

	\$000			
	Full Year Budget	Budget	March YTD Actual	Variance
Distribution Plant-General				
Aerial				
Heineberg Rd Reconductor	186	186	116	70
Pole Inspection & Replacement	118	53	71	(18)
Ethan Allen Pkwy - Conv to 2ph P2942-2959	73	73	58	15
Replace Recloser 252R			39	(39)
Total Aerial	376	312	283	28
Underground				
Lyman Avenue Rebuild	669	535	646	(111)
2L5 Cable Replacement Pt3	573	573	675	(102)
Sunset Cliff Rebuild	455	318	18	301
1L2/2L5 Cable Replacement Pt1	294	294	215	79
2L5/2L2 Cable Replacement Pt2	223	223	157	66
Replace 322/323/324S (Main St and Univ Hts)	138	7	1	6 (a)
Appletree Point Rebuild (Electrical Work)	107	107	55	52
Edgemoor Drive Rebuild - Phase 3	92	92	88	4
Replace 724S/725S (Milot - College St)	71	67	34	33
Replace 910S/911S (Votey)	59	59	17	42
Replace Switch (303,307,308)			106	(106)
Replace Switch (756,757,758,730-Battery/Pearl)			164	(164)
Total Underground	2,680	2,275	2,176	99
(a) Moved to FY24.				
Customer Driven/City Projects				
Champlain Parkway	736	515	136	379
Champlain Parkway (CAFC)	(574)	(402)	(42)	(359)
UVM Athletic Facility	18	18	114	(96)
Shelburne St Roundabout Relocation			9	(9)
University Place Decorative Lighting			230	(230)
University Place Decorative Lighting (CAFC)			(86)	86
UVM LCOM Building			28	(28)
UVM LCOM Building (CAFC)			(237)	237 (a)
Main Street Great Streets			6	(6)
Total Underground	180	132	158	(26)

(a) Timing; prior year billable.

**Burlington Electric Department
Capital Projects - FY23**

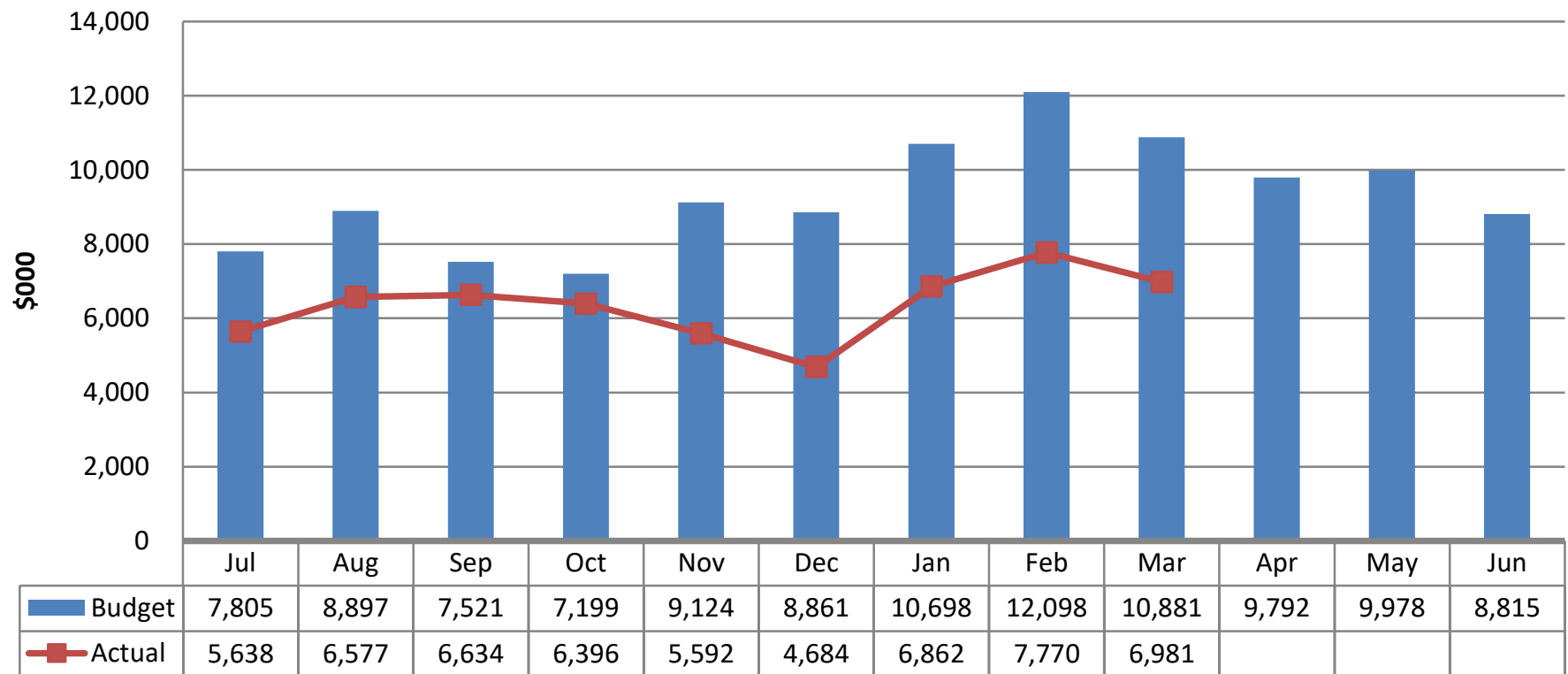
	\$000			
	Full Year Budget	Budget	March YTD Actual	Variance
Other				
Distribution Transformers	230	140	93	46
SCADA Field Device Upgrades	182	173	(5)	178 (a)
SCADA Network Switches Replacement	42	42	10	32
Communication Equipment Emergency Repair	29	26	4	22
SCADA Backup Server UPS Replacement	20	20		20
Metering CF-33 Toughbook	10	10		10
Other	0		16	(16)
Total Other	512	410	119	291
 Total Distribution Plant-General	 3,748	 3,128	 2,736	 392
 (a) Project cancelled this FY.				
Distribution Plant - Blanket				
Lighting	251	164	91	73
Lighting (Rebate)	(6)	(4)		(4)
Underground	347	224	297	(74)
Underground (CAFC)	(152)	(106)	(118)	11
Aerial	170	102	96	6
Aerial (CAFC)	(67)	(47)	(25)	(22)
Meters	92	85	41	45
Tools & Equipment - Distribution/Technicians	35	28	11	17
Replace Corroded Vista CT's/PT's	22	18	11	8
Substation Maintenance	16	15	7	8
Gas Detectors	4	4		4
Total Distribution Plant - Blanket	711	483	410	73
 Total Distribution Plant	 4,460	 3,611	 3,146	 465

**Burlington Electric Department
Capital Projects - FY23**

	\$000				
	Full Year Budget	Budget	March YTD Actual	Variance	
General Plant					
Computer Equipment/Software	1,902	1,460	674	786	(a)
Vehicle Replacement	94	94	143	(49)	
Buildings & Grounds	120	120	70	50	(b)
Other	11	11	10	2	(c)
Total General Plant	2,127	1,685	896	789	
 (a) Budget includes IT Forward, \$1,046,000 and various other projects (desktop/laptop replacements, OpenWay upgrade, Pole Mount Routers and Virtualized Hardware Refresh). Actual includes IT Forward, \$498,000, Pole Mount Routers, \$109,000 and Desktop/Laptop replacements, \$45,700.					
(b) Timing of various projects including Scada room seal, Fence for solar Array and Extend Pole Pile.					
(c) Budget includes training yard material and AED Purchase. Actual is new Pitney Bowes postage machine and AED's.					
Sub-Total Plant	<u>\$9,123</u>	<u>\$6,996</u>	<u>\$5,535</u>	<u>\$1,462</u>	
Add: CAFC* reclass to "Other Income"	798	559	509	50	
Total Plant	<u><u>\$9,921</u></u>	<u><u>\$7,555</u></u>	<u><u>\$6,043</u></u>	<u><u>\$1,511</u></u>	

* Customer Advances (Contributions) for Construction.

Operating Cash - FY 2023 Monthly Ending Balance





Draft Budget

Fiscal Year 2024

July 1, 2023 to June 30, 2024

Burlington Electric Commission
May 10, 2023

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Burlington Electric Department
Budget for the Year Ending June 30, 2024

Summary

Revenues

- Rate increase of 5.5%, effective on bills rendered September 1, 2023
- Total sales to customers up \$1.6 million
- Sales of Renewable Energy Credits (RECs)
 - McNeil RECs, \$4.2 million (FY23 - \$4.3 million)
 - Wind RECs, \$3.0 million (FY23 - \$3.1 million)

Expenses

- Labor assumes 5% COLA, merit increases, and tiering adjustments
- Assumes year-end pension liability adjustment of \$636,000
- Transmission costs down \$188,000 compared to FY23
- FY24 wood fuel cost down compared to FY23, which reflected higher diesel prices for suppliers
- \$3.1 million increase in purchased power expenses due to lower energy forward prices for sales of excess energy
- Assumes accounting order to amortize the shortfall between the winter 2022-23 forward energy prices and actual energy prices of \$4.16 million over 8 years
- City indirect allocation increased by \$83,000

Capital

- Total capital budget of \$10.9 million (net of \$425,000 of anticipated customer contributions):
 - Distribution, \$7.1 million
 - McNeil Plant, \$1.3 million
 - Other generation, \$775,000
 - EV charging, \$414,000
 - IT software and hardware, \$898,000
 - Other general plant, \$441,000

Cash/Financing

- Assumes beginning cash balance of \$4.7 million
- \$3 million General Obligation bond/bond anticipation note (BAN)
- \$9.2 million from 2022 revenue bond Construction Fund

Credit Rating Indicators

- 3.63 Revenue Debt Service Coverage Ratio
Target = >1.25
- 1.09 Adjusted Debt Service Coverage Ratio
Target = 1.5
- 90 Days Cash on Hand, including \$5 million Line of Credit
Target = 90

Burlington Electric Department
Budget for the Year Ending June 30, 2024
Income Statement (000s)

	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
OPERATING REVENUES:					
Sales to Customers	\$44,700	\$44,823	\$48,495	\$51,553	\$53,110
Misc Revenues - Power Supply	7,525	8,052	7,896	8,385	8,244
Misc Revenues - Other	3,508	3,240	3,223	3,631	3,775
Total Operating Revenues	55,733	56,115	59,614	63,569	65,130
OPERATING EXPENSES:					
Fuel	7,092	7,767	7,741	9,660	9,536
Purchased Power	16,859	14,763	14,745	11,858	14,940
Transmission Expense	7,873	8,032	8,908	9,905	9,717
Operation and Maintenance	18,763	19,676	19,220	22,952	22,670
Depreciation & Amortization	5,142	5,330	6,049	6,391	6,630
Gain/Loss on Disp of Plant	290	248	257	297	296
Taxes	3,587	3,698	3,307	3,466	3,369
Total Operating Expenses	59,606	59,514	60,227	64,529	67,158
NET OPERATING INCOME	(3,873)	(3,399)	(613)	(961)	(2,028)
OTHER INCOME & DEDUCTIONS:					
Dividends	4,269	4,327	4,336	4,391	4,402
Interest Income	221	83	85	60	462
Grants/Capital Contributions	1,003	1,318	580	798	425
Other Income, Net	(11)	84	(144)	57	48
Total Other Income/Deductions	5,483	5,811	4,856	5,306	5,337
INCOME BEFORE INTEREST EXPENSE	1,610	2,412	4,243	4,346	3,308
INTEREST EXPENSE	2,581	2,455	2,306	3,114	3,166
NET INCOME (LOSS)	(\$972)	(\$43)	\$1,937	\$1,231	\$142

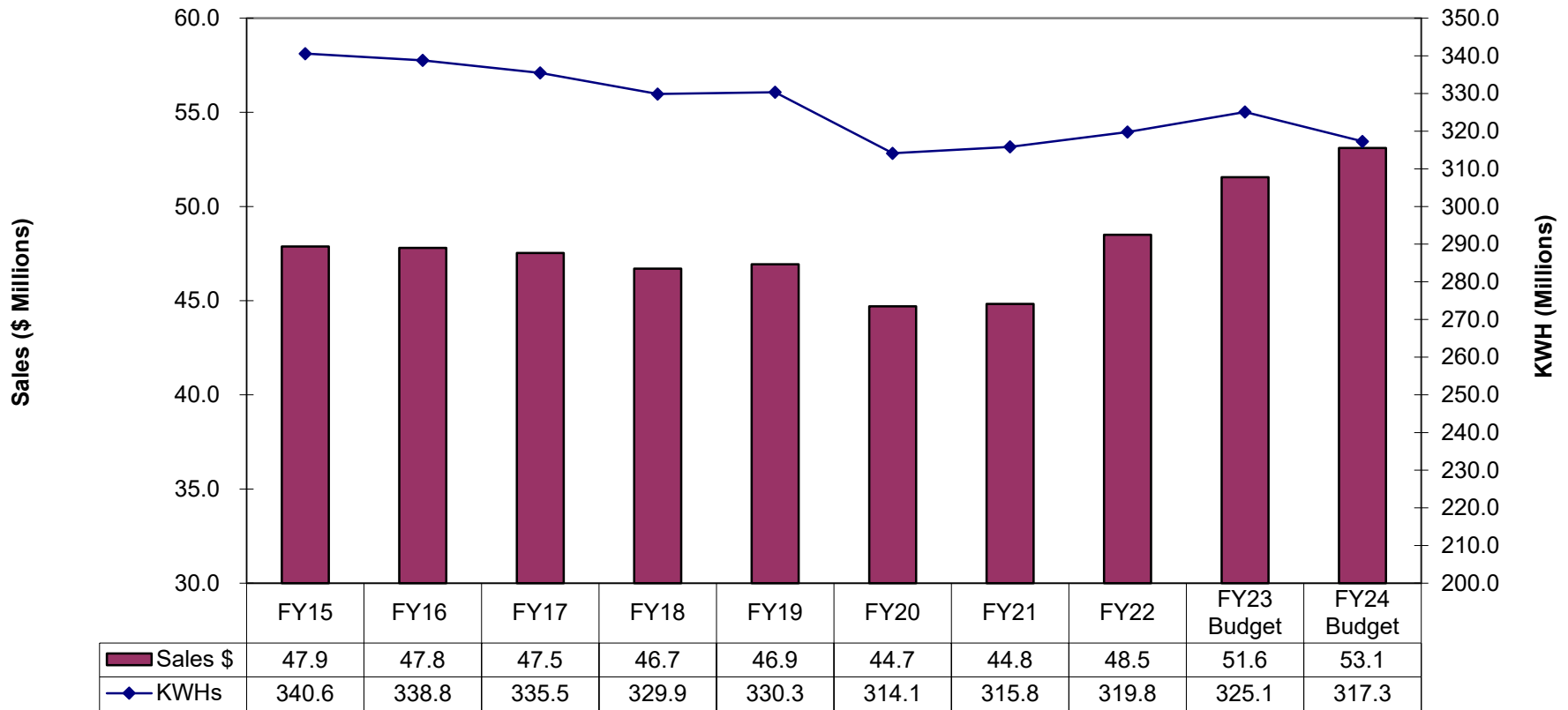
Burlington Electric Department
Budget for the Year Ending June 30, 2024
Sales to Customers

(000s)	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
Dollars:					
Residential	\$13,292	\$14,194	\$14,878	\$15,445	\$16,137
Commercial / Industrial	30,813	29,908	32,860	35,296	36,123
Streetlights	595	606	654	680	714
Private Area Lighting		114	103	131	136
Total Sales to Customers	<u>\$44,700</u>	<u>\$44,823</u>	<u>\$48,495</u>	<u>\$51,553</u>	<u>\$53,110</u>
KWH:					
Residential	84,176	90,304	88,626	87,928	87,594
Commercial / Industrial	227,826	223,412	228,389	234,458	226,996
Streetlights	2,137	2,128	2,097	2,056	2,059
Private Area Lighting		687	661	647	633
Total Sales to Customers - KWH	<u>314,138</u>	<u>316,531</u>	<u>319,772</u>	<u>325,090</u>	<u>317,283</u>
Revenue Per KWH:					
Residential	\$0.16	\$0.16	\$0.17	\$0.18	\$0.18
Commercial / Industrial	0.14	0.13	0.14	0.16	0.16
Streetlights	0.28	0.28	0.31	0.33	0.35
Private Area Lighting		0.17	0.16	0.20	0.21
Total Sales to Customers - Revenue Per KWH	<u>0.14</u>	<u>0.14</u>	<u>0.15</u>	<u>0.16</u>	<u>0.17</u>

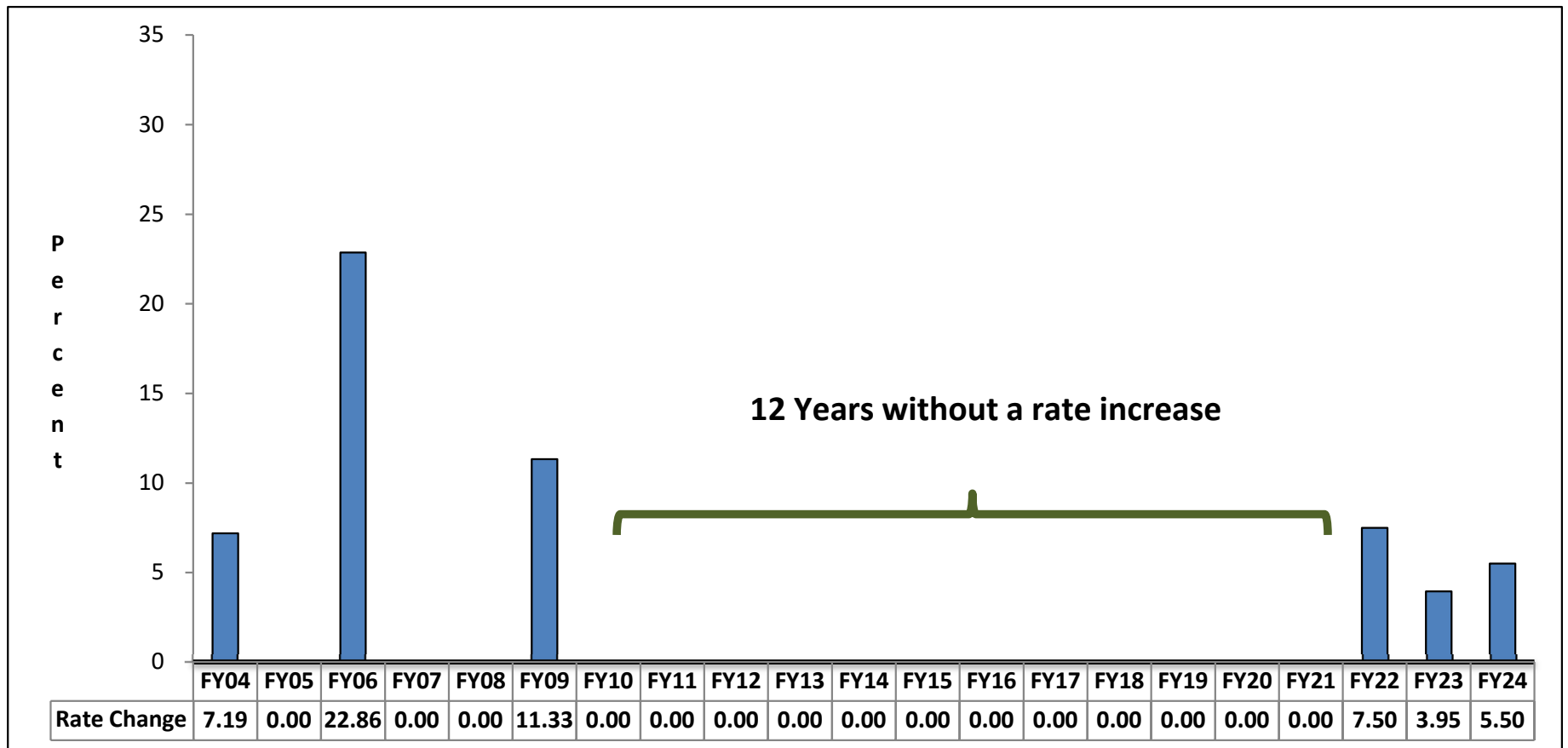
Assumptions:

- "Average" weather conditions based on last 10 years of actuals.
- Rate increase of 5.5%, effective bills rendered September 1, 2023.
- Private Area Lighting previously included under miscellaneous revenues as Leased Lights.

Burlington Electric Department Total Sales to Customers



Burlington Electric Department Rate Filing History



7.19% January 2004; 22.86% May 2006; 11.33% June 2009; 7.5% August 2021; 3.95% August 2022; 5.5% September 2023

Burlington Electric Department
Budget for the Year Ending June 30, 2024

Miscellaneous Electric Revenues	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
Forfeited Discounts					
Late Payment Fees	\$27,258	\$0	\$6,549	\$39,700	\$41,300
Service Revenues					
Initial Fees	203,459	197,535	185,354	206,400	195,500
Other Service Fees (1)	12,905	13,560	9,807	35,300	37,100
Total Service Revenues	216,364	211,095	195,161	241,700	232,600
Rent from Electric Property					
Leased Lights (2)	115,025	0	0	0	0
Pole Attachments (3)	111,277	85,542	70,310	70,400	70,056
Conduit Rental (4)	27,195	26,739	26,283	26,300	26,282
Total Rent from Electric Property	253,497	112,281	96,593	96,700	96,338

* Note, a three-year average is used for most revenue projections. FY21 was impacted by COVID.

(1) Includes reconnects, collections, temporary service, and other fees.

(2) Beginning in FY21 Leased Lights were reclassified to Sales to Customers as "Private Area Lighting".

(3) Budget is based on current billing. Rates effective as of 10/1/2020.

(4) Budget based on current billing. Fees per agreements with VELCO and Burlington Telecom.

Burlington Electric Department
Budget for the Year Ending June 30, 2024

	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
Miscellaneous Electric Revenues					
Electric Revenues - Other					
Miscellaneous (1)	23,302	2,021	26,843	17,200	17,200
EEU Program Cost Reimbursement (2)	2,977,008	2,900,080	2,887,447	3,223,500	3,376,200
Winooski One Hydro - Fish Passage/Water Sales	10,285	14,616	10,773	12,000	12,000
Total Electric Revenues - Other	3,010,595	2,916,717	2,925,063	3,252,700	3,405,400
Electric Revenues - Power Supply					
Renewable Energy Credits - McNeil (3)	3,521,592	3,943,923	4,266,808	4,299,100	4,196,700
Renewable Energy Credits - Wind (4)	3,025,853	3,280,049	2,780,505	3,110,500	3,003,000
Renewable Energy Credits - Hydro (5)	818,359	630,000	670,140	786,700	861,100
Renewable Energy Credits - Standard Offer/Solar (6)	158,650	197,844	178,252	188,300	183,400
Total Electric Revenues - Power Supply	7,524,723	8,051,816	7,895,705	8,384,600	8,244,200
Total	\$11,032,437	\$11,291,909	\$11,119,071	\$12,015,400	\$12,019,838

(1) Includes reimbursement for scrap metal.

(2) Energy Efficiency Charge funded for State energy efficiency programs effective January 2003.

(3) FY24 assumes \$ 33/MWh; FY23 assumed \$32/MWh.

(4) FY24 assumes \$ 34/MWh; FY23 assumed \$33/MWh

(5) FY24 assumes \$28/MWh; FY23 assumed \$28/MWh.

(6) FY24 assumes \$37/MWh; FY23 assumed \$38/MWh.

**BURLINGTON ELECTRIC DEPARTMENT
FY 2024 BUDGET
SOURCES OF POWER**

PURCHASED POWER

Source	Contract Expires	Nominal MW (1)	Market MW (2)	MWH	% of Total MWh	Type of Generation	Delivery Point	Comments
Vermont Wind	2026	16.000	3.167	30,504	9.4%	wind	Northeast VT	Began operation in October 2011 Contract extended for 5 years in 2019
ISO Exchange	n/a	n/a	14.30	(44,181)	-13.6%	exchange	VT Zone	Net purchases from (sales to) ISO-NE
GMC Wind	2037	10.000	2.430	26,790	8.3%	wind	Milton/Georgia	Production began 12/31/12
NYPA - St. Law.	2032	0.059	0.054	337	0.1%	lg hydro	NY-NE Border	Low-cost contract through the Vermont Dpt of Public Svc
NYPA - Niagara	2025	2.558	2.340	14,613	4.5%	lg hydro	NY-NE Border	Low-cost contract through the Vermont Dpt of Public Svc
Great River Hydro	2024	7.500	0.000	43,920	13.5%	lg hydro	Bellows Falls	Purchase of energy & RECs from Connecticut River hydro plants
BED Solar (3)	n/a	3.413	n/a	4,965	1.5%	solar	Burlington	BTV parking garage began production February, 2015 BED garage production began October 2015 South 40 Solar began January 2018
Hancock Wind	2025	13.500	0.000	34,529	10.7%	wind	VT Zone	The 10-year contract began December 2016
Hydro-Québec	2038	9.000	0.000	52,704	16.3%	lg hydro	Highgate	Deliveries commenced November 2015 Entitlement increased to 9 MW in November 2020
HQ Interconnection Credit	n/a	2.826	2.826	0	0.0%	n/a	n/a	

GENERATION

Source	Contract Expires	Nominal MW (1)	Market MW (2)	MWH	% of Total MWh	Type of Generation	Delivery Point	Comments
McNeil Generating Station	N/A	25.000	26.000	130,391	40.2%	wood	McNeil Sub	Projected to continue operation for forecast period
BED Gas Turbine (4)	N/A	25.000	18.483	335	0.1%	oil	Burlington	Projected to continue operation for forecast period
Winooski One Hydro	N/A	7.400	2.590	29,279	9.0%	small hydro	Burlington	Projected to continue operation for forecast period

GRAND TOTAL SOURCES **72.186** **368,367**
SOURCES - NET OF SALES TO ISO-NE **324,186**

(1) Nominal MW represents the nameplate of or entitlement to the resource

(2) Market MW represents the average monthly MW for the resource in the Forward Capacity Market (allowing for rating, reliability, partial periods and intermittent resource adjustments)

(3) BED Solar does not have a market capacity rating. It reduces BED's load at peak hours.

(4) GT output will be excess to BED's own needs

Burlington Electric Department FY24 Budget Net Power Cost – Key Assumptions

OVERALL COMMENTS AND NOTES

The most significant changes between the FY24 budget and the FY23 budget are:

- Decline in budgeted wholesale energy prices.
- Decreased wood fuel costs.
- Decreased capacity obligation.

ENERGY MARKETS & RESOURCES

Spot Market Energy Prices

- BED has revised its wholesale energy price projection in all periods covered by the five-year budget to reflect current market expectations.
- Expected base load (around-the-clock) power price forecasts:

	<u>FY23 Budget</u>	<u>FY24 Budget</u>
FY24	\$73.87	\$73.60
FY25	\$62.03	\$63.04
FY26	\$56.68	\$59.35
FY27	\$59.13	\$58.59
FY28		\$58.76

Hedge (Planned) Purchases

- There are currently no hedge contracts due to market exposure being minimal through the forecast period (based on assumed resource production).
-
- Additional hedge purchases can be made if needed.
- Based on McNeil's assumed operation at a 60% capacity factor, existing resources, and already executed contracts, BED expects to have contracted resources to meet the following percentages of BED's projected loads:

	<u>FY23 Budget</u>	<u>FY24 Budget</u>
FY24	113.2%	113.6%
FY25	104.7%	110.4%
FY26	89.2%	94.2%
FY27	81.1%	85.7%
FY28		81.2%

McNeil Generating Station

- 50% Ownership – 25 MW

- McNeil is assumed to operate at a 60% capacity factor for FY24 (and at a similar level in subsequent years). Energy prices combined with REC revenues are higher than projected variable costs in many hours. Significant drops in either energy or REC markets could warrant revisiting the capacity factor assumption.
- McNeil is projected to provide energy equal to approximately 40% of BED's load in FY24.
- Wood prices are assumed to be \$31.70 per ton in FY24, with +3% escalation per year thereafter.
- McNeil qualifies for the Vermont Tier 1 and Connecticut Class 1 REC markets.
- Residual RECs priced at \$37.25 for FY24.
- Average energy prices received by McNeil are budgeted to be 17% greater than those paid for load.
- **REC sales are assumed for budget period.**

BED Gas Turbine

- Not a significant energy source. BED's Gas Turbine is expected to provide energy equal to 0.1% of Burlington Electric's load for FY24 and this energy is expected to be excess to BED's needs.
- This unit provides significant value in non-energy markets (capacity and reserves). This value increased materially with the increase in wholesale capacity prices in June 2017 but has declined with a falling capacity market since May 2019.
- Average energy prices received by the BED's Gas Turbine are budgeted to be 11% greater than those paid for load.

NYPA

- Contracts continue through 2032 (St Lawrence) and 2025 (Niagara).
- Niagara is by far the larger resource.
- 65% capacity factor (i.e., no non-firm deliveries) assumed.
- NYPA is expected to provide energy equal to 4.6% of Burlington Electric's load for FY24.
- This resource qualifies for VT Renewable Energy Standard Tier 1.

- Average energy prices received under the NYPA contract are budgeted to be 8% less than those paid for load.
- BED pays transmission fees to VELCO and NYPA to access this resource.

Vermont Wind

- Vermont Wind became commercial on October 19, 2011. The original contract would have expired October 18, 2021. The contract now expires October 18, 2026.
- BED is entitled to 16 MW (40%) of 40 MW project.
- Vermont Wind is budgeted to operate at a 22% capacity factor for FY24.
- Vermont Wind is expected to provide energy equal to 9.4% of Burlington Electric's load for FY24.
- Vermont Wind qualifies for VT Tier 1 and CT, MA, and RI Class 1 REC markets.
- Average energy prices received under the Vermont Wind contract are budgeted to be 14% less than those paid for load.
- **REC sales assumed for budget period.**

Great River Hydro

- Great River Hydro has a 7.5 MW unit-contingent contract from January 2018 through December 2024 from hydro facilities on the Connecticut River. Energy deliveries are projected to be 7x16 subject to the units producing at least the contract energy in each hour.
- Great River Hydro is expected to provide energy equal to 13.5% of Burlington Electric's load for FY24.
- This resource qualifies for VT Renewable Energy Standard Tier 1.
- Average Energy Prices received under the Great River contract are budgeted to be 7% more than those paid for Load.
- The RECs from this resource will be retained by Burlington Electric for renewability purposes.

Solar Generation

- Currently, BED contracts to purchase 2,913 kW of output from seven solar generators around the city of Burlington.

- BED increased the amount of solar generation by 499 kW by adding the BED-owned array on the Burlington International Airport parking garage which began commercial operations in February 2015.
- BED further increased the amount of solar generation by 107 kW with a project on the roof of BED. This project began commercial operations in October 2015.
- BED most recently increased the amount of solar generation by another 2,500 kW to reflect the South Forty Solar project. This project was in production by December 2017.
- Solar generation is projected to provide energy equal to 1.5% of Burlington Electric's load for FY24.
- Solar qualifies for all major REC markets. In addition, Pine Street Solar and South Forty Solar qualify as a Tier 2 resource in Vermont.
- Average energy prices received by BED's Solar Generation are budgeted to be 10% less than those paid for load.
- **REC sales assumed for budget period.**

Georgia Mountain Community Wind (GMCW)

- GMCW began commercial output on December 31, 2012.
- GMCW is budgeted to operate at a 30.5% capacity factor.
- GMCW is projected to provide energy equal to 8.3% of Burlington Electric's load for FY24.
- GMCW qualifies for VT Tier 1 and CT, MA, and RI Class 1 REC markets.
- Average energy prices received by GMCW are budgeted to be 7% less than those paid for load.
- **REC sales assumed for budget period.**

Winooski One Hydro

- The Winooski One VEPPI contract ended on March 31, 2013.
- BED attained full ownership of the facility beginning September 1, 2014.
- Winooski One is projected to provide energy equal to 9.0% of Burlington Electric's load for FY24.
- Winooski One qualifies to sell Massachusetts Class II (non-waste) RECs and as a VT Tier 1 resource.

- Average energy prices received by Winooski One are budgeted to be 3% less than those paid for load.
- **REC sales assumed for budget period.**

Hydro-Québec

- The 5 MW BED portion of the Hydro-Québec contract began in November 2015. An additional 4MW has been delivered starting in November 2020.
- Hydro-Québec is expected to provide energy equal to 16.3% of Burlington Electric's load for FY24.
- 99%+ of this resource is expected to qualify for VT Renewable Energy Standard Tier 1.
- Average energy prices received under the Hydro-Québec contract are budgeted to be 5% less than those paid for load.

Hancock Wind

- Commercial operations began in December 2016.
- BED is entitled to 13.5 MW of the project.
- Capacity factor has been estimated at 29.1%.
- Hancock Wind is expected to provide energy equal to 10.7% of Burlington Electric's load for FY24.
- Hancock qualifies for VT Tier 1 and CT, MA, and RI Class 1 REC markets.
- Average energy prices received under the Hancock contract are budgeted to be 4% more than those paid for load.
- **REC sales assumed for budget period.**

CAPACITY MARKET

Capacity Market Prices

- New market rules changed BED's capacity position beginning June 1, 2010.
- BED's capacity obligation may be charged a different price than its resources receive.
- The projected capacity rate for each kW-month for the period are:

Fiscal Year	\$/kW-month	Notes
FY24	2.04	Known
FY25	2.48	Known
FY26	2.54	Known
		11 months known & 1
FY27	2.55	month forecast
FY28	2.18	FY24 forecast

- BED is a net purchaser of capacity (i.e., total charges for load exceed resource payments) – see capacity position below.

Projected Capacity Position

BED expects to be buying 20-30% of its capacity needs from the ISO-NE market over the next five fiscal years:

	FY24	FY25	FY26	FY27	FY28
McNeil	26.0	26.0	26.0	26.0	26.0
BED Gas Turbine	18.5	18.2	18.2	18.2	18.2
NYPA	2.4	2.4	2.4	2.4	2.4
Vermont Wind	3.2	3.1	0.3	0.0	0.0
GMCW	2.4	2.2	2.2	2.2	2.2
Winooski One	2.6	2.8	2.8	2.8	2.8
HQICC	2.8	2.8	2.8	2.8	2.8
Market Purchase	14.3	18.4	22.2	22.7	23.4
MW REQUIREMENT	72.2	75.9	77.0	77.2	77.8
Hedged	80.2%	75.8%	71.1%	70.5%	69.9%

RENEWABLE ENERGY CREDITS (RECs)

FY24 benefits from a relatively strong REC market. REC revenues are forecasted to remain a significant offset to BED's power costs over the forecast period. Historical and projected values are as follows:

	Avg. \$/REC	Actual REC Revenues	FY23 Budget	FY24 Budget	Notes
FY08		0			
FY09	23	1,648,484			Partial Year - McNeil Qualified Q4-2008
FY10	23	1,624,454			** See Note Below
FY11	22	3,211,612			McNeil only - VT Wind delayed
FY12	24	3,555,352			REC price falls, VT Wind partial year
FY13	42	7,123,448			Recovery in REC prices - full year VT Wind
FY14	51	11,237,165			Increased REC prices
FY15	46	10,968,226			Winooski One partial year
FY16	49	11,912,108			Winooski One full year
FY17	36	8,766,988			REC Price Drop, Hancock partial year
FY18	35	7,903,446			Hancock full year, No Standard Offer RECs
FY19	29	7,359,815			Full year South Forty; REC price falls
FY20	30	7,524,454			REC price increased
FY21		8,051,813			Continued high REC prices
FY22	33	7,895,705			Continued high REC prices
FY23	32		8,384,619		
FY24	32		8,366,658	8,244,164	
FY25	31		8,358,021	8,467,373	
FY26	28		7,336,847	8,903,298	
FY27	26		6,056,268	7,328,347	
FY28	28			5,280,081	

** A change from recording REC revenues from when the power is generated to when the REC is delivered caused a one-time loss of REC income (but did not change cash flow). The change is estimated to have resulted in \$1,200,000 of REC revenue that would have been recorded in FY10 on a REC delivery basis being recorded in FY09.

TRANSMISSION

Transmission charges, particularly ISO-NE transmission charges for use of the New England transmission system, continue to be a significant expense (though this is by no means unique to BED). The Budget also includes a VELCO specific facilities transmission costs for a reactor upgrade starting in January 2019.

Past and projected transmission charges in this forecast are:

	<u>ISO-NE</u>	<u>VELCO</u>	<u>GMP</u>	<u>Other</u>	<u>Total</u>	<u>Notes</u>
FY05	\$1,354,865	\$329,616	\$333,696	\$55,606	\$2,073,783	Actual
FY06	\$1,317,881	\$438,484	\$333,696	\$67,746	\$2,157,806	Actual
FY07	\$1,492,208	\$165,659	\$333,696	\$69,383	\$2,060,946	Actual
FY08	\$1,727,499	\$1,138,279	\$259,589	\$68,569	\$3,193,937	Actual
FY09	\$2,513,582	\$584,002	\$329,270	\$49,406	\$3,476,260	Actual
FY10	\$3,220,858	\$838,421	\$277,204	\$58,268	\$4,394,751	Actual
FY11	\$3,584,512	\$108,169	\$1,351	\$54,108	\$3,748,140	Actual
FY12	\$3,341,192	\$1,340,648	\$16,630	\$4,940	\$3,748,140	Actual
FY13	\$3,990,748	\$758,461	\$125,710	\$5,233	\$4,880,153	Actual
FY14	\$4,621,302	\$1,626,381	\$316,841	\$431	\$6,564,955	Actual
FY15	\$4,810,330	\$1,172,223	\$291,645	\$26,052	\$6,300,250	Actual
FY16	\$5,077,900	\$1,042,605	\$301,783	\$246,245	\$6,668,533	Actual
FY17	\$5,328,860	\$1,249,872	\$321,998	\$289,639	\$7,190,369	Actual
FY18	\$5,673,053	\$757,542	\$335,364	\$296,026	\$7,061,985	Actual
FY19	\$5,668,802	\$1,899,717	\$336,125	\$358,390	\$8,263,034	Actual
FY20	\$5,339,679	\$1,840,447	\$338,314	\$370,774	\$7,889,213	Actual
FY21	\$6,299,655	\$983,078	\$361,375	\$378,025	\$8,022,133	Actual
FY22	\$7,003,913	\$1,065,175	\$349,732	\$497,537	\$8,916,356	Actual
FY23	\$7,359,370	\$1,794,844	\$366,650	\$383,869	\$9,904,733	FY23 Budget
FY24	\$6,951,720	\$1,941,657	\$339,809	\$483,482	\$9,716,667	FY24 Forecast
FY25	\$7,339,483	\$1,881,069	\$348,304	\$486,011	\$10,054,867	FY24 Forecast
FY26	\$7,820,607	\$1,613,807	\$357,012	\$472,858	\$10,264,284	FY24 Forecast
FY27	\$8,304,146	\$1,446,293	\$365,937	\$467,131	\$10,583,507	FY24 Forecast
FY28	\$8,747,193	\$1,463,361	\$375,085	\$477,547	\$11,063,186	FY24 Forecast

Burlington Electric Department
Budget for the Year Ending June 30, 2024

Production Fuel Expense	Budget FY 20	Budget FY 21	Budget FY 22	Budget FY 23	Budget FY 24
COST OF FUEL (McNeil @ 50%)					
McNeil - Fuel Purchases					
Wood (1)	\$5,631,900	\$5,543,540	\$5,862,216	\$6,658,440	\$6,303,012
Gas for Start-up (2)	57,910	58,070	58,074	81,846	57,756
Gas for NOx Reduction (2)	5,810	2,900	5,808	9,450	2,190
Oil for Start-up (3)	65,220	38,890	40,820	86,544	148,633
Sub-Total	5,760,840	5,643,400	5,966,918	6,836,280	6,511,591
McNeil - Other Costs					
Labor - Yardworkers	239,790	292,240	367,680	290,133	275,177
Labor - Foresters	274,200	275,700	281,842	285,389	308,263
Swanton Yard/NECRR (train deliveries)	1,508,290	1,606,720	1,603,805	1,686,786	1,806,541
Wood Ash Removal	39,450	39,450	46,200	32,250	65,165
Other (4)	202,420	213,460	231,016	375,235	407,120
Total Other Costs	2,264,150	2,427,570	2,530,542	2,669,794	2,862,265
Total McNeil Fuel	8,024,990	8,070,970	8,497,460	9,506,074	9,373,856
Gas Turbine (Oil) (3)	116,460	117,410	101,924	153,748	162,247
Total Production Fuel Expense	\$8,141,450	\$8,188,380	\$8,599,385	\$9,659,822	\$9,536,103
(1) Wood					
# Tons:	204,796	199,050	210,115	198,846	198,847
Average Price/Ton \$:	\$27.50	\$27.85	\$27.90	\$33.49	\$31.70
(2) Gas (includes Gas for Generation)					
# MCF:	7,500	7,500	7,500	7,501	5,000
Price \$:	\$5.83	\$5.83	\$5.83	\$9.00	\$8.75
(3) Oil (per gallon)	\$2.90	\$1.75	\$1.97	\$3.50	\$3.17

(4) Includes fuel assessment, oil tank integrity testing, aerial survey, general maintenance, unloading trestle lease, railcar storage, RR switching/repair, and emission fees.

Burlington Electric Department
Budget for the Year Ending June 30, 2024

Purchased Power	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
Energy Charges					
Hancock Wind	\$3,239,336	\$2,875,209	\$2,253,659	\$3,274,009	\$3,285,400
Georgia Mountain Wind	2,886,128	3,135,607	3,151,366	3,201,214	3,275,846
Hydro Quebec	1,608,240	2,302,368	2,883,974	3,294,448	3,677,455
VT Wind	2,125,083	2,065,131	2,679,228	2,537,382	2,516,551
Great River Hydro	1,954,435	1,964,094	2,007,847	2,052,512	2,101,234
In City Solar Generators	872,039	875,237	841,790	838,758	840,308
NYPA	98,784	103,037	94,159	73,357	73,555
Brookfield	376,960			0	0
VELCO Exchange (NYPA)	(4,489)	(5,353)	(14,818)	0	0
VEPPI	162,406	36,247		0	0
ISO Exchange	(402,596)	(704,167)	(1,901,061)	(5,904,769)	(4,424,020)
ISO Exchange - Accounting Order (1)					520,279
Subtotal Energy Charges	12,916,326	12,647,410	11,996,144	9,366,913	11,866,608
Capacity Charges					
ISO Settlement	3,069,356	1,638,280	1,519,893	922,019	353,240
NYPA	127,795	127,795	127,795	127,788	127,788
VEPPI	32,161	7,971		0	0
BED Battery				0	0
Winooski 1				0	0
GMC Wind				0	0
EnerNOC				0	0
Standard Offer				0	0
VT Wind	(218,571)	(174,920)	(155,335)	0	0
Hancock Wind				0	0
Mystic					758,703
Subtotal Capacity Charges	3,010,741	1,599,126	1,492,353	1,049,807	1,239,731
Net Ancillary Services	(64,491)	(99,101)	(49,738)	28,083	(84,055)
Miscellaneous (2)	997,733	615,518	1,306,300	1,413,270	1,918,075
	<u>\$16,859,365</u>	<u>\$14,762,501</u>	<u>\$14,745,059</u>	<u>\$11,858,073</u>	<u>\$14,940,359</u>

(1) Proposed accounting order with the PUC to amortize over 8 years the shortfall between the winter 2022-23 forward energy prices and the actual winter 2022-23 energy prices.

(2) Includes Renewable Energy Credit expense, ISO-NE dispatch, administration, and misc/other charges.

Burlington Electric Department
Budget for the Year Ending June 30, 2024

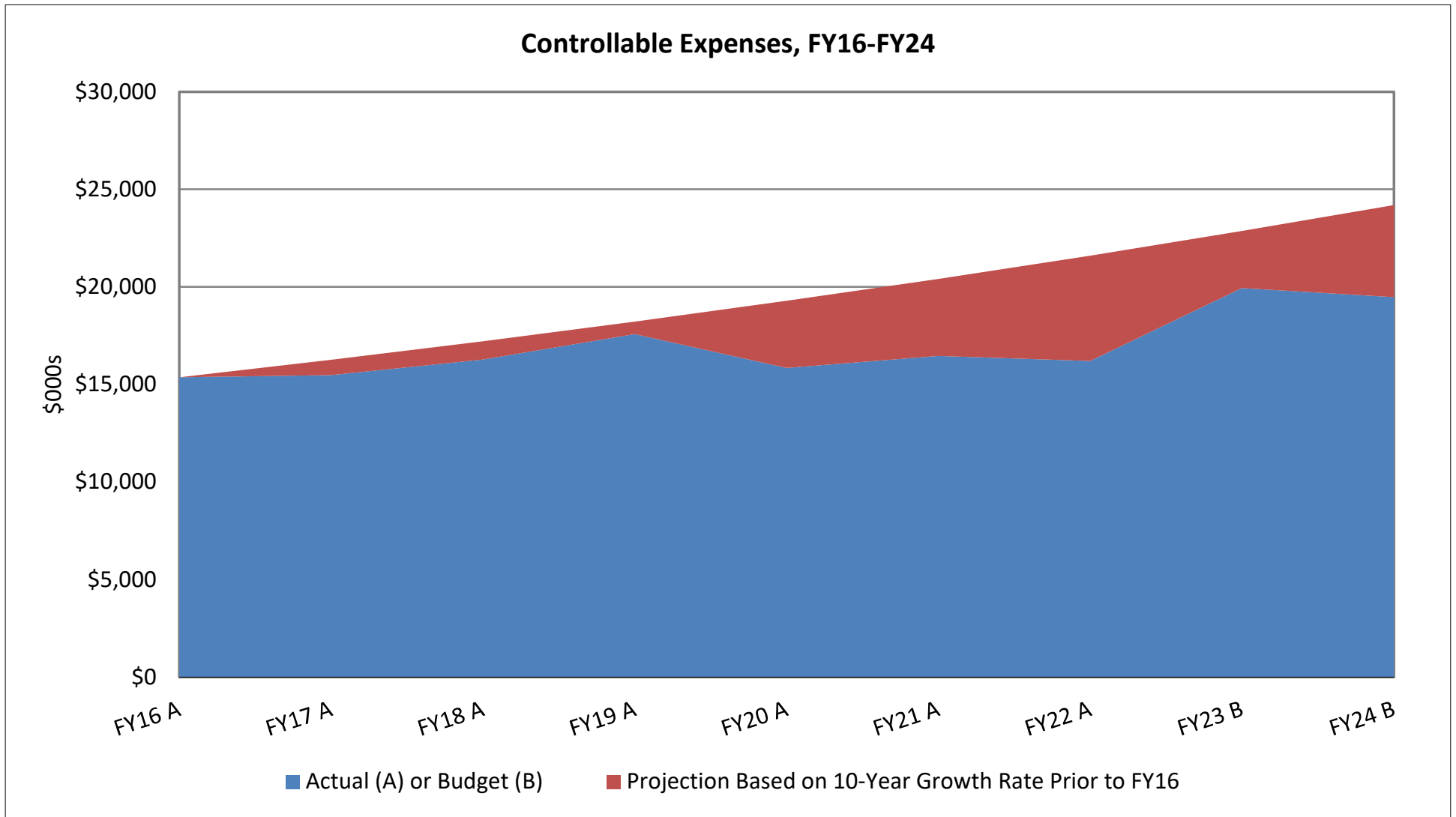
Net Power Supply Costs (000s)	FY 20	FY 21	FY 22	Budget FY 23	Budget FY 24
<u>Expenses:</u>					
Fuel (p. 18)	\$7,092	\$7,767	\$7,741	\$9,660	\$9,536
Purchased Power (p. 19)	16,859	14,763	14,745	11,858	14,940
Transmission Fees	7,873	8,032	8,908	9,905	9,717
Total Power Supply - Expenses	31,825	30,562	31,395	31,423	34,193
<u>Revenues:</u>					
Renewable Energy Credits - McNeil (1)	3,522	3,944	4,267	4,299	4,197
Renewable Energy Credits - Wind (2)	3,026	3,280	2,781	3,111	3,003
Renewable Energy Credits - Hydro (3)	818	630	670	787	861
Renewable Energy Credits - Standard Offer/Solar (4)	159	198	178	188	183
Total Power Supply - Revenues	7,525	8,052	7,896	8,385	8,244
Net Power Supply Costs	<u>\$24,300</u>	<u>\$22,510</u>	<u>\$23,499</u>	<u>\$23,038</u>	<u>\$25,949</u>

(1) FY24 assumes \$33/MWh; FY23 assumed \$32/MWh.

(2) FY24 assumes \$34/MWh; FY23 assumed \$33/MWh.

(3) FY24 assumes \$28/MWh; FY23 assumed \$28/MWh.

(4) FY24 assumes \$37/MWh; FY23 assumed \$38/MWh.



Continued fiscal discipline since FY16 has moderated annual increases in controllable expenses to 3.7% on average, compared to 5.84% between FY07-FY16.

Burlington Electric Department
Budget for the Year Ending June 30, 2024
Operational Expense

	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24	
Labor Expense						
Labor-Regular	\$7,692,570	\$7,835,403	\$7,873,497	\$8,758,900	\$9,370,666	(1)
Labor-Overtime	382,561	382,567	585,615	598,200	498,729	
Labor-Temporary	5,894	4,348	13,011	8,500	63,000	(2)
Sub-Total Labor	8,081,025	8,222,318	8,472,123	9,365,600	9,932,395	
Labor-Overhead	4,094,222	4,235,699	2,710,379	4,755,700	3,986,659	(3)
Total Labor w/ Overhead	12,175,247	12,458,017	11,182,502	14,121,300	13,919,054	
Non-Labor Expense						
Office Supplies	8,515	3,372	4,984	10,200	9,378	
Materials & Supplies	656,156	709,009	681,350	956,300	912,453	
Publications	9,205	1,112	6,485	10,600	6,133	
Training	29,436	23,878	36,511	154,200	96,518	(4)
Education	28,433	18,435	15,591	55,100	72,764	(5)
Business Meetings	11,987	451	6,988	21,000	9,049	
Phones	33,536	34,212	37,045	55,900	39,631	(6)
Maintenance Contracts	494,399	528,749	757,846	858,100	893,615	
Dues and Fees	117,894	132,061	108,253	137,600	135,561	
Advertising	35,069	16,234	41,123	44,000	40,150	
Building Clearing	251,168	239,419	277,878	322,700	296,163	
Transportation Clearing	285,146	274,492	242,201	355,000	472,655	(7)
Admin & General Capitalized	(374,772)	(356,352)	(419,399)	(863,900)	(1,033,899)	(8)
Allocations to McNeil	(16,056)	(13,752)	(20,358)	(21,500)	(22,207)	(9)
Outside Services (p. 24)	2,588,173	2,355,427	3,172,874	2,781,000	2,938,370	
Transmission	7,873,281	8,031,992	8,908,109	9,904,700	9,716,667	
Rentals & Leases	84,790	91,252	84,439	99,900	92,988	
Group Insurance	477,872	632,923	691,275	746,700	791,115	(10)
Printing and Forms	13,206	7,934	8,499	18,400	22,210	
Computer Supplies	12,571	10,031	17,010	24,100	28,444	
Computer Software	5,329	2,151	1,063	8,100	1,800	
Postage	79,564	59,780	82,927	61,400	90,148	
Utilities	150,349	121,014	151,511	227,800	208,042	
DSM Rebates	1,340,439	1,497,512	1,279,170	1,604,100	1,657,305	(11)
Uncollectible Accounts	146,164	87,060	143,098	108,000	108,000	
Claims Settlements	344	0	0	1,300	844	
OPEB	(11,260)	49,999	20,566	0	0	
Other - RPS Tier 3 Compliance	326,480	681,181	559,836	658,300	867,184	
Other	(196,149)	10,408	48,462	396,800	16,622	(12)
Total Non-Labor Expense	14,461,269	15,249,984	16,945,337	18,735,900	18,467,703	
Total Operational Expense	\$26,636,516	\$27,708,001	\$28,127,839	\$32,857,200	\$32,386,757	
Less EEC Expenses (reimbursed)	(2,977,008)	(2,900,080)	(2,887,447)	(3,223,500)	(3,376,200)	
Less Power Supply - Transmission	(7,873,281)	(8,031,992)	(8,908,109)	(9,904,700)	(9,716,667)	
Less RPS Tier 3 Compliance	(326,480)	(681,181)	(559,836)	(658,300)	(867,184)	
Less Admin & General Capitalized	374,772	356,352	419,399	863,900	1,033,899	
Controllable Cost	\$15,834,519	\$16,451,100	\$16,191,846	\$19,934,600	\$19,460,605	

See analysis page 24

Budget for the Year Ending June 30, 2024
Operational Expense Notes

- (1) **Labor-Regular** – FY24 includes 5% cost-of-living adjustment and merit pay assumptions. Also, labor impacted by the amount of capital (vs. expense) work. FY23 assumed 9.1% of labor allocated to Capital and FY24 assumes 8.5%.
- (2) **Labor-Temporary** – FY24 includes temp position for System Operations.
- (3) **Labor-Overhead** – FY24 assumes year-end adjustment for pension liability of \$636,000.
- (4) **Training** - includes personnel development for all areas of the department as well as specific safety and skills training.
- (5) **Education** – The Department’s Qualified Degree Program and Apprentice Lineworker Program costs.
- (6) **Phones** – Includes all phone-related charges (local, long distance & conference calls). Also includes all cell phones (usage, new cell phones & accessories).
- (7) **Transportation Clearing** – Vehicle maintenance and gasoline provided by the Department of Public Works. Impacted by the amount of capital (vs. expense) work and by the amount of work we use contractors for.
- (8) **Admin & General Capitalized** – Contingent on capital projects.
- (9) **Allocations to McNeil** – Certain incidental BED administrative costs are allocated to McNeil joint owners. (Most costs directly charged.)
- (10) **Group Insurance** – Property Boiler & Machinery insurance increased significantly in FY21.
- (11) **DSM Rebates** – FY24 includes \$3,376,200 in “Other Revenues” to cover these and other costs.
- (12) **Other** – FY20 included year-end accounting adjustment for regulatory asset (\$231,768). FY23 included Department contingencies.

Burlington Electric Department
Budget for the Year Ending June 30, 2024
Operational Expense

Outside Services	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
Equipment Maintenance	\$236,869	\$320,560	\$356,708	\$493,300	\$540,376
Legal Services	61,646	85,497	32,306	51,000	45,500
Temporary Help	1,001	0	0	0	3,840 (1)
Technical	702,391	334,674	660,631	684,200	658,602
City of Burlington	327,229	331,476	311,300	445,300	528,566 (2)
Buildings & Grounds	37,890	35,878	47,045	51,400	52,658
Financial Audit	112,625	115,529	124,210	122,500	138,650
Financial/Banking	401,360	362,352	763,793	362,000	415,910 (3)
Energy Efficiency Utility	471,972	644,189	683,544	301,100	324,196 (4)
Other	235,190	125,272	193,337	270,200	230,073
Total Outside Services	\$2,588,173	\$2,355,427	\$3,172,874	\$2,781,000	\$2,938,370

(1) FY20 was coverage for Customer Care. FY24 budget is for McNeil Plant.

(2) Indirect cost allocation for general government, city attorney, human resources, and racial equity, inclusion and belonging.

(3) Includes monthly fees for eCheck & credit card payments.

(4) Offsetting revenues are included in "Other Revenues" to cover these and other related costs.

Burlington Electric Department
Budget for the Year Ending June 30, 2024

Depreciation & Amortization	Actual FY20	Actual FY21	Actual FY22	Budget FY23	Budget FY24
Depreciation:					
Distribution	\$2,530,455	\$2,583,262	\$2,636,955	\$2,635,896	\$2,688,800
General	449,162	446,427	393,276	451,205	453,491
Transmission	72,026	72,652	72,754	72,755	74,100
Gas Turbine, Wind & Solar	251,946	294,809	286,511	289,887	295,700
McNeil	793,979	808,451	815,722	814,356	830,800
Winooski One Hydro	341,567	363,967	371,033	370,983	378,300
Subtotal	4,439,135	4,569,568	4,576,251	4,635,082	4,721,191
Deferred Depreciation Adjustment (1)	145,921	208,298	907,849	1,181,957	1,291,726
Total Depreciation	4,585,056	4,777,866	5,484,100	5,817,040	6,012,917
Amortization:					
Intangible Assets (Software)	80,272	67,785	54,610	57,428	58,600
Winooski One Hydro (1)	476,910	484,410	491,910	496,910	509,409
Regulatory Asset (2)			18,053	19,694	49,038
Total Amortization	557,182	552,195	564,573	574,033	617,047
Total Depreciation & Amortization	\$5,142,238	\$5,330,061	\$6,048,673	\$6,391,072	\$6,629,964
(Gain)/Loss on Disposition of Plant	\$289,526	\$248,260	\$256,663	\$297,000	\$295,940

(1) Plant acquisition adjustment (\$12M) for the life of the bond. This represents market value (paid) over book value.

(2) Uncapitalized labor due to COVID19; per PUC accounting order

Burlington Electric Department
Budget for the Year Ending June 30, 2024
Taxes

Taxes (000s)	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
Property Taxes					
Payment in Lieu of Taxes - BED	\$1,899	\$1,956	\$1,453	\$1,492	\$1,430
Payment in Lieu of Taxes - McNeil	704	740	821	864	828
Property Taxes - Winooski One (1)	455	479	495	519	505
Subtotal - Property Taxes	3,057	3,176	2,769	2,875	2,762
PILOT Tax Rates (2)	\$2.93	\$3.08	\$2.11	\$2.31	\$2.22
Revenue Taxes					
Gross Revenue Tax (.525%) (3)	292	295	313	334	342
Gross Receipts Tax (.5%) (4)	219	221	240	258	266
Subtotal - Revenue Taxes	511	516	553	592	607
Over/Under Allocation of Social Security Taxes	18	6	(14)	0	0
Total Taxes	\$3,587	\$3,698	\$3,307	\$3,466	\$3,369

(1) Based on \$15.5M value.

(2) FY24 assumes updated values for City grand list and an estimated increase of 1.05% .

(3) Tax to finance operations of Public Service Department and Public Utility Commission. Effective for all utilities (electric, phone, gas, water, and cable). Tax applies to total revenues less resales. Increased to .525% effective FY20.

(4) Effective July 1, 1990 for deposit to State of VT "Home Weatherization Assistance Fund." Charged to sellers of heating oil, electricity, gas, and coal (phone, cable, and water excluded). Tax applies to "Sales to Customers" revenue only.

Burlington Electric Department
Budget for the Year Ending June 30, 2024
Dividend Income

	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
VT TRANSCO LLC (1)	\$ 4,095,008	\$ 4,087,046	\$ 4,154,238	\$ 4,223,392	\$ 4,233,600
VELCO (2)	170,695	165,945	165,801	166,224	166,812
VELCO VETCO (3)	1,194	1,194	760	1,200	1,200
Other (4)	2,047	72,422	14,923	0	0
Total Dividend Income	<u>\$ 4,268,944</u>	<u>\$ 4,326,607</u>	<u>\$ 4,335,722</u>	<u>\$ 4,390,816</u>	<u>\$ 4,401,612</u>

(1) Assumes \$577,000 FY24 investment financed by VPPSA. Assumes \$1,200,000 FY24 investment deferred.

(2) Assumes quarterly dividend of \$2.89/share on 14,038 share of Class B and 392 share of Class C Common Stock.

(3) VELCO Class C Preferred Stock, dividend \$0.04 on 7,464 shares.

(4) Cash distributed to VT Transco, LLC members related to Utopus sale.

Burlington Electric Department
Budget for the Year Ending June 30, 2024

Other Income, Deductions & Capital Contributions	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
Interest Income - Operating					
Checking Accounts	\$92,619	\$63,464	\$61,688	\$56,900	\$110,000
Debt Service Reserve Fund	47,090	4,059	6,548	1,200	77,300
Debt Service Funds	6,145	0		0	0
Renewal & Replacement Fund	30,716	658	683	600	37,000
Investments	27,159	3,739	14,759	1,000	221,200
Customer Loans/Other	17,633	10,844	1,000	600	16,700
Total Interest Income - Operating (1)	221,362	82,764	84,678	60,300	462,200

(1) FY24 assumes higher interest rates and higher construction fund balance.

Other Income

Miscellaneous Non-Operating Income

CSWD (Waste Wood Yard) (1)	26,394	30,000	30,000	30,000	30,000
City Franchise Fee Admin Billing (2)		25,460	14,146	12,500	12,500
VELCO Director	14,250	14,250	19,000	19,000	19,000
VPPSA Staff Sharing	23,998	18,450		12,000	2,500
Winooski River Water Rights - Sugarbush	1,452				
Sub-total Misc. Non-Operating Income	66,094	88,160	63,146	73,500	64,000

Other Deductions (-)

BED Donation - Warmth Program (3)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
BED Donation - Defeat the Peak	(3,000)	(3,000)	(5,000)	(6,000)	(6,000)
BED Donation - VT Sust. Jobs Fund	(10,000)	(10,000)		0	0
Sub-total Other Deductions	(23,000)	(23,000)	(15,000)	(16,000)	(16,000)

Total Other Income, Net

43,094	65,160	48,146	57,500	48,000
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(1) Agreement with Chittenden Solid Waste District, effective 1/1/21 through 12/31/23. (Annual payments to BED in consideration of BED's operation and maintenance of the site).

(2) City contribution to BED for the cost of processing the franchise fee.

(3) This is BED's donation (in addition to us forwarding customer donations on billing payments).

Capital Contributions/Grants

Customer Contribution (1)	968,295	647,678	439,770	792,800	425,300
Street Light - LED Rebate				5,700	
Total Capital Contributions/Grants	968,295	647,678	439,770	798,500	425,300

(1) FY23 & FY24 include Champlain Parkway and overhead and underground blanket billable construction projects.

Burlington Electric Department
Budget for the Year Ending June 30, 2024
Interest Expense

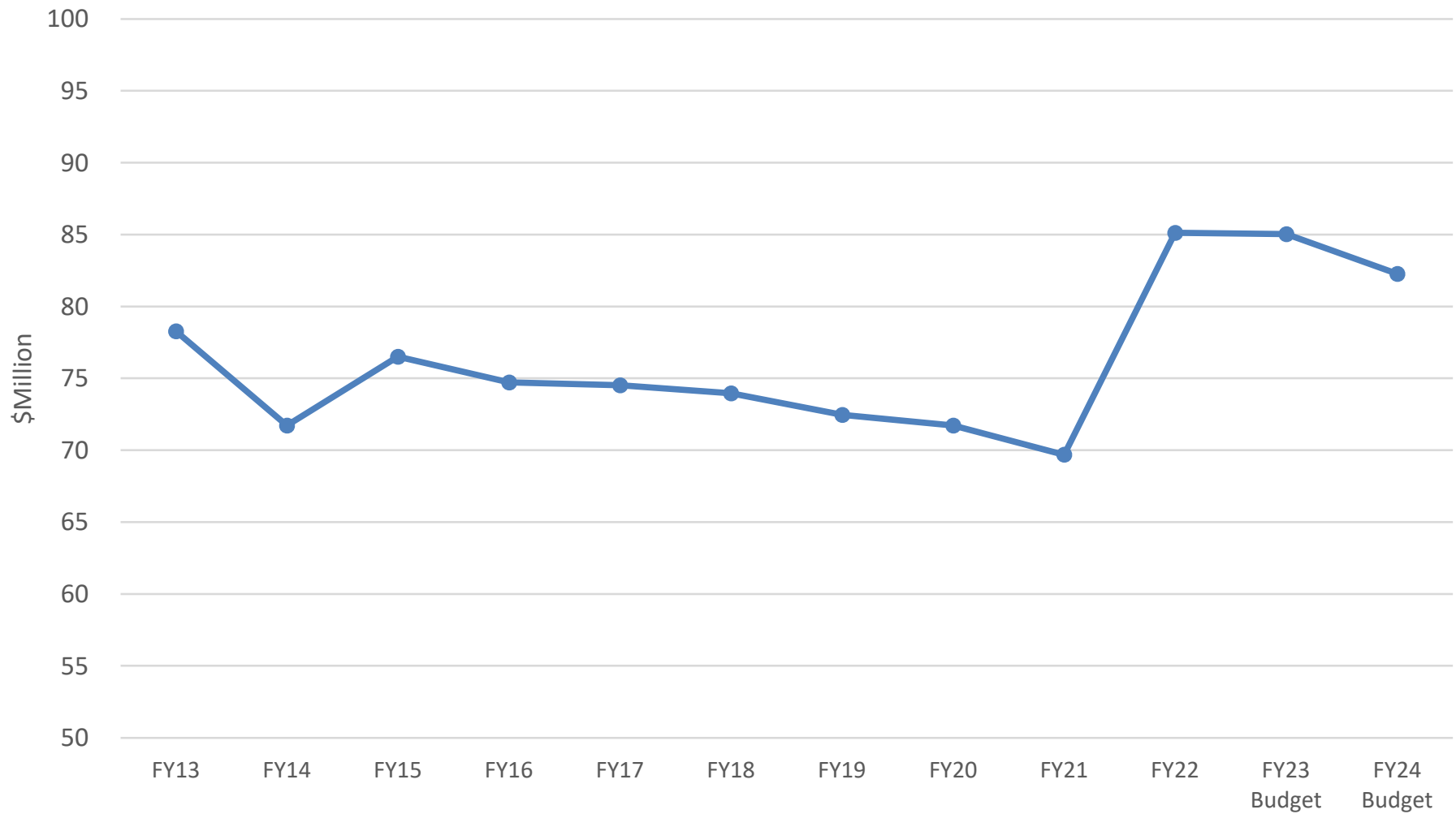
	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY 23	Budget FY 24
General Obligation Bonds (1)	\$1,898,879	\$1,848,186	\$1,762,232	\$1,715,946	\$1,821,748
Revenue Bonds	876,876	815,189	753,139	1,618,940	1,518,279
Total Long Term Debt Interest	2,775,755	2,663,375	2,515,371	3,334,886	3,340,027
Amortization of Debt Discount	60,907	70,141	74,466	74,063	133,942
Amortization of Deferred Debt Costs	38,433	39,382	41,043	43,415	46,499
Amortization of Debt Premium	(293,752)	(317,417)	(330,927)	(342,580)	(364,501)
Other Interest (2)			5,816	4,668	10,103
Total Interest Expense	\$2,581,343	\$2,455,481	\$2,305,769	\$3,114,452	\$3,166,071
<u>Debt Outstanding Long Term - Y/E</u>					
General Obligation Bonds (1)	\$48,995,000	\$48,705,000	\$47,910,000	\$47,710,000	\$46,885,000
Revenue Bonds (3)	\$22,730,000	\$20,985,000	\$37,220,000	\$37,325,000	\$35,390,000

(1) Assumes \$3M annual GOB/BAN.

(2) Capital Lease from Key Bank for MDMS. FY24 includes Moran Frame MOU payment to the City.

(3) Added \$20M Net Zero Revenue Bond in FY22.

Burlington Electric Department Outstanding Long-Term Debt



- (1) FY13 forward includes \$3M annual GOB. (Voters approved March 2012).
- (2) At the end of FY14 all Revenue Bonds and GOBs issued prior to 2004 are paid off.
- (3) FY15 includes \$12M Revenue Bond for Winooski One Hydro.
- (4) FY22 includes \$20M Net Zero Energy Revenue Bond.

**Burlington Electric Department
Budget - FY2024**

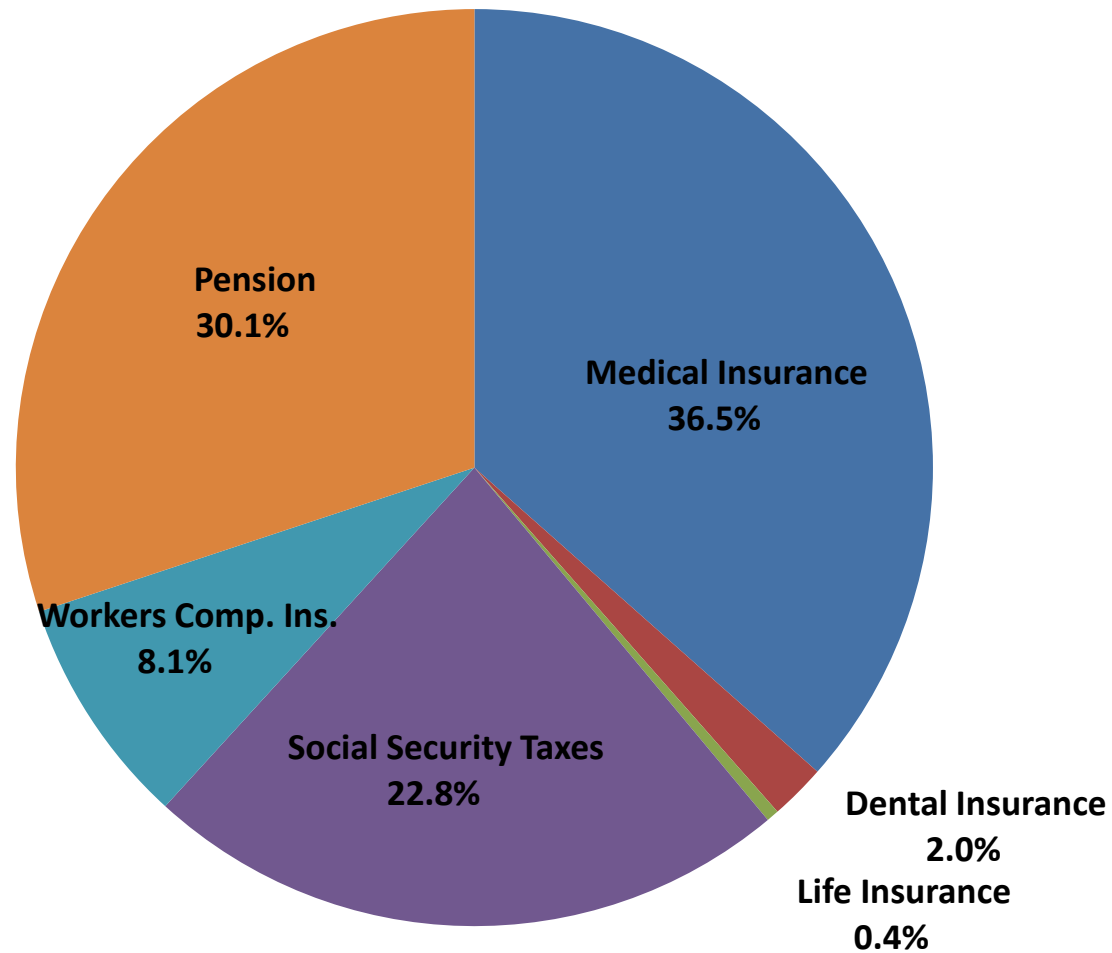
Labor Overhead	Actual FY 20	Actual FY 21	Actual FY 22	Budget FY23	Budget FY24
TOTAL LABOR (1)	\$10,886,526	\$11,539,673	\$12,198,264	\$12,979,400	\$13,171,300
LABOR OVERHEAD					
Medical Insurance (2)	1,731,658	1,498,449	1,477,087	1,418,600	1,599,000
Dental Insurance (2)	74,245	85,446	85,323	81,500	86,300
Life Insurance (2)	11,695	12,352	19,545	18,900	19,500
Social Security Taxes	804,352	831,915	707,178	992,900	1,007,600
Workers Compensation Ins. (2)	377,607	351,615	329,114	377,000	359,200
Pension (2)	1,168,543	1,244,678	1,452,592	1,530,800	1,327,500
Amortization of IBEW Pension back payment					87,041
Sub-total Labor Overhead	4,168,100	4,024,455	4,070,839	4,419,700	4,486,141
Health Care Buyout (3)	10,442	10,846	10,288	10,000	13,500
Total Labor Overhead	\$4,178,542	\$4,035,301	\$4,081,127	\$4,429,700	\$4,499,641
Labor Overhead Rate	38.38%	34.97%	33.46%	34.13%	34.16%
Pension Rate	10.73%	10.79%	11.91%	12.49%	10.22%

(1) Includes Overtime and McNeil @ 100%.

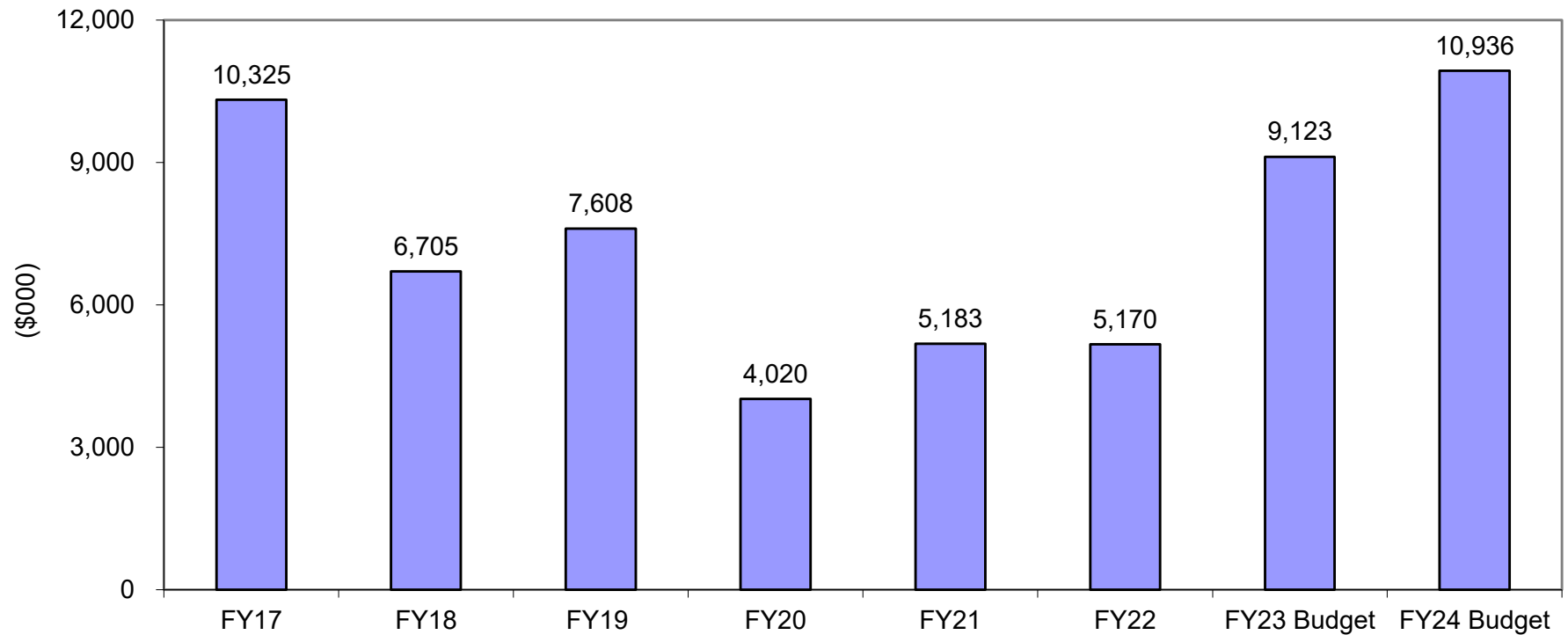
(2) FY24 per City assumptions.

(3) \$1,000 for non-union employees; \$1,250 for IBEW employees per 2022-2026 contract.

**Burlington Electric Department
Budget for the Year Ending June 30, 2024
\$4,499,641 Labor Overhead**



**Burlington Electric Department
Capital Spending -
Net of Capital Contributions**



Plant Type	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Budget FY23	Budget FY 24
Production	1,363	778	928	1,156	1,816	936	1,637	2,036
Other				51	53	6	267	414
Distribution	3,390	1,873	2,791	1,670	1,413	3,191	4,460	7,146
Transmission	3,012	3,020	2,696	671	1,074	0	632	0
General	2,560	1,034	1,193	471	827	1,037	2,127	1,340
Total	\$10,325	\$6,705	\$7,608	\$4,020	\$5,183	\$5,170	\$9,123	\$10,936

Burlington Electric Department
Capital Projects - FY 2024

Project Description	Project Total	Customer	Net Cost
		Contribution/ Grants	
McNeil Plant (BED 50% Share)			
Air Dryer (312)	12,467		12,467
Analyzer Upgrades for Chemical Treatment (312)	8,701		8,701
Ash Conveyor Rebuild (312)	12,492		12,492
Augers Replaced (312)	29,970		29,970
B-Belt Replacement	72,493		72,493
Belt Fire Suppression/Insurance (312)	19,924		19,924
Bottom Ash Conveyor	17,490		17,490
Chemical Pump Replacement (312)	4,969		4,969
Cooling Tower Timber Replacement (314)	24,986		24,986
End of Life Handheld Radio Replacement (316)	7,479		7,479
Energy Efficiency Improvements (311)	2,475		2,475
Equipment Cameras (398)	988		988
ESP Transformer Rectifier Controls Upgrade (312)	124,690		124,690
Freight Elevator Geared Equipment and Controls (311)	39,993		39,993
Fuel Oil Tank Replacement Containment Area (312)	124,998		124,998
Furniture-McNeil (391)	1,248		1,248
Gas Burner Upgrade (312)	4,974		4,974
Polisher Beads (312)	29,996		29,996
Replacement Rail Cars (392)	37,500		37,500
Rigging Equipment (316)	4,995		4,995
Routine Station Improvements ¹	185,468		185,468
Safety Valve Replacements (312)	24,928		24,928
Station Tools & Tool Boxes (312)	7,494		7,494
Turbine Control System Upgrade/Insurance (314)	249,514		249,514
Wood Handling Front End Loader (316)	182,998		182,998
McNeil Replacement Pickup Truck (all electric)	28,000		28,000
Total McNeil Plant	1,261,229	0	1,261,229

Burlington Electric Department
Capital Projects - FY 2024

Project Description	Project Total	Customer	Net Cost
		Contribution/ Grants	
Hydro Production Plant			
W1H Control Room Fire Suppression	69,461		69,461
W1H Dissolved Oxygen Meter	5,596		5,596
W1H Fire Suppression for Unit Hydraulics (335)	57,506		57,506
W1H Fish Basket Hoist (355)	28,365		28,365
W1H Rake Hydraulic Pump Replacement	39,784		39,784
W1H Rigging Equipment (335)	4,888		4,888
W1H Routine Station Improvements* (311-335)	57,117		57,117
W1H Spillway Upgrade for Small Dam (355)	19,268		19,268
W1H Station Tools and Tool Boxes (335)	1,973		1,973
W1H Unit 3 3.5 Ton Hoist	33,439		33,439
Total Hydro Production Plant	317,397	0	317,397
Gas Turbine Plant			
GT Biodiesel Conversion Phase 2 of 2	172,358		172,358
GT Environmental CEMS/DAHS	18,471		18,471
GT Expansion Joint	71,227		71,227
GT Oil Filled Transformer	124,767		124,767
GT Outlet Bucket Replacement Phase 1 of 4	48,671		48,671
GT Rigging Equipment (343)	6,946		6,946
GT Routine Station Improvements	15,115		15,115
Total Gas Turbine Plant	457,555	0	457,555
Other			
Direct Current Fast Chargers (new locations)	280,256		280,256
EV Charger Installations (Level 2)	108,057		108,057
P&P R&D	25,993		25,993
Total Other	414,306	0	414,306

Burlington Electric Department
Capital Projects - FY 2024

Project Description	Project Total	Customer Contribution/ Grants	Net Cost
Distribution Plant			
<u>Aerial</u>			
Pole Inspection & Replacement	159,087		159,087
Pole P2296 Replacement Flynn Avenue	57,009		57,009
Rebuild Austin Dr	67,073		67,073
Sunset Cliff Rebuild	52,352		52,352
Replace 2L5 Circuit from P2349-913S	932,802		932,802
Rock Point Bridge Guy Wire Relocation (Rock Pt)	39,853		39,853
Total Aerial	1,308,176	0	1,308,176
<u>Underground</u>			
Install Cables on St Paul St (Bank to Cherry)	85,603		85,603
Rebuild Ethan Allen Pkwy to 3 Phase	682,111		682,111
Rebuild Summit Ridge	331,572		331,572
Replace 2L5 Circuit from 913S to UH #248	809,811		809,811
Replace 322/323/324S (Main St and Univ Hts)	238,680		238,680
Switch 305S/325S/326S (Main St Reservoir)	251,411		251,411
Switch 709S/710S (Battery St - College & Main)	56,875		56,875
Switch 817S/912S/913S (Main St Reservoir)	146,462		146,462
Total Underground	2,602,525	0	2,602,525
<u>Other</u>			
Communication Equipment Emergency Repair	28,966		28,966
Distribution Transformers-Install	5,599		5,599
Distribution Transformers-Purchase	625,000		625,000
SCADA Field Device Upgrades	106,667		106,667
ADMS Phase 1-SCADA upgrade (Replace SCADA Sys)	720,698		720,698
SCADA Servers PC's and Monitors	227,983		227,983
SCADA Video Display	720,919		720,919
Total Other	2,435,832	0	2,435,832
<u>Customer Driven/City Projects</u>			
Champlain Parkway (CAFC)	267,083		267,083
Champlain Parkway (CAFC)	0	(227,287)	(227,287)
Total Customer Driven/City Projects	267,083	(227,287)	39,795
Total Distribution Plant - General	6,613,616	(227,287)	6,386,329

Burlington Electric Department
Capital Projects - FY 2024

Project Description	Project Total	Customer Contribution/ Grants	Net Cost
Distribution Plant - Blanket			
<u>Meters</u>			
Single Phase Meter Purchase	69,000		69,000
Three Phase Meter Installation	13,088		13,088
Three Phase Meter Purchase	11,500		11,500
Single Phase Meter Installation	7,224		7,224
Meter Range Extenders (4) RFLAN	4,175		4,175
Total Meters	104,988	0	104,988
<u>Underground</u>			
UG Replacement	93,081		93,081
Replace Utility Holes and Handholes	117,508		117,508
UG Construction - New	24,628		24,628
UG Construction - Billable	133,673		133,673
UG Construction (CAFC)	0	(133,673)	(133,673)
Total Underground	368,890	(133,673)	235,217
<u>Aerial</u>			
Overhead Replacement	82,052		82,052
Overhead Construction - New	23,141		23,141
Overhead Construction - Billable	64,355		64,355
Overhead Construction (CAFC)	0	(64,355)	(64,355)
Total Aerial	169,548	(64,355)	105,193
<u>Lighting</u>			
Street Lighting	212,015		212,015
Leased Lighting	14,249		14,249
Total Lighting	226,264	0	226,264
<u>Other</u>			
Gas Detectors	4,800		4,800
Replaces Failed SCADA Field Equipment	22,366		22,366
Substation Maintenance	17,354		17,354
Tools & Equipment - Distribution/Technicians	36,750		36,750
Pulling Rope Amsteel Blue	6,848		6,848
Total Other	88,118	0	88,118
Total Distribution Plant - Blanket	957,807	(198,028)	759,780
Total Distribution Plant	7,571,424	(425,315)	7,146,109

Burlington Electric Department
Capital Projects - FY 2024

Project Description	Project Total	Customer	Net Cost
		Contribution/ Grants	
General Plant			
<u>Vehicle Replacements</u>			
Bucket Truck All Electric	145,500		145,500
Bucket Truck (Veh-#C-3) Replacement (Hybrid)	1,000		1,000
Chevy Silverado (Veh#C-28) Replacement (all electric Ford)	56,000		56,000
Ford F150 (Veh #C-26) Replacement (all electric Ford)	56,000		56,000
Total Vehicle Replacements	258,500	0	258,500
<u>Computer Equipment/Software</u>			
Desktop/Laptop Purchases	59,527		59,527
IT Forward - CIS Implementation (WF0034608)	368,630		368,630
IT Forward - SmartWorks MDMS Phase 2 (WF same as 1?)	121,562		121,562
Network Infrastructure	123,191		123,191
Pole Mount Routers	31,605		31,605
UPS Replacement annual	14,327		14,327
Replacement ipads for line crew with surface tablets	27,887		27,887
Network Infrastructure - McNeil Switches	10,191		10,191
Virtualized Hardware Refresh - Pine Street	109,268		109,268
AMI Network Infrastructure Replacement	32,136		32,136
Total Computer Equipment/Software	898,325	0	898,325
<u>Buildings & Grounds</u>			
Repair Concrete Floor in Truck Bay	40,000		40,000
New Gate Motor Controller	12,000		12,000
Key Fob System Replacement	28,080		28,080
AC Replacement GT Computer Rooms	20,532		20,532
Dispatch Center	75,008		75,008
Total Buildings & Grounds	175,620	0	175,620
<u>Other Equipment</u>			
AED Purchase (585 Pine St)	7,096		7,096
Total Other Equipment	7,096	0	7,096
Total General Plant	1,339,540	0	1,339,540
Total Plant	\$11,361,451	(\$425,315)	\$10,936,136

Burlington Electric Department
Budget for the Year Ending June 30, 2024

Debt Coverage (\$000)	FY20	FY21	FY22	Budget FY23	Budget FY24
Total Operating Revenues	55,733	56,115	59,614	63,569	65,130
Total Operating Expenses	58,408	57,692	60,478	63,221	66,438
Less: Depreciation & Amortization (1)	(5,142)	(5,330)	(6,049)	(6,391)	(6,630)
Less: Gain/Loss	(290)	(248)	(257)	(297)	(296)
Less: Payment in Lieu of Taxes	(2,602)	(2,696)	(2,274)	(2,355)	(2,257)
Total Operating Expenses - Adjusted	50,374	49,418	51,898	54,178	57,255
Net Operating Income - Adjusted	5,359	6,697	7,716	9,391	7,875
Total Other Income	5,483	5,811	4,856	5,306	5,337
(Less) Grant/Customer Income	(968)	(1,318)	(580)	(798)	(425)
Net Income Available for Revenue Debt Service	9,873	11,191	11,992	13,899	12,787
Debt Service on Revenue Bonds	2,622	2,625	2,603	2,603	3,518
Revenue Debt Service Coverage Ratio (2)	3.77	4.26	4.61	5.34	3.63
Net Income Available for Other Debt Service	9,873	11,191	11,992	13,899	12,787
Deduct: Payment in Lieu of Taxes	(2,602)	(2,696)	(2,274)	(2,355)	(2,257)
Adjusted Net Income Available for Other Debt Service	7,271	8,494	9,718	11,543	10,530
Debt Service					
Revenue Bonds	2,622	2,625	2,603	2,603	3,518
General Obligation Bonds	5,189	5,268	5,337	5,408	5,820
Other				204	325
Total Debt Service	7,811	7,893	7,940	8,215	9,664
Adjusted Debt Service Coverage Ratio	0.93	1.08	1.22	1.41	1.09

(1) Deduct as non-cash expense.

(2) Revenue bond covenants require a minimum debt ratio of 1.25.^{P. 40}

Burlington Electric Department
Budget for the Year Ending June 30, 2024
Cash Flow (000s)

	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Budget FY 24
BEGINNING BALANCE	\$4,680	\$4,879	\$5,991	\$8,409	\$8,119	\$7,913	\$7,453	\$8,639	\$9,729	\$8,527	\$7,804	\$9,073	\$4,680
SOURCES OF FUNDS:													
Total Operating Revenues	5,527	7,668	4,787	4,293	5,864	4,960	5,022	6,430	4,785	4,061	6,675	5,059	65,130
Other Income													
Dividends	1,058	0	42	1,058	0	42	1,058	0	42	1,058	0	42	4,402
Interest and Other Income	61	38	45	42	39	45	43	36	41	44	36	41	510
Customer Contribution/Grant Income	10	10	31	75	77	33	0	0	10	75	75	30	425
Total Other Income	1,129	48	118	1,176	116	119	1,102	36	93	1,178	111	112	5,337
Other Sources of Funds													
GOB Annual/BAN			3,000										3,000
Revenue Bond 2022	221	485	1,028	786	771	463	308	119	367	1,816	2,340	456	9,160
Total Other Sources of Funds	221	485	4,028	786	771	463	308	119	367	1,816	2,340	456	12,160
TOTAL SOURCES OF FUNDS	11,557	13,080	14,924	14,664	14,870	13,456	13,884	15,223	14,974	15,581	16,930	14,701	87,307
USES OF FUNDS:													
Total Operating Expenses	4,920	4,892	4,387	4,668	4,379	4,547	3,930	4,107	4,484	4,490	4,291	4,358	53,453
Tier 1 Purchase (not expense)	0	0	0	0	0	0	0	0	0	0	0	350	350
Tier 3 Total-RPS Compliance Exp & Cast	105	102	87	81	80	87	102	96	97	90	94	104	1,127
IBEW Pension back payment	147												147
Taxes - Gross	26	715	22	20	710	23	24	148	587	361	146	588	3,369
Net Operations Expenses	5,198	5,709	4,497	4,770	5,169	4,657	4,055	4,352	5,168	4,941	4,531	5,400	58,446
Capital Spending													
BED	230	593	1,160	920	789	541	360	176	469	1,750	2,451	662	10,100
McNeil	348	3	73	71	197	5	29	165	9	284	75	3	1,261
VT Transco, LLC	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Spending	578	596	1,233	991	987	545	389	340	478	2,035	2,525	665	11,361
Debt Service													
G.O. Bonds	474	474	474	474	491	491	491	491	491	491	491	491	5,820
Revenue Bonds	293	293	293	293	293	293	293	293	293	293	293	293	3,518
Other (Lease & Moran Frame)	134	17	17	17	17	17	17	17	17	17	17	17	325
Total Debt Service	902	785	785	785	801	801	801	801	801	801	801	801	9,664
TOTAL USES OF FUNDS	6,678	7,089	6,514	6,545	6,957	6,003	5,245	5,493	6,447	7,777	7,857	6,866	79,472
ENDING BALANCE - OPERATING	\$4,879	\$5,991	\$8,409	\$8,119	\$7,913	\$7,453	\$8,639	\$9,729	\$8,527	\$7,804	\$9,073	\$7,835	\$7,835

Burlington Electric Department
Budget for the Year Ending June 30, 2024

Cash Coverage	FY20	FY21	FY22	Budget FY23	Budget FY24
Cash Accounts - Operating	11,500,987	9,658,797	11,758,735	9,998,715	8,858,796
Cash Accounts - McNeil (1)	115,479	201,191	263,557	380,839	193,409
(Plus) Line-of-Credit Available	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Unrestricted Cash and Investments	16,616,466	14,859,988	17,022,292	15,379,554	14,052,205
Total Operating Expenses	58,408,205	57,692,278	60,477,669	63,221,232	66,437,519
(less) Depreciation/Amortization Exp	(5,142,238)	(5,330,060)	(6,048,674)	(6,391,072)	(6,629,964)
(less) Gain/Loss	(289,526)	(248,260)	(256,663)	(297,000)	(295,940)
(less) PILOT	(2,602,203)	(2,696,172)	(2,274,239)	(2,355,200)	(2,257,100)
Adjusted Operating Expenses	50,374,238	49,417,786	51,898,093	54,177,960	57,254,515
Days Cash on Hand (with LOC)	120	110	120	104	90

(1) Budget based on 3-year average actual balances.