

**MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION**

Wednesday, January 8, 2025

The regular meeting of the Burlington Electric Commission was convened at 5:03 pm on Wednesday, January 8, 2025, at Burlington Electric Department, 585 Pine Street, Burlington, Vermont, and on Microsoft Teams.

Attendance

- Channel 17 was present to record this meeting.
- Commissioners Lara Bonn, Michelle Hobbs, Scott Moody, Andy Vota, and Bethany Whitaker were present.
- Staff members Elena Alexander, Paul Alexander, Nate Gunesch, Mike Kanarick, Munir Kasti, Ajey Pandey, Darren Springer, and Emily Stebbins-Wheelock were present at 585 Pine St.
- Staff members Rodney Dollar, James Gibbons, and Amber Widmayer were present via Microsoft Teams.
- Public member Pike Porter was present via Microsoft Teams.

Agenda

- There were no changes to the Agenda.

Meeting Minutes

- Commissioner Vota made a motion to approve the minutes of the December 11, 2024, Commission Meeting; Commissioner Hobbs seconded the motion. Vote: 4 ayes 0 nays (Commissioner Bonn arrived after the vote).

Public Forum

- No members of the public were present during this time.

Commissioners Corner

- There were no comments at this time.

General Manager's Update

General Manager Springer provided an update on the following:

- RFP issued for up to a 5-megaWatt battery storage project, with multiple bids being considered.

- Collaboration with the Department of Permitting and Inspections on the Energy Benchmarking Ordinance being implemented for commercial buildings that are 10,000 – 49,999 square feet.
- The Marketplace Garage now has a new public Level 3 fast charger up and running.
- The EV Charging Grant agreement has been submitted; we are awaiting response from the Federal Highway Administration.
- Today BED announced the new enhanced rebates and incentives for 2025 focusing on more options for low-income customers, including increased e-bike rebates, EV rebates, electric mower rebates and incentives for heat pumps.
- Two pilot programs have been introduced: one for a heat pump bill credit related to Dynamic Organics and another Moduly, a modular battery system that requires no installation.

FY25 November Financials

Ms. Stebbins-Wheelock presented the November results:

- November net income was \$824,000, falling short of the budgeted \$883,000 by nearly \$60,000.
- Other revenues were \$59,000 less than budget due to lower EEU reimbursements and renewable energy certificate revenues were \$66,000 less than budget.
- Net power supply expenses were over budget by \$50,000. McNeil production was 14% higher than budget, which resulted in higher fuel costs by \$24,000; purchased power expenses were unfavorable by \$52,000; and transmission costs were favorable by \$26,000.
- Other operating and maintenance expenses were favorable to budget by \$134,000, despite the error in health insurance expenses which will be corrected starting with January results.
- Other income was \$26,000 less than budget.
- Year-to-date net income is \$2.5 million against a budget of \$3.2 million, with a \$736,000 shortfall worsening slightly this month.
- As of November, the Department has spent 27% of its capital budget for the year, with Generation spending 44%, including on the Winooski Dam project. Related to Distribution capital projects, several switches required for the 2025 projects have arrived. Major IT projects include the new SCADA replacement which should go live within the next week and the CIS, which should kickoff within the next two weeks.
- Operating cash balance as of November 30, 2024 was \$11.16 million, exceeding the budgeted \$10.765 million by about \$400,000 and equating to 146 days cash on hand considering the \$10 million Line of Credit.
- Debt Service Coverage Ratio of 4.96, Adjusted Debt Service Coverage Ratio of 1.30.
- General Manager Springer pointed out that December and January have had very high energy prices. Day-ahead prices are currently running \$200+ per day in comparison to \$30-\$40 per day. McNeil has been running steady through these times and we are benefitting

from the higher energy exchange rate with ISO. Ms. Stebbins-Wheelock added that the prices are generally in line with the average megaWatt hour prices that we've assumed in the budget for these winter months.

- Mr. Gibbons expressed that energy prices are based on Boston day temperatures of around 20 degrees. These will increase significantly if temperatures drop in to negative digits.

Moduly battery Storage pilot contract.

- The Moduly battery storage pilot program aims to provide residential customers with modular UL-listed storage devices.
- Units run on a 110V outlet and are suitable for renters and homeowners with the ability to discharge energy back to the circuit during peak periods.
- Each unit includes an inverter with stackable modular 2.5 kW batteries.
- BED will acquire 10 units:
 - 6 – 5.0 kW units
 - 4 – 7.5 kW units
- Units will be loaned to customers for the test period (rotating basis) and will return to BED upon completion of the pilot program at which time can be used in reducing BED's own load.
- The program includes a one-time capital expense of \$73,000 for the devices, with an annual operating cost projected at \$10,000 for years 2 and 3. Operating costs would be capped at \$10,000 if BED decides to expand into a larger program.
- BED will have access to Moduly's web services for control of the devices for peak reduction.
- Devices include outlets that can be utilized in times of power outages.
- Commissioner Hobbs mentioned the risk of battery fires. General Manager Springer confirmed that the Department has been discussing lithium battery risk with the Fire Department and has been exploring whether we can support the Fire Department with equipment to better address lithium battery fires.
- Commissioner Bonn thanked BED for bringing this to the community as a different type of modularization.

Commissioner Whitaker made the motion:

"I move that the General Manager shall have the authority to execute with Moduly a power supply related contract, and a related non-disclosure agreement, substantially in the form provided to the Commission, with a term not to exceed five years, for a battery energy storage pilot program."

Commissioner Bonn seconded the motion. Vote: 5 ayes 0 nays

Dynamic Organics Contract for Building GIANTS

- A contract with Dynamic Organics will integrate building management systems for HVAC controls.
- The contract includes:
 - NDA covering the customer and BED information per BED's privacy policy.
 - 45 commercial/industrial enrolled sites.
 - Onboarding and enrolling support.
 - Design of the building controls system modifications and related documentation.
 - Building controls system programing.
 - Integration of customers system with Dynamic Organics platform.
- Dynamic Organics has track record from initial pilot project
 - 2 large commercial buildings
 - 22 retail customers
 - BED Pine Street Office
- Contract Cost
 - \$15,111 per enrolled site totaling \$810,000
 - Quarterly contract fees (\$7,500 year 1, \$10,000 year 2 and \$15,000 year 3)
 - 50% Federal grant matching funds
- Enrollment is anticipated for June 2025.
- Commissioner Whitaker and Bonn requested regular updates on the program including, who is enrolling, demographics, load management and peak production. Mr. Gibbons agreed to quarterly reporting with the flexibility of more/less frequent as time goes on.

Commissioner Hobbs made the motion:

"I move that the General Manager shall have the authority to execute with Dynamic Organics a power supply related contract, and a related non-disclosure agreement, substantially in the form provided to the Commission, with a term not to exceed five years, for flexible load management services."

Commissioner Vota seconded the motion. Vote: 5 ayes 0 nays

Commissioners' Check-In

Commissioner Whitaker asked for an update on the confidential negotiations of the McNeil plant. General Manager Springer agreed to add an executive session for the McNeil discussion at the February meeting.

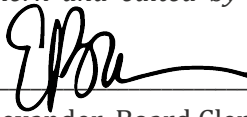
Adjourn

Commissioner Whitaker made a motion to adjourn; the motion was seconded by Commissioner

Hobbs, Commission vote; 5 ayes 0 nays.

The meeting of the Burlington Electric Commission adjourned at 6:36p.m.

Minutes drafted by Elena Alexander, Board Clerk and edited by Emily Stebbins-Wheelock, CFO & Manager of Strategy and Innovation

Attest:  _____
Elena Alexander, Board Clerk