

**MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION**

Wednesday, June 11, 2025

The regular meeting of the Burlington Electric Commission was convened at 6:02 pm on Wednesday, June 11, 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, Mike Kanarick, Paul Nadeau, Darren Springer, and Emily Stebbins-Wheelock were present at 585 Pine St.
- Staff members James Gibbons, Munir Kasti, and Amber Widmayer were present via Microsoft Teams.
- Public Member Alan Bjerke and bond counsel Thomas Melloni and Kathy Zhou were present at 585 Pine St.

Agenda

No changes to the agenda.

Meeting Minutes

Commissioner Whitaker made a motion to approve the minutes of the May 14, 2025, Commission Meeting; Commissioner Vota seconded the motion. Vote: 5 ayes 0 nays.

Public Forum

Alan Bjerke addressed the issue of BED's miscellaneous service fees applied to rental properties in Burlington, focusing on the \$30 service charge for transferring accounts between tenants, which he views as burdensome. He highlighted that due to advancements such as smart meters, this fee is outdated and excessive, given that the work does not involve creating a new account but only a temporary transfer. In 2022, Mr. Bjerke raised concerns about this fee, connecting it to the broader problem of high rental housing costs in the area.

Mr. Bjerke stated that out of 17 electric utilities in Vermont, only three impose such a charge, and the assessed fee for BED is nearly 50% higher than the average. Following BED's analysis of costs associated with this work in March 2024, it was determined that the fee should be reduced to \$6, indicating that landlords are currently being overcharged by 400%. As the City Council approved

the tariff changes nearly 14 months ago, Mr. Bjerke seeks to understand the delay in the tariff being filed.

Mr. Bierke urged the Commission to facilitate movement on this issue. General Manager Springer stated that the Department has been working for several months to discuss the proper format for this filing with the Department of Public Service (DPS), and that the BED team was able to obtain a meeting with the DPS late last week. Standardizing tariffs across different utilities requires coordination and alignment on various fronts, not just the single tariff issue of concern. That being said, the BED team now has the clarity necessary to move forward and with the tariff filing. Commissioners requested a progress update be added to the July agenda.

Commissioners Corner

No items discussed.

Deforest Road electric service and street lighting upgrades

Mike Kanarick and Paul Nadeau addressed the upcoming electric service and street lighting improvements planned for Deforest Road in Ward 6, expected to begin in early July. They highlighted the importance of these upgrades for safety and reliability, including the retirement of outdated underground cable and its replacement with a conduit containing new wiring. Along with upgrading electrical infrastructure, the project will entail enhancements to street lighting to align with the Illuminating Engineering Society of North America (IES) standards, which often require brighter illumination than older lights.

In other street lighting projects, residents have expressed concerns about the brightness of new lights and their proximity to homes. To facilitate community engagement, BED will be reaching out to Deforest Road residents with a letter detailing the project's intentions and inviting feedback. The team also plans to conduct two walkthroughs to allow the community to discuss their concerns directly with the project team. City Councilors representing Ward 6 have also shown interest in participating.

Mr. Kanarick stated that BED had been contacted by a resident concerned about walking safety on Deforest Road in dark conditions and reiterated BED's commitment to address such issues. Mr. Nadeau further explained that alongside lighting upgrades, sections of wire in the green spaces adjoining the road would also be replaced to prevent future failures. The project will also replace traditional street light fixtures with decorative Renaissance poles tailored to fit the aesthetic character of Deforest Road.

Mr. Kanarick emphasized that engaging with the community is essential and that adjustments to light placement could be considered if feasible. However, he noted that new lighting often involves

adding more poles to comply with updated standards, especially in lower traffic areas like Deforest Road, potentially leading to fewer complaints due to the less imposing height of decorative poles.

A preliminary design for the lighting has already been mapped out and will be shared with residents before the project meetings. BED prioritizes funding for upgrades in major thoroughfares while aiming to limit disruptions in residential neighborhoods.

FY25 April Financials

Emily Stebbins-Wheelock reported that in April 2025 the Department recorded a net income of \$1.4 million, exceeding the budgeted net loss of \$1.2 million, largely due to the delivery of Renewable Energy Certificates (RECs) that had been delayed from February. The month's revenue from sales to customers fell short by \$159,000, with other revenues, particularly EEU reimbursements, down by \$150,000. However, power supply/REC revenues saw a positive variance of approximately \$2.8 million.

On the expense side, net power supply expenses surpassed the budget by \$1.6 million, predominantly due to the purchase of \$1.5 million in replacement Connecticut 1 RECs to meet contractual obligations following the data entry error that caused McNeil RECs from Q3 2024 not to be qualified. While wind production from Georgia Mountain and Vermont Wind exceeded expectations, McNeil's output was diminished due to the annual maintenance outage.

Non-power supply operating and maintenance costs were favorable to budget by \$606,000. FEMA reimbursements related to flooding damage at Winooski One contributed to a significant overall variance of about \$1.1 million in other income and deductions, with two tranches received in April.

Year-to-date, the net income stands at \$4.1 million, outperforming the budgeted \$2.4 million by \$1.8 million. Ms. Stebbins-Wheelock stated that the Department's forecast for June 30 anticipates a modest improvement in net income as compared to budget and that a negative variance of about \$180,000 for REC revenues is expected in May due to reduced production in 2024.

Capital spending as of April 2025 reached 59% of the annual budget, totaling just under \$7 million against a budget of \$10.5 million, with \$1.2 million in ordered but outstanding transformers contributing to the variance. Operating cash stands at nearly \$9 million, slightly below the budgeted \$9.9 million due to the unanticipated REC purchases. The Department's debt service coverage ratio was 5.47, the adjusted debt service coverage ratio was 1.44, and days cash on hand were 137 including the \$10 million line of credit.

Refinancing of 2014 Series A Revenue Bonds

Ms. Stebbins-Wheelock was joined by bond counsel Thomas Melloni and Kathy Zhou of Paul Frank & Collins to discuss the proposed refinancing of BED's 2014 A revenue bonds, which were issued to

fund the purchase of the Winooski One hydro facility. The anticipated refunding is approximately \$6.5 million, which will cover outstanding principal as of July 1, 2025, issuance costs, and a small amount of interest due between July 1 and August when the bonds are issued. The Commission is asked to approve Supplemental Resolution Number 18, which would amend the original General Bond Resolution to authorize this new issuance of revenue bonds via the Vermont Bond Bank.

The refinancing would replace higher-interest bonds with new ones at lower interest rates, ultimately saving costs for ratepayers. Given the modest projected savings, a financial analysis from PFM suggested that pursuing this refinancing through the Bond Bank would be more cost-effective than an independent issuance, given the added efficiency and reduced issuance costs—estimated at approximately \$35,000. The Bond Bank’s higher credit rating is also anticipated to yield better interest rates.

The process for securing this refinancing involves first obtaining approval from the Board of Electric Commissioners and then securing authorization from the City Council. If market conditions do not favor refinancing by the time of decision-making, the plan may not proceed. Conversely, if more favorable conditions arise prior to issuance, the potential savings could be enhanced.

Commissioner Moody asked whether the refinancing was analogous to a homeowner refinancing a mortgage to achieve lower interest rates. Mr. Melloni responded that that was an accurate comparison.

Ms. Zhou noted that the Supplemental Resolution also provides the flexibility to pursue either Bond Bank refinancing or a public offering or private issuance should the market conditions allow for better terms in the future. The specific repayment schedule will be finalized at closing by the City and BED’s designated officials.

Mr. Melloni noted that responsibility for approving the Supplemental Resolution lies with the Board of Electric Commissioners but that subsequent approval by the City Council is also required as the City Council is responsible for incurring indebtedness.

Commissioner Vota asked about the disposition of funds from the original 2014A issuance and how the Department funds its debt service on those bonds. Ms. Stebbins-Wheelock responded that those funds were spent in the 2014 timeframe on the acquisition of Winooski One and that the Department funds its debt service through operating funds. Mr. Melloni added that the funds from this refinancing will be placed in escrow with the bond trustee, Zions Bancorp, before being transferred to the existing bondholders to purchase back the outstanding 2014A bonds. The 2014A bonds will end and be replaced with these 2025A bonds. Mr. Melloni also noted that extended audit completion timeframe to allow a more manageable process post-refinancing.

Commissioner Vota made a motion to approve to adopt Supplemental Resolution 18 as presented and recommend its adoption to the Board of Finance and City Council; Commissioner Bonn seconded the motion. Vote: 5 ayes 0 nays.

General Manager's Update

General Manager Springer stated that the Department plans to revamp the July Commission report to provide a concise, three- to four-page summary of key highlights, supported by a dashboard for additional data presentation. Feedback is encouraged to streamline the report effectively, transitioning from merely listing tasks to offering valuable insights.

Mr. Springer is in the process of reviewing the Department's 2025-26 Strategic Direction, the draft version of which will be presented to the Commission in July.

The BED regulatory team is currently under strain due to an increased workload stemming from an unusually high number of regulatory inquiries, including as an example a recent query about the new Moduly battery pilot program. The PUC asked questions about this program, which uses modular batteries and is designed for demonstration purposes. The program does not operate on a rate-basis and is intended to showcase technology without customer compensation. General Manager Springer expressed hope for a clarifying response soon from the PUC to avoid potential delays.

Mr. Springer noted a significant recent legislative action in Connecticut to lower that state's renewable portfolio standards—a deviation from typical state trends—in response to affordability concerns. This change could negatively impact BED's participation in REC markets, particularly with modified biomass eligibility regulations. Revenue from RECs is vital, ranging between \$7 million and \$9 million annually, and changes could result in significant losses, estimated at \$3 to \$4 million for fiscal year 2026. During the discussion, Commissioner Vota inquired about potential alternative markets for RECs. General Manager Springer acknowledged that other options do exist but do not match the financial value of Connecticut's current Class 1 RECs. The Department is preparing to file its 2025 rate case without reflecting these changes, pending further analysis of the Connecticut legislation.

BED has reopened its battery storage request for proposals to obtain updated pricing and has rented a mobile battery system to mitigate summer demand peaks.

On the policy front, collaboration with SYNAPSE has begun to model energy benchmarking in Burlington, focusing on efficiency targets and cost-benefit analyses of transitioning from gas to heat pump systems. Additionally, consultants for two McNeil studies are scheduled to presentation to the Transportation, Energy & Utilities Committee on June 24, 2025. Plans for public engagement during the June 24 meeting include structured input opportunities and the use of a temporary email address to facilitate feedback. Commission Chair Moody has agreed to attend the meeting.

The 2025 rate filing and the proposed revisions to the Energy Assistance Program tariff received unanimous approval from the City Council and are slated for filing with the PUC.

Mr. Springer noted that federal policy trends may trigger shifts in state compliance strategies, especially as discussions around fossil fuel support and offshore wind initiatives progress.

Finally, Commissioner Vota highlighted that the strategic dashboard could benefit from a metric related to the year-to-date financial forecast.

Commissioners' Check-In

Commissioner Vota requested a timeline for the revised Energy Assistance Program rate filing. General Manager Springer estimated a three- to four-month process following submission to the PUC.

Adjourn

Commissioner Hobbs made a motion to adjourn; the motion was seconded by Commissioner Whitaker, Commission vote; 5 ayes 0 nays.

The meeting of the Burlington Electric Commission adjourned at 7:21p.m.

Microsoft Teams transcript used to create minutes drafted by Elena Alexander, Board Clerk and edited by Emily Stebbins-Wheelock, CFO and Manager of Strategy & Innovation.

Attest:  _____
Elena Alexander, Board Clerk

Alan Bjerke

September 14, 2022

Board of Commissioners
Burlington Electric Department
585 Pine Street
Burlington, Vermont

Re: New Service Fee on Landlords

Dear Friends,

I am a relatively small scale provider of rental housing in Burlington. As you are no doubt aware, rental prices for housing in Burlington are outpacing the ability of many tenants to be able to afford to live here. As a housing provider, the costs for me to provide housing are continually being pushed upwards: Annual tax increases, tax assessment reappraisal adjustments, insurance costs, utility costs and fees, Burlington's rental registration fees . . . the list goes on and on. If you ever ask yourself, what if anything can you do to reduce the upward pressures on rent, I'm here to tell you that you can.

BED's Operating Guidelines call for the Board of Commissioners to periodically review and when appropriate, revise the fees it charges to recover the costs from consumers who use your services.

BURLINGTON ELECTRIC DEPARTMENT OPERATING GUIDELINES

Guideline 8 FEES

8.01 Purpose

The Burlington Electric Department (BED) charges fees for a variety of services such as initiating electric service, processing returned checks or installing temporary electrical service (see Appendix A. Fees). The fees cover costs that are in addition to the cost of providing electricity. Rather than recover the costs of these services from all customers through rates, BED has implemented fees to recover the costs from customers who use the services. These fees are reviewed and revised periodically upon approval by BED's Board of Electric Commissioners, the Burlington City Council and the Vermont Public Service Board.

For more information contact Customer & Energy Services at (802) 658-0300.

As a housing provider, I have a standing order with the electric department, so that whenever the power is to be disconnected for any reason with any of my apartments, the power account instead is switched to my existing account. (I am customer number 630) Even when the switch is just for a couple of days between one tenant moving out and a new one moving in, the fee is \$30.00, and characterized as an "Initial Service Fee." Thus, I typically get a bill for the \$30.00 fee plus \$3-4.00 for the actual electricity used during the 1-3 days of cleaning and making any repairs. It

is time to change the assessment of an "Initial Service Fee" to Landlords as specifically listed in BED's Tariff Schedule.

BURLINGTON ELECTRIC DEPARTMENT OPERATING GUIDELINES

Appendix A MISCELLANEOUS SERVICE FEES TARIFF

Initial Service Fee:	\$ 30.00
Initial Service Fee - Minimum Call:	\$ 195.00
Temporary Service:	\$ 535.00
Returned Checks:	\$ 10.00
Reconnection:	\$ 20.00
Reconnection - Minimum Call:	\$ 195.00
Meter Removal/Replacement For Siding:	\$ 95.00
Collection:	\$ 20.00
Customer Assistance Call:	\$ 28.00
Minimum Call - Customer Assistance:	\$ 195.00

Explanation of Miscellaneous Services

INITIAL SERVICE

The Initial Service Fee will be charged to a customer whenever the electric service is put in that customer's name at a service location.

To clarify, this does mean that a current tenant moving from one service location in the city to another will pay this fee every time they move. **Landlords who have electric service placed in their name between tenants will pay this Initial Service Fee regardless of the number of days that the service is in their name.**

With the advent of smart meters, there is no need for an employee to go into the field and read a meter in order to transfer the billing for a meter from one user to another. A property owner with a standing order means that there is no new account opening process, no credit checks or review for whether a security deposit is appropriate. The process takes less than 5 minutes, from a desktop, in the office. By comparison, the fee for re-connection for an account disconnected for non-payment is only \$20.00. Clearly there is more time involved in working with an account holder who is so delinquent that their power is shut off, then reconciling the account and turning the power back on, than there is to switch a meter from one existing account to another existing account pursuant to a standing order - yet the Reconnection fee is nearly half of what you charge property owners to switch a meter over under a standing order.

BED's Operating Guidelines call for the Commission to periodically review and revise its fees to recover the costs it actually incurs in providing the service for which the fee is assessed. I suspect that it has been a very long time since there was an actual review of the costs associated with transferring service under a standing order from one user to another existing customer, particularly after the installation of smart meter technology. I ask that you undertake a review of the appropriate fee in the case of a meter account transferred to another existing customer pursuant to a standing order. Making rental housing more reasonable in price is not something likely to be done with one silver bullet response, but rather, taking a look at the many drivers pushing the costs of rental housing higher and addressing them where one can. This is one area where you - and only you, can make an impact. I ask that you do that and lower the fee in this circumstances to the actual cost incurred by the department for providing the service.

Thank you very much for taking the time to hear my concern. If I can be of any further assistance to you, please do not hesitate to contact me.

Thank you very much.

Sincerely Yours,

A handwritten signature in blue ink, appearing to read "Alan Bjerke", is written over a faint, larger signature that is mostly obscured.

Alan Bjerke

Alan Bjerke

November 9, 2022

Board of Commissioners
Burlington Electric Department
585 Pine Street
Burlington, Vermont

Re: New Service Fee on Landlords

Dear Friends,

I am writing to follow up on my request, presented to your commission September 14th that you lower or eliminate the service fee charged to a landlord for putting electric service in a landlord's existing account between tenants. After that Commission meeting I had the opportunity to survey all 17 of Vermont's electric utilities to research the prevalence of standing orders for transferring electric service and the fees associated with executing them. I also surveyed Vermont Gas and the Burlington Water Department. The complete results are attached, but some of the key findings are:

- Of the 17 electric utilities in Vermont only 3 charge a fee to transfer power into a landlord's account pursuant to a standing order. Those utilities are:

Burlington Electric Department	\$30
Green Mountain Power	\$20
Washington Electric Co-op	\$20
- Burlington Electric's fee is the highest in the state and a full 50% higher than the other two utilities who charge any fee.
- Burlington's other regulated utility - the Water Department, charges no fee to transfer service into the landlord's account between tenants.
- Thirteen Electric Utilities, as well as the Burlington Water Department and Vermont Gas charge **no fee** for transferring service pursuant to a standing order. Of the four utilities that do not offer a standing order option, three charge **no fee** for starting service in the property owner's name, and the fourth - Vermont Electric Co-op charges only \$19.

Clearly Burlington Electric's fee it charges to landlords so that they can clean, repaint and make repairs between tenants is out of line with comparable fees charged by other utilities in the same industry and state. Burlington has a well documented affordability problem with rental housing. The Burlington Electric Department fee for transferring power pursuant to a standing order is a contributing factor in driving up the rents that a landlord must charge to make a reasonable profit in the enterprise of providing rental housing.

BED's Operating Guidelines call for the Commission to periodically review and revise its fees to recover the costs it **actually incurs in providing the service for which the fee is assessed**. It has been over a decade since the tariff that establishes BED's miscellaneous service fees last became effective. During that time, BED's system has integrated smart meter technology that eliminates the need to go into the field to read a meter when transferring the electric service from one account to another. I ask that you undertake a review of the appropriate fee in the case of a electric service account transferred to another existing customer pursuant to a standing order. It is past time to bring this fee more into line with what other utilities in Vermont charge for the same service and the actual cost to provide the service.

Thank you very much for taking the time to hear my concern. If I can be of any further assistance to you, please do not hesitate to contact me.

Thank you very much.

Sincerely Yours,



Alan Bjerke

Utility	Active Accounts	Starting service\$	Standing Orders?	Fee for Transfer to SO\$	Reconnection fees	Respondent	Phone#
Green Mountain Power	260,000	\$20	Y	\$20	\$35	websit-	888 835-4672
Burlington Electric	19,600	\$30	Y	\$30	\$20	Michael	802 805 7300
Ludlow Electric	3,900	\$17	Y	\$0	\$17	Katie	802 228 7766
Swanton Electric	3,800	\$0	Y	\$0	\$30	Gall	802 868 3397
Vermont Electric Coop	30,000	\$19	N	\$0	\$26	Julie	802 635 2331
Barton Electric	2,200	\$0	Y	\$0	\$35	Sykie	802 525 4747
Enosburg Falls Elec	2,000	\$30	Y	\$0	\$15	Website	802 933 4443
Hardwick Electric	4,350	\$0	N	\$0	\$30	Amanda	802 472 5201
Hyde Park Electric	2,000	\$0	N	\$0	\$30	Kyle	802 888 2310
Jacksonville Electric	700	\$0	N	\$0	\$35	Marla	802 368 7010
Johnson Water & Light	1,000	\$0	Y	\$0	\$30	Susan	802 635 2611
Lyndonville Electric	5,500	\$0	Y	\$0	\$50	Misty	802 626 3366
Morrisville Water & Light	4,000	\$0	Y	\$0	\$30	Bobbi	802 888 3348
Northfield Electric	1,800	\$0	Y	\$0	\$35	Molly	802 485 5411
Orleans Electric	670	\$0	Y	\$0	\$15	Beth	802 754 8584
Stowe Electric	4,000	\$0	Y	\$0	\$15	Gordon	802 253 7215
Washington Electric Coop	11,000	\$20	Y	\$20	varies		802 223 5245
Vermont Gas	50,000	\$0	Y	\$0	\$45	Krista	802 863 4511
Burlington Water	10,000	\$0	Y	\$0	\$25	Christina	802 863 4501

Survey Text:

My name is Alan Bjerke. I am a resident of Burlington conducting a very short survey on the fees that Vermont's electric utilities charge for starting and reconnecting service to residential accounts. I would appreciate if you would be willing to answer the following questions for your utility:

1. What is the initial service fee for new service to an existing meter?
2. Do you offer Standing Orders where the electric service can be transferred automatically to the landlord's account when a tenant moves out?
3. What is the fee for transferring the service pursuant to a Standing Order?
4. What is the fee for reconnecting service which has been disconnected for non-payment?
5. Approximately how many electric service accounts does your company currently serve?

Thank you very much for taking the time to answer this short survey.

**MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION**

Wednesday, March 13, 2024

The regular meeting of the Burlington Electric Commission was convened at 5:02 pm on Wednesday, March 13, 2024 at Burlington Electric Department at 585 Pine Street, Burlington, Vermont and virtually through Microsoft Teams.

Channel 17 was present to record this meeting.

Commissioners Beth Anderson, Lara Bonn, Jim Chagnon, Scott Moody, and Bethany Whitaker were present at 585 Pine Street.

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

Staff members present via Microsoft Teams included Erica Ferland, James Gibbons, and Mike Kanarick.

1. Agenda

There were no changes to the agenda.

2. February 14, 2024 Meeting Minutes

Commissioner Chagnon made a motion to approve the minutes of the February 14, 2024 Commission Meeting; the motion was seconded by Commissioner Anderson and approved by all Commissioners present.

3. Public Forum

Present for the meeting at 585 Pine Street was Ms. Ashley Adams, Mr. Chris Gish, and Peter MacAusland. Present via Microsoft Teams was Mr. Nick Persampier.

Mr. Persampier, an Old North End resident, is concerned regarding the lack of planning for the closure of the McNeil Generating Plant and its replacement with alternative sources of electricity. Mr. Persampier feels that the science is clear that burning wood to generate electricity puts more carbon dioxide into the air than burning any other fossil fuel. Mr. Persampier stated that it takes decades, if not a century or more for the regrowth of trees to make up that carbon debt, and he feels there is a climate imperative to be moving away from wood burning to generate electricity. Mr. Persampier feels BED should be looking toward renewable sources that truly are low carbon, like wind and solar with battery storage to help with reliability. Mr. Persampier has concerns with the Burlington Electric Department (BED) Integrated Resource Plan (IRP), which is a plan for how power is going to be supplied for the next 20 years. The IRP provides for McNeil to continue operating throughout the 20-year period. Mr. Persampier stated that the

Net power supply expense was unfavorable to budget by \$541K in January. Within net power supply, fuel expense was favorable to budget by \$92K, primarily due to McNeil production being 13 percent less than budget in January. Transmission expense was favorable to budget by \$12K. Purchased power expense was \$647K worse than budget, with Mystic capacity charges and wind production being lower than budget and ISO-Exchange being worse than budget. For the fiscal year to-date the purchased power portion of the power supply has a negative variance to budget of \$883K, but net power supply expense is favorable to budget by \$485K.

Other operating and maintenance expenses were unfavorable to budget by \$33K for January but are \$501K favorable to budget for the fiscal year to-date. Other income was unfavorable to budget by \$29K.

For FY24 to-date, actual net income is \$2.9M compared to a budgeted net income of \$501K or \$2.4M better than budget.

Ms. Stebbins-Wheelock then provided the Commission on management's forecast for fiscal year-end results. The Department's revised forecast has improved due to changes to assumptions, most significantly fuel, capacity, and purchased power expense. The Department is currently projecting a year-end net income of \$832K, which is a material improvement over the net loss previously projected. Management will continue to monitor the year-end forecast, particularly cash balances.

Capital spending for January YTD was \$3.7M or 34 percent of the budget for the fiscal year.

Operating cash at the end of January was just under \$10M compared to a budget of \$8.7M.

The debt service coverage ratio is 5.04, the adjusted debt service coverage ratio is 1.61, and the days cash on hand is 122.

7. Miscellaneous Service Fees

Ms. Stebbins-Wheelock reviewed the proposed Miscellaneous Service Fees with the Commission.

At the request of the Commission, the Department researched the overlap between customers enrolled in the Energy Assistance Program and customers who have been charged return check/reconnection fees and found none.

We also inquired with TD Bank regarding the Vermont law that prohibits returned check fees. TD was unaware of this law and their legal department is investigating whether a state law applies to TD as a federally chartered bank. In the meantime, they are not charging us the fee.

We have proposed a new definition/description of "power problem investigation-customer responsibility" for the fee currently titled "customer assistance call." Feedback from customers indicated that the current label for the fee is confusing.

The Department also updated its labor estimates for power program investigation.

Finally, the Department is proposing new fees for on-site disconnect/reconnect assistance, to include single meter with and without underground assistance and multi-meter with and without line worker assistance with underground work.

The new proposed Disconnect/Reconnect-Single-Meter fee is \$515; the proposed Disconnect/Reconnect-Single-Meter with Line worker Assistance fee is \$715; the proposed Disconnect/Reconnect Multi-Meter fee is \$586, and the proposed Disconnect/Reconnect Multi-Meter with Line worker Assistance fee is \$785. The Department performed approximately 200 of these services last year, and currently does not charge for it. Typically these requests are driven by some work being performed on the customer's electrical service to expand it, upgrade, or bring it up to code, install solar, do work on the roof, or other similar situations.

Ms. Stebbins-Wheelock stated that there are no additional changes to Initial Service, Reconnection, or Temporary Service vs. what was reviewed and discussed with the Commission last month.

For Initial Service fee - Returning Customer, we are proposing a fee reduction from \$30 to \$6. The description of this fee will state, "Charged to returning customers, including standing orders, whenever the electric service is put in that customer's name at a service location."

For Initial Service fee - New Customer, we are proposing a fee reduction from \$30 to \$15. The description of this fee will state, "Charged to a customer new to BED's service territory whenever the electric service is put in that customer's name at a service location."

For Initial Service fee - after hours, we are proposing a fee reduction from \$195 to \$72. The description of this fee will state, "Charged whenever BED personnel are called in to work outside of business hours to respond to a customer request for initial service."

For Reconnection fee, we are proposing fee an increase from \$20 to \$26. The description of this fee will state, "Charged to restore service remotely to a customer whose service has been disconnected; this fee will be charged instead of the initial service fee when reconnection accompanies a request for service."

For Reconnection fee - after hours, we are proposing a fee decrease from \$195 to \$93. The description of this fee will state, "Charged to restore service remotely outside of business hours to a customer whose service has been disconnection; this feel will be charged instead of the initial service fee when reconnection accompanies a request for service."

For the Returned Check fee, the Department is asking the Commission to approve two sets of fees: Returned Check with Bank Fee of \$28 and Returned Check without Bank Fee of \$18. The Commission's approval of both fees will allow the Department flexibility to adjust prior to or during its PUC filing based on updated information from TD Bank.

Meter removal/replacement for siding is proposed to be changed to simply "Meter Removal/Replacement" and the proposed fee would decrease from \$95 to \$78. The more generic description will be more equitable

In allowing the Department to charge for meter pulls that are performed for reasons other than siding work. The description of this fee will state "Charged for removal and replacement of up to two meters during business hours" at a service location."

For Customer Assistance Calls, both during and after-hours, management's recommendation is to retitle the fee as "Power Problem Investigation-Customer Responsibility."

For Power Problem Investigation-Customer Responsibility, we are proposing the fee increase from \$28 to \$132. The proposed description of this fee will state, "Charged whenever a customer asks BED personnel to visit the customer's location to investigate a problem with the customer's power and the problem is determined to be the customer's responsibility. BED will not perform work on equipment that is the customer's responsibility during a power problem investigation."

For Power Problem Investigation-Customer Responsibility-after hours, we are proposing the fee increase from \$195 to \$483. The description of this fee will state, "Charged whenever a customer asks BED personnel to visit the customer's service location outside of business hours to investigate a problem with the customer's power and the problem is determined to be the customer's responsibility. BED will not perform work on equipment that is the customer's responsibility during a power problem investigation."

Commissioner Moody asked if other utilities have similar fee structures. Ms. Stebbins-Wheelock stated that at the January meeting a fee comparison of utilities was presented. Vermont Electric Coop has a number of levels of fees for disconnection and reconnection with the highest fee stating line crew visits are required, but we haven't done a deep comparison of other utility fees.

Commissioner Moody stated that he has a couple of concerns: one being whether we are we in line with fees charged by other utilities; and another being, since the Commission is just seeing these changes for the first time, to ensure that the public has the opportunity for engagement and comment on the proposed new fees.

Commissioner Chagnon stated that the Department might get pushback from contractors on some of these fees, but overall feels these fees are justified and definitely need updating. Commissioner Chagnon feels that, since some of these fees are increasing quite a bit, we need to ensure that Dispatch is efficient with how they are dispatching crews. Some of these fee changes are significant, and it would be helpful to get this information out to the public and the contractors because ultimately the contractor will be applying these increases to the customer.

Mr. Springer stated that, if this fee structure is approved this evening, it then will need to be approved by the Board of Finance and the City Council and then will need to be filed with the PUC. This approval process will leave plenty of time to engage with the contracting community to inform them of the new rate structure. Mr. Springer also will ask Mr. Munir Kasti and Mr. Paul Nadeau, along with Mr. Bill Ward, Director of Permitting & Inspections, to share the information with contractors. Mr. Springer also noted that the creation of the new fees follows the utility principle of "cost causer pays," and that without any fee, the costs of the work to benefit one specific ratepayer are currently being spread to all ratepayers.

Commissioner Chagnon agreed with Mr. Springer that we have plenty of time for engagement, and that he is comfortable voting to move this fee structure forward.

Ms. Stebbins-Wheelock shared that the Department heard from four additional customers since the Commission's February meeting; one person expressed that the customer assistance fee was confusing and the other three expressed that the fee changes seemed fair or reasonable.

Ms. Stebbins-Wheelock then provided an updated estimate of the revenue impact of the fee changes. The increased revenue from the new disconnect/reconnect fees will offset the decrease from the new initial service fees, so the entire proposal will be largely revenue neutral.

At this time, Commissioner Whitaker made a motion to recommend that the Board of Finance and City Council authorize BED to submit the proposed changes to the miscellaneous service fee tariff to the Vermont Public Utility Commission for approval; the motion was seconded by Commissioner Bonn and approved by all Commission present.

8. Commissioners' Check-In

Commissioner Whitaker asked Mr. Springer if he would like to clarify some of the public comment that we received about wood residue. Commissioner Whitaker stated that it is her understanding that BED manages the forests with the foresters and that there's a lot of thought involved with how much wood we take and would like some clarification regarding what residue is taken.

Mr. Springer stated that the report that Mr. Gish referenced talks about forest residues and the estimated piece of our supply that comes from forest residues, sawmill residues, the waste wood yard, and low value round wood.

In the study, low value round wood was half a percent of our fuel supply in a given year and includes whole trees that are stored on site like a large log for fuel security.

We have had extensive public engagement on this issue for over a year because of district energy, and one of the things we did in hearing these concerns was update the appendix to our wood contract. We were already saying previously that there is no economic value for somebody to plant a harvest for the purpose of supplying McNeil. We neither pay anywhere near the amount per ton that you would need to make that economically valuable, nor is that consistent with our different standards or any of the desire that we have. We know we are a secondary market for higher value operations that are taking place and, in some cases, because of our sustainability standards that apply if you're selling wood to McNeil, a higher value harvest that might not be subject to any sort of site management requirements is subject to it now, even though we're the secondary market. If you want to sell to us, and in that case we can put some additional scrutiny on the practices, make sure they're done well. All of that said, we updated the appendix to make clear that, if you are cutting wood, we will monitor, manage, and purchase wood; we do not cut wood. These are independent operations. If you're cutting wood to supply McNeil exclusively, we're not interested in that type of operation, and will not accept wood from it. We will not accept cuts that are for energy production, as the carbon value is not favorable relative to using residues.

**MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION**

Wednesday, June 12, 2024

The regular meeting of the Burlington Electric Commission was convened at 5:01 pm on Wednesday, June 12, 2024 at Burlington Electric Department, 585 Pine Street, Burlington, Vermont and virtually through Microsoft Teams.

Channel 17 was present to record this meeting.

Commissioners Lara Bonn, Jim Chagnon, Scott Moody, and Andy Vota were present at 585 Pine Street. Commissioner Bethany Whitaker was absent.

Staff members present at 585 Pine Street included Laurie Lemieux, Katie Morris (Temporary Board Clerk), Paul Pikna, Darren Springer, and Emily Stebbins-Wheelock.

Staff members present via Microsoft Teams included Rodney Dollar, James Gibbons, and Amber Widmayer.

Commissioner Moody recognized Laurie Lemieux for her nine years of service as the Board Clerk for the Burlington Electric Commission meetings in light of her upcoming retirement.

Commissioner Moody recognized Commissioner Chagnon for his six years as a Burlington Electric Commissioner in light of his last meeting as a Commissioner.

Commissioner Moody thanked Laurie Lemieux and Commissioner Chagnon for their hard work and dedication to the Burlington Electric Commission and the City of Burlington.

1. Agenda

There were no changes to the agenda.

2. May 8, 2024 Meeting Minutes

Commissioner Chagnon made a motion to approve the minutes of the May 8, 2024 Commission Meeting; the motion was seconded by Commissioner Vota and approved by three commissioners present. Commissioner Bonn abstained.

3. Public Forum

Nick Persamperi was present from the public and stated he was very concerned about McNeil's greenhouse gas emissions and thinks they should be eliminated. He also wanted to address

concerns with the financial outlook for McNeil regarding the fiscal year to date financial report in the meeting materials presented during the most recent McNeil Joint Owners meeting. Mr. Persamperi stated that he thought the plant's financial viability was heavily dependent on selling renewable energy certificates and it was announced that Connecticut, starting in August of this year, will only be paying for half as many RECs as they have in the past, which could decrease revenue from this source. Concurrently, the projections for future prices for ISO New England market power show prices are expected to be low for the next several years. McNeil does well when the market prices are high, typically during the winter months. Mr. Persamperi stated that it seemed for the next several years, it will only be economically profitable to run McNeill during the months of December, January, and February, but costs need to be paid for the whole year. For these reasons and because of the climate impacts, in his opinion BED should be examining ways to find a replacement source of power. Mr. Persamperi requested that the Commission ask BED to look into trying to get as much wind and solar sources as possible, recognizing that there may not be enough to provide power from 100% renewable resources. Mr. Persamperi thought it would be better from a greenhouse gas perspective to buy market power in such circumstances. Mr. Persamperi believed that zero carbon should be BED's goal instead of 100% renewable.

Pike Porter was present from the public and asked what the best method would be to communicate with the Commissioners if the public forum portion of the BED Commission Meeting is not a discussion format. Mr. Porter asked if McNeil is not running 40% of the time, what sources would be used instead. If it is gas, Mr. Porter wanted to know how the sources correlated with using power from 100% renewable resources. Mr. Porter believed that BED should purchase more power from the grid at cheaper prices and save the pollution of greenhouses gasses. Mr. Porter stated that he thought there were several thousand megawatts of clean power in the ISO New England pipeline, and estimated that it would take about four years to phase down the use of the McNeil plant. Mr. Porter believed that McNeil could be used at time of peak usage.

4. Commissioners' Corner

There were no Commissioner comments at this time.

5. General Manager's Update

Mr. Springer stated that there were several items brought to the City Council Board of Finance meeting on June 3rd, including important financial items. The line of credit, the miscellaneous fees, and the FY25 rate change were approved. The BED team is in the process of working to get the rate change filed with the PUC with the goal of having it appear as a surcharge on bills rendered in September 2024. There will be additional work on communications with the community about the rate change and continued opportunity to lower energy use, save money, or reduce carbon footprint through energy efficiency and electrification incentives.

Mr. Springer stated that the miscellaneous fees will next go to the PUC to be fully reviewed and only will go into effect if the PUC approves them.