

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

***To be held at Burlington Electric Department (and)
Via Microsoft Teams***

[+1 802-489-6254](tel:+18024896254)

Conference ID: 636 059 465#


LARA BONN, CHAIR
ALI KENNEY
SCOTT MOODY
ANDY VOTA, VICE CHAIR
BETHANY WHITAKER

AGENDA

**Regular Meeting of the Board of Electric Commissioners
Wednesday, September 10, 2025 – 5:00 PM**

1. Agenda
2. Minutes of the July 23, 2025 Meeting
3. Public Forum
4. Commissioners' Corner (Discussion)
5. GM Update (Discussion)
6. Financial Review (Discussion) – Emily Stebbins-Wheelock
7. Efficiency Programs Update (Discussion) – Chris Burns
8. Proposed Amendments to Street Lighting Tariff (Discussion and Vote) - James Gibbons
9. Relevate Power (Discussion and Vote) Possible executive session in order to discuss confidential contract terms.
10. Commissioners' Check-In (Discussion)

Attest:



Elena Alexander, Board Clerk

If anyone from the public wishes to speak during the public forum portion of the Commission Meeting and/or wishes to be present for the Meeting of the Board of Electric Commission via Microsoft Teams, please email ealexander@burlingtonelectric.com to receive a link to the meeting.

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

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

Wednesday, July 23, 2025

The regular meeting of the Burlington Electric Commission was convened at 5:02 pm on Wednesday, July 23, 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, Darren Springer, and Emily Stebbins-Wheelock were present at 585 Pine St.
- Staff members James Gibbons and Amber Widmayer were present via Microsoft Teams.
- Public members Nick Persampieri, Ashley Adams, Leendert Huisman, Peter MacAusland, Tate Agnew, Steve Goodkind, and Kim Horning-Mavey were present at 585 Pine St.
- Public member Pike Porter was present via Microsoft Teams.

Agenda

Commissioner Whitaker made a motion to add item #9, Sheffield Wind Contract Extension – Discussion and Vote, to the agenda. Commissioner Vota seconded the motion. Vote: 5 ayes 0 nays.

Election of Officers

- Commissioner Moody made a motion to elect Lara Bonn as Commission Chair; Commissioner Whitaker seconded the motion. Vote: 4 ayes 0 nays.
- Commissioner Whitaker made a motion to elect Andy Vota as Commission Vice Chair; Commissioner Moody seconded the motion. Vote: 4 ayes 0 nays.
- Commissioner Vota made a motion to elect Elena Alexander as Commission Clerk; Commissioner Moody seconded the motion. Vote: 5 ayes 0 nays.

Meeting Minutes

Commissioner Moody made a motion to approve the minutes of the June 11, 2025, Commission Meeting; Commissioner Hobbs seconded the motion. Vote: 5 ayes 0 nays.

Public Forum

Pike Porter expressed appreciation for Burlington Electric Department's Strategic Direction document, commending its focus on low-income customers. However, he stressed the importance of acknowledging the 2019 climate emergency resolution committing Burlington to achieve net-zero

greenhouse gas emissions by 2030 across all sectors. Porter argued that net-zero references in BED documents need to be revised to align with this resolution.

Porter opposed the inclusion of the District Energy System (DES) in the Strategic Direction, citing concerns that it could increase greenhouse gas emissions and consumer costs, believing that funds could be better spent on community solar initiatives for those unable to install solar panels. Porter advocated for the removal of the DES from the document.

While Porter supports BED's directive to seek customer input, he argued that BED has not fully realized this goal despite years of advocacy. Porter applauded the idea of creating educational tools and a website for customers to evaluate heat pumps, electric vehicles, and electrification technologies, although he questioned if those tools are currently available.

Additionally, Porter called for the development of a similar tool for Commissioners and the public that compares costs and emissions of various power sources, specifically evaluating how the McNeil facility compares to other grid sources. Overall, Porter urged BED to better align with the city's climate goals, improve community engagement, and enhance transparency regarding energy costs and emissions.

Nick Persampieri, a resident of Ward 3, expressed significant concerns regarding recent legislation signed by the Connecticut governor that may hinder BED's ability to sell renewable energy credits (RECs) from the McNeil plant in the Connecticut Class 1 market. Persampieri highlighted that McNeil's financial viability relies heavily on these REC sales, which typically generate between \$6 million to \$8 million annually, with Burlington Electric receiving approximately half of that revenue. He pointed out that the plant is already facing financial losses, and potential changes in legislation could exacerbate the situation.

Persampieri referenced General Manager Springer's memo from July 2025 that suggests BED might need to undergo a proposal process through the Connecticut Department of Energy and Environmental Protection to continue selling RECs, raising questions about the future of these sales. He voiced his opposition to pursuing long-term commitments for selling power or RECs from McNeil and advocated for considering the closure of McNeil. He also raised concerns about negotiations related to a potential buyout of the plant's other joint owners, which could lead BED to bear the full financial burden of the plant's losses.

Persampieri criticized the lack of transparency regarding Burlington Electric's DES project, suggesting it might further entrench the plant's operations and losses. He stressed the need for increased public disclosure on both the buyout negotiations and the DES project to allow citizens to engage in these critical discussions.

Persampieri concluded by urging a reevaluation of BED's strategic goals aimed at achieving net-zero energy by 2025. Persampieri advocated for a strategy that focuses on reducing overall greenhouse gas emissions, given that the wood-burning power plant is a significant source of carbon dioxide emissions within the state. He emphasized the importance of public discourse on these matters for more informed decision-making, particularly regarding environmental impacts.

Ashley Adams expressed concern about BED's direction, particularly regarding the continued operation of the McNeil plant. Adams cited the plant's significant contribution to climate change and environmental degradation. Adams voiced her disappointment with the Commission's support for McNeil, deeming it disgraceful and not serving the public good. Adams argued that investing in the plant, which is Vermont's highest carbon emitter, exacerbates the climate emergency and compromises efforts to protect habitats and biodiversity.

Adams criticized BED for maintaining misleading claims on its website about McNeil's reduction of greenhouse gas emissions, labeling such assertions as scientifically inaccurate. Adams strongly opposes the DES project, which she believes would increase greenhouse gas emissions and entrench Burlington in reliance on dirty energy. She reflected on the City Council's 2019 call for significant climate action and cited losses incurred by ratepayers due to inaction and mismanagement, including a million-dollar loss from improper paperwork filings.

Additionally, Adams addressed the need to confront anticipated losses of RECs and dispel myths surrounding McNeil's role in ensuring reliability or keeping rates low. Adams asserted that the plant's costs far exceed those of cleaner alternatives available in the grid. Adams stated that it should not be the responsibility of ratepayers to subsidize forestry industries at such a high environmental cost.

Adams urged the Commission to act in their fiduciary duty by retiring the McNeil plant and advocated for a fair transition for its workers while prioritizing climate action and public health. She called for immediate measures that reflect a commitment to sustainability and the well-being of Burlington's residents.

Peter MacAusland asked several questions regarding communication and accountability within Burlington. He inquired if Commissioners are expected to acknowledge correspondence from residents, to which the answer was affirmative. MacAusland referenced a personal email he sent to Commissioner Moody, apologizing for his behavior during a previous Council meeting and mentioning his queries about Quantified Ventures, a potential funding source for the DES.

MacAusland noted that he has attempted to contact Quantified Ventures multiple times and visited their office in Montpelier, seeking information on who serves as Burlington's spokesperson. He emphasized the importance of receiving acknowledgment for correspondence, especially when dealing with significant proposals, such as a \$49 million project mentioned in July 2024 by Michael Ahern of Evergreen Energy. MacAusland challenged the notion that financing from Quantified Ventures is unlikely for energy-related projects, citing a lack of formal communication or partnership despite prior exchanges about low-interest financing opportunities through the EPA's Greenhouse Gas Reduction Fund.

MacAusland also mentioned potential increases in DES project costs, estimating the proposal could be approaching \$60 million, urging the need for transparency and communication with the city council regarding financial implications.

Steve Goodkind, a retired Burlington public works director and city engineer, shared his perspective on the DES project. Goodkind, a member of the Stop Vermont Biomass organization, emphasized the

need for clarity regarding the project, which was initially perceived as urgent when a resolution was passed twenty months ago. Goodkind believes that the context surrounding the resolution has changed, leading to a mischaracterization of the project as an emergency. He asserted that the resolution, while containing potential positive aspects, was negotiated under undue pressure.

Goodkind raised concerns about comparing environmental hazards, likening it to debating which of two unsafe bridges is worse. He argued that both the McNeil plant's CO2 emissions and vehicle emissions are harmful, and downplaying one over the other is unproductive. Goodkind noted that, as of December 2, the McNeil plant is the largest stationary CO2 producer in Vermont, suggesting that arguing over relative harm is misguided. He called for a calm evaluation of the project, free from the emergency narrative that has shaped prior discussions.

Kim Horning-Mavey expressed gratitude for BED's efforts made to improve Burlington's building operations and their transition to more efficient, less polluting systems, particularly heat pumps. Horning-Mavey addressed the health impacts associated with burning wood, which has been her primary area of study for the past four years. Drawing on research from the American Lung Association and medical connections, Horning-Mavey asserted the extreme toxicity of wood fuel, specifically its emissions of PM2.5, a critical air pollutant regulated by the EPA. Horning-Mavey noted that PM2.5 is extremely small and poses significant health risks, contributing to respiratory issues like asthma and COPD, and is linked to emergencies in local healthcare facilities.

Horning-Mavey stated that despite the use of advanced electrostatic precipitators at McNeil, the facility still emits over five tons of PM2.5, affecting nearby neighborhoods. Horning-Mavey referenced research from Harvard indicating that PM2.5 exposure correlates with heart issues, cancer, mood disorders, and dementia, particularly affecting vulnerable populations such as unborn children, seniors, and those living in impoverished or marginalized communities. Horning-Mavey stated that Vermont ranks fifth nationally for asthma prevalence, with certain demographics, including low-income individuals, the LBGTQ community, and people of color, experiencing higher rates of asthma.

Horning-Mavey stated that wood burning releases more harmful pollutants than coal, with studies suggesting that rising wood combustion is leading to increased mortality rates. Horning-Mavey cited a New York Times article discussing research that indicates 10 to 25 percent of lung cancer cases are now found in non-smokers exposed to air pollution, highlighting the significant health risks posed by air quality.

Horning-Mavey urged a transition away from burning fuels for electricity generation, particularly given the ongoing climate crisis exacerbating air pollution and public health issues. She also noted a potential positive development in solar energy, mentioning that a friend in the solar industry shared insights about projected reductions in solar panel costs due to oversupply. Horning-Mavey believes that this, alongside the incentive for transitioning to solar and heat pump technology, presents an opportunity for significant improvement in public health and environmental outcomes.

Commissioners Corner

Commissioner Whitaker requested updates regarding District Energy. General Manager Springer indicated that, although City Council approval was granted in November for the District Energy initiative, progress was delayed due to proposed changes to a recently approved carbon fee. This led to a pause in discussions initiated by the UVM Medical Center and extended into early 2024. A transition in the mayoral office delayed matters further as the new administration's priorities took time to assess.

Throughout this time, the focus remained on finalizing a land use Memorandum of Understanding with the UVM Medical Center, which wrapped up in February 2025. Due to limited capacity and competing priorities, discussions on District Energy, along with various other studies and projects (including battery storage and wood chip dryer engineering), were sidelined. General Manager Springer expressed the hope that meaningful discussions and updates on District Energy would resume in the coming months.

General Manager Springer responded to a query regarding comparisons between ISO New England's greenhouse gas emissions and those of the McNeil facility. While some argue that the ISO-NE grid energy mix has lower emissions, this perspective narrowly considers only stack emissions without considering upstream methane leakage associated with natural gas, which comprises more than half of the ISO-NE energy mix. Conversely, the lifecycle benefits of biomass, such as carbon cycling from certain wood sources, are often dismissed, despite studies indicating a more favorable carbon profile for sustainably harvested wood compared to fossil fuels.

General Manager Springer highlighted the importance of a lifecycle emissions perspective rather than a solely stack emissions approach. Additionally, he noted that all renewables are generally more expensive than the ISO-NE grid mix; while economics should be considered, they should be considered for all potential resources, not solely for wood resources.

FY25 May Financials

Ms. Stebbins-Wheelock shared several financial updates before discussing the results for May 2025.

- The BED accounting team is in the process of closing June with a preliminary report on fiscal year 2025 expected in September. As of June 30, the operating cash position stands at \$8.5 million, which is \$1.3 million under budget. Additionally, preparations are underway for the year-end audit, with auditors starting their fieldwork in September.
- Regarding the refinancing of the 2014A revenue bonds, the Vermont Bond Bank is set to price the issuance next week, with a closing date on August 7.
- The Department is finalizing a filing of miscellaneous service fees for the Public Utility Commission and plans to submit it by week's end.
- The Department has negotiated terms for a new credit card processor; these changes will be implemented coincident with the new customer information system and customer portal next spring. A 3% fee on credit card payments will replace the previous flat fee of \$3.50 and the ACH/e-check fee will decrease from \$3.50 to \$1 per transaction. This revised structure is expected to be more beneficial for customers, particularly low-volume users, addressing concerns surrounding how flat fees impact their payments.

May 2025 results, net income was \$340,000 against a budget of \$1.56 million, creating a variance of \$1.2 million, predominantly due to a drop in REC revenues. While there was a favorable variance in

customer sales of \$76,000, other revenues fell short due to lower-than-expected EEU reimbursements. REC revenues were \$1.37 million less than budget due to both timing (some RECs were delivered in April instead of May) and lower wind production in calendar year 2024.

Year-to-date, REC revenues are down by a net of \$190,000, with all REC transactions concluded. McNeil REC sales for the fiscal year were favorable to budget by \$425,000, wind REC sales were less than budget by \$471,000 and hydro and solar REC sales were less than budget by \$96,000 and \$47,000, respectively due to lower production in prior periods.

Net power supply expense was favorable compared to budget by \$67,000, with higher fuel costs offset by lower transmission and purchased power expenses. Other operating and maintenance expenses were favorable by \$146,000 compared to budget.

Year-to-date net income is \$4.5 million compared to a budgeted \$3.9 million, a positive variance of \$542,000. Commissioner Vota asked for a projection of year-end net income. Ms. Stebbins-Wheelock responded that the Department's most recent forecast projected a net income of \$3.5 million by fiscal year-end, which would be slightly better than the budgeted net income of \$3.4 million.

Commissioner Vota asked about the favorable variance in the Winooski property tax. Ms. Stebbins-Wheelock responded that the FY25 budget was set prior to the completion of Winooski's recent reappraisal, which resulted in a lower property value for Winooski One based on the plant's historical revenues and expenses.

Capital expenditures for May year-to-date were \$7.5 million against a budget of \$11.2 million, largely due to delays in IT projects and vehicle replacements. The operating cash position at the end of May was \$9.5 million compared to a budgeted amount of \$11 million, largely due to additional REC purchases. The debt service coverage is reported at 4.91, with an adjusted ratio of 1.26, and days cash on hand was 144 days, including the \$10 million line of credit.

General Manager's Update

In response to Nick Persampieri's inquiry regarding Connecticut RECs, General Manager Springer confirmed that wood energy remains eligible for Class 1 RECs under the recently passed Connecticut legislation. However, this eligibility is contingent on qualified biomass plants being awarded a contract in an upcoming RFP process through the Connecticut Department of Energy and Environmental Protection, expected to begin in September. Importantly, McNeil is eligible to participate in the RFP, and BED will be focused on maintaining McNeil's CT Class 1 REC eligibility to mitigate adverse impacts on revenue in the fourth quarter of the current fiscal year and beyond. Additionally, McNeil RECs are still eligible for other New England REC markets, including Vermont, albeit with lower REC values.

Connecticut's action to reduce its renewable portfolio standard due to affordability challenges is concerning from a climate perspective, especially considering the recent changes to federal incentives for renewable energy. BED is actively engaged in scenario and financial contingency planning related to the uncertainty created by the new Connecticut law.

The Department anticipates that at the August Transportation, Utilities & Energy Committee meeting the SYNAPSE team will be ready to present modeling of energy efficiency costs and on-site electrification for three building types using anonymized, real-world data from Burlington.

The Department has been using a mobile battery and its Defeat the Peak initiative to reduce peak demand this summer, with a successful peak event in June. Ita Meno, the 2025 Jim Reardon Award winner, selected the Richard Kemp Center as this year's first Defeat the Peak partner. BED will continue to use and test the battery through September. The battery has a nominal output of 1.2 megawatts and can provide up to 240 kW in an hour. BED is reviewing updated bids from its RFP for a larger 5-megawatt battery.

Recent federal legislation poses significant challenges to climate action and strategic electrification in Burlington, especially the removal of incentives for solar and wind energy, while fossil fuel incentives persist. This could limit renewable energy access in New England, particularly with the administration's efforts to shut down offshore wind projects and the negative impact of tariff discussions on Vermont's relationship with Canada. The Net Zero Roadmap emphasizes the thermal and transportation sectors, but the recent end of various incentive programs, including EV and heat pump incentives—means that BED will be the only source of financial support for Burlington customers, particularly for EVs. The Department cannot fill this gap, but is evaluating what it can do to support customers doing this period to make EVs more affordable.

Regarding the 2025 rate case, there is a possibility that FY26 rates may be reduced from the proposed 4.5% to approximately 4.3% to adjust for one-time consulting fees that were inadvertently included in the 2024 rate case, which could be beneficial to customers. BED is engaged in process with the Department and PUC regarding both rate cases.

Lastly, the recent federal legislation did not eliminate the funding source for BED's \$4.85 million Charging & Fueling Infrastructure grant. The Department has engaged with the Vermont Attorney General's Office and other grantees to discuss potential legal actions to release these funds. Without securing this funding, EV charging investments will continue, albeit at a limited scale.

2025–2026 Strategic Direction

General Manager Springer introduced the 2025-2026 Strategic Direction, stating that this year's draft reflects an updated yet stable strategic planning process. BED aims to create a concise, one-page strategic document reflecting the contributions of all organization members, encouraging input from the entire team for potential updates. Many of the updates this year have been suggested by the sustainability and equity team.

The community engagement section includes new language regarding capacity-building and energy literacy. There is also new language about collaboration with frontline communities to ensure equitable access to services, leveraging partnerships to extend outreach beyond traditional methods.

There is proposed new language calling for the renewal of the Vermont Energy Efficiency Modernization Act which allows for effective use of efficiency funds to reduce fossil fuel use, which

provides an opportunity to support improved incentives for EVs and heat pumps that may help address the loss of federal incentives.

Another proposed update expands district energy systems to include multiple energy sources, such as networked geothermal systems. The objective regarding charging infrastructure has been revised to emphasize prioritizing under-resourced areas and obtaining community feedback for charger placements.

Finally, there are proposed edits in the budget section regarding focusing on affordability and support for vulnerable communities.

Commissioner Vota asked what role the Commission plays in this document. General Manager Springer responded that the Commission does not have a formal role, but that the Department views the Strategic Direction as a communication tool to articulate its plans and goals and welcomes the Commission's feedback.

Commissioner Hobbs made a motion to adopt the 2025–2026 Strategic Direction as presented. Commissioner Whitaker seconded the motion. Vote: 5 ayes 0 nays.

Sheffield Wind Contract Extension

James Gibbons provided an overview of BED's existing renewable energy contracts. Mr. Gibbons explained that three agreements will expire relatively soon: the Firstlight hydro contract on December 31, 2025, the Sheffield/Vermont Wind contract in October 2026, and the Hancock, ME Wind contract in December 2026. The Firstlight contract provides 35% of the energy output from a hydro plant in Connecticut along with the associated RECs, the Sheffield contract provides 40% of the plant's output, and the Hancock contract provides 26% of the plant's output.

Each contract provides approximately 30 GWh of energy to BED per year, and together account for approximately 30% of the BED's energy supply. BED is actively exploring options for contract renewals and replacements, including negotiating terms of a potential contract extension with Sheffield, which has provided favorable pricing and responsiveness to-date. The Department proposed that the Commission delegate authority to the General Manager to negotiate a contract extension with Sheffield for up to five years, provided that the contract rate is at or below current levels. This proposal would enable the Department to act quickly to execute a renewal, as City Council approval is not required for contracts less than 5 years in duration.

Commissioner Vota inquired about current energy market prices and trends. General Manager Springer responded that the head of ISO-New England recently advised that utilities should expect increasing energy contract prices across-the-board. The Department also gains value from being a 100% renewable energy provider.

The Department anticipates bringing replacement proposals for the First Light and Hancock contracts to the Commission in the coming months.

Commissioner Moody made a motion that delegates the Burlington Electric Department General

Manager the discretionary authority to negotiate and enter into an extension of the Sheffield Wind contract expiring 10/18/2026 for an additional term of up to five (5) years, provided that the extension price is at or below the current price and other contract conditions are appropriate. Commissioner Vota seconded the motion. Vote: 4 ayes 0 nays. (Commissioner Whitaker was absent for the vote)

Commissioners' Check-In

The Commission thanked Commissioner Michelle Hobbs for her time of service and expressed well wishes in future endeavors.

Adjourn

Commissioner Hobbs made a motion to adjourn; the motion was seconded by Commissioner Moody; Commission vote; 4 ayes 0 nays.

The meeting of the Burlington Electric Commission adjourned at 6:28p.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

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Public Utility Commission**

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July 31, 2025

Kerrick Johnson, Commissioner
Department of Public Service
112 State Street
Montpelier, VT 05620

Dear Commissioner Johnson:

The Department of Public Service (“Department”) recently stated in a Commission case that the City of Burlington Electric Department (“BED”) “has exhibited a concerning pattern of regulatory errors, inconsistencies, and shortfalls in recent years” and that stronger regulatory oversight is necessary to secure improved performance by BED in the context of its energy efficiency utility program.¹ In a July 2 *Seven Days* article regarding BED’s failure to properly document renewable energy credits from the McNeil Generating Station, you stated, “Prudence would dictate, in order to protect ratepayers, you look at the outward signs of effective management.”²

The Vermont Public Utility Commission (“Commission”) has observed this pattern of errors, inconsistencies, and shortfalls by BED both in its capacity as an energy efficiency utility and as a distribution utility.³ We identify the following examples in both current and past case.⁴

In Case No. 23-1985-INV, regarding 2024 energy efficiency charge rates, BED’s initial proposal was based on budgets larger than those approved by the Commission.⁵ Although this was corrected before a decision was issued, this lack of precision had the potential to cause BED ratepayers to overpay for EEC-funded activities.

In Case No. 22-3947-TF, BED filed a revised net-metering tariff to correct an error affecting 206 customers and amounting to \$26,275 in under-compensation.

¹ Case No. 25-0231-INV, Department Comments of 4/25/25.

² Kevin McCallum, *An Error Cost Burlington Electric \$1 Million*, SEVEN DAYS, July 2, 2025, <https://www.sevendaysvt.com/news/an-error-cost-burlington-electric-1-million-43900313>.

³ We opened this case to ensure transparency of this dialogue. This is not a Commission investigation.

⁴ We note that Chair McNamara is recused from some of the cases identified below. See Chair McNamara’s memorandum regarding conflicts and recusal (2/9/24), available at <https://puc.vermont.gov/document/chair-mcnamaras-memorandum-regarding-conflicts-and-recusal>. However, this case does not involve making new determinations regarding the merits of these past cases.

⁵ Case No. 23-1985-INV, BED Revised EEC filing, 11/3/23.

In Case No. 24-1832-INV, regarding energy efficiency charge rates for 2025, BED identified a significant negative balance in its EEU fund. The negative balance is likely the result of years of compounded errors in BED's energy efficiency charge calculations. The Commission opened Case No. 25-0231-INV to investigate the negative fund balance.

BED did not report output and fuel type for the McNeil Generating Station for the third quarter of 2024 in the NEPOOL GIS system. As a result, BED lost approximately \$951,000, while Green Mountain Power Corporation lost \$600,000 and the Vermont Public Power Supply Authority lost \$260,000.⁶

In Case No. 21-2701-INV, regarding 2022 energy efficiency charge rates, the Commission found that the manner in which BED had pursued its proposal was unacceptable because BED was aware that its proposal was inconsistent with a Commission Order yet made no mention of the inconsistency in its initial filing. The Commission noted that “the regulatory process is harmed when an entity subject to our jurisdiction does not act in a manner consistent with our decisions, particularly where such an entity acts as though it can make unilateral decisions that are inconsistent with a Commission order.” The Commission stated that, going forward, it expected “marked improvement in BED’s regulatory diligence.”

On March 28, 2022, the Commission issued an order regarding its overall performance assessment of BED as an energy efficiency utility.⁷ The Commission found inconsistencies in BED’s regulatory engagement. In its discussion, the Commission references Case No. 19-3272-PET, in which the Commission determined that BED had made multiple filings “that were late, had internal inconsistencies, were missing information, or included other mistakes.”⁸ BED was directed to develop “robust processes for the internal review of documents before they are filed with the Commission, compliance checks to ensure timely response to Commission orders, and quality controls to verify that filings are made in the appropriate case(s) with all required materials.”⁹ BED was directed to put these processes into place before the commencement of the next demand resources plan proceeding. The Commission stated that it is important for BED’s filings to be timely, accurate, and complete.¹⁰

In Case No. 24-0598-PET, BED petitioned the Commission to reimburse its distribution utility operating accounts for expenditures that were incurred for the District Energy System (“DES”) in calendar year 2023. The Commission denied the petition because BED should have requested Commission approval of the expenditures in advance, and

⁶ <https://www.sevendaysvt.com/news/an-error-cost-burlington-electric-1-million-43900313>

⁷ *Petition of the Department of Public Service, pursuant to 30 V.S.A. § 209(d)(2), requesting a proceeding to conduct Energy Efficiency Utility overall performance assessments and consideration of re-issuance of EEU order of appointments to provide services*, Case No. 21-1500-PET, Order of 3/28/22.

⁸ *Id.* at 15.

⁹ *Id.* at 16.

¹⁰ *Id.* at 18 (“BED has failed to meet several QPIs and MPRs over the past two performance periods. In the context of BED’s organization qualifications, the Department seeks to see more evidence from BED that it is recognizing these shortfalls in a timely manner and managing the EEU’s resources to address the shortfalls earlier in each performance cycle. It is incumbent on BED to continually assess performance and to bring issues to the Department and the Commission, as appropriate, as soon as the issues reach a reasonable level of concern.”).

because the petition was ultimately an untimely effort to reconsider a prior Commission denial of a similar request.

In Case No. 24-1848-TF, BED asked the Commission to reopen its approval of BED's 2024 rate case decision due to errors in BED's cost of service. BED stated that its cost of service unintentionally included \$100,460.31 of expenses associated with the DES and did not disclose this information in a discovery response. As a result, the Department's testimony and the Commission's order are based on erroneous information provided by BED.¹¹

In Case No. 25-1010-INV, the Commission is investigating BED's expenditure of approximately \$2 million of energy efficiency utility and ratepayer funds on the development of a district energy system ("DES") in the 2021-2023 performance period. We will examine "the source(s) of funds for DES support spending, and whether BED had proper regulatory approval for these expenditures."¹²

In Case No. 24A-1346, BED's 2023 EEU Annual Report, BED acknowledged overspending its residential-sector resource-acquisition budget for the 2021-2023 performance period by 33% as a result of invoicing errors. In BED's response to the hearing officer's information request, BED stated, "In hindsight, however, BED should have been more proactive and informed the Commission of these issues sooner than the 2023 EEU Annual Report filing. BED will strive to provide more timely notices in the future."¹³

Act 151 of 2022 provides that an electric energy efficiency utility may use a portion of its approved resource-acquisition budget for specified thermal and transportation efficiency programs if certain criteria are met.¹⁴ In Case No. 22-1473-PET, BED was directed to make a compliance detailing its Act 151 activities because BED's implementation of certain parts of its Act 151 programs was inconsistent with representations that BED had made to the Commission.¹⁵

To date, and as evidenced by the above recent examples, the Commission has taken up BED's regulatory errors, inconsistencies, and shortfalls on a case-by-case basis, addressing the facts of a particular circumstance and the policy or legal consequences. However, the pattern of conduct that this list illustrates may necessitate a more holistic approach. The Commission is concerned that BED has not implemented adequate quality-control measures or identified the root cause of these issues. Therefore, we seek the Department's recommendation on an approach to facilitate effective regulatory engagement. We ask that the Department file a response in the next month in ePUC in this case. We appreciate the Department's consideration of this request.

¹¹ Case No. 24-1848-TF, BED Motion to Alter or Amend, 5/30/25.

¹² Case No. 25-1010-INV, Order of 5/20/25.

¹³ Case No. 24A-1346, letter of 8/13/24.

¹⁴ Vermont Public Act No. 151 (2022 Vt. Adj. Sess.).

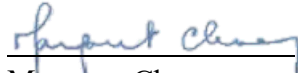
¹⁵ Case No. 22-1473-PET, Order of 7/8/24 ("BED's filings in this case are problematic. We conclude that BED's description of the Act 151 programs that it has implemented continues to be inconsistent with the program plans that BED provided in its DRP and in its re-allocation request.").

This letter is also being issued in multiple open Commission proceedings that concern BED. Vermont's other distribution utilities and energy efficiency utilities and parties to the above cases have been added to receive notice of this letter.

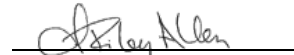
Sincerely,



Edward McNamara
Chair



Margaret Cheney
Commissioner



J. Riley Allen
Commissioner

PUC Case No. 25-1584-INV - SERVICE LIST

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August 29, 2025

Edward McNamara, Chair
Margaret Cheney, Commissioner
J. Riley Allen, Commissioner
Vermont Public Utility Commission
112 State Street
Montpelier, VT 05620

RE: Burlington Electric Department

Dear Chair McNamara, Commissioner Cheney, and Commissioner Allen:

Thank you for your letter dated July 31, 2025, in which the Commission notes the Department’s stated concerns regarding Burlington Electric Department’s (“BED”) troubling pattern of “regulatory errors, inconsistencies, and shortfalls.” The letter enumerates a number, but not all of the examples that comprise BED’s regulatory deficiencies, both as an energy efficiency utility and as a distribution utility, that led to the Department’s filings and public statements. The Commission’s letter concludes with a request for the Department’s recommendation “on an approach to facilitate effective regulatory engagement” on the part of BED. As described below, the Department recommends a focused management audit of BED’s key business practices.

More specifically, the Department recommends that the Commission open an investigation into BED’s internal quality controls. As part of this investigation, the Department would engage a firm with the requisite expertise to conduct a business process audit with a specific focus on internal quality controls. It is the Department's expectation that BED would fully cooperate and collaborate with the selected auditing firm. While BED’s internal practices have not yet been assessed, an audit could reveal the need to implement additional quality controls. Examples of such controls include:

- **Regulatory Quality Controls** – Ensuring processes to maintain compliance with state and federal regulations.
 - *Compliance Monitoring* that would include multiple levels of data review, supporting document verification, and independent calculations to ensure filing accuracy.
 - *Reporting Controls* that would include data validation and supervisor review.
 - *Record Keeping* that would include transaction logs and create audit trails for all system changes, including user identification, timestamps, and approval documentation.

- **Operational Quality Controls** - Clear documentation of policies and procedures to understand how decisions are made and evaluate the effectiveness of internal operations with a goal of ensuring consistency, compliance, and accountability.
- **Financial Quality Controls** - Promote fiscal discipline, prevent waste, and ensure that all public funds are spent efficiently and effectively (e.g., *Revenue Management, Expenditure Controls*).
- **Cross-Functional Quality Controls**
 - *Training and Competency* assessments for all employees. Verify employee qualifications before authorizing specific work activities. Ensure adequate staffing levels and provide ongoing training, on-the-job performance monitoring, and feedback mechanisms. Ensure succession planning for critical positions.
 - *Continuous Improvement* processes that identify the root cause or systemic issue requiring corrective action. Implement performance metrics over time to identify degrading performance before it becomes problematic. This is a particularly pertinent discipline lacking at BED.

Again, this list is illustrative. BED's management performance issues regarding energy efficiency and power supply-related functions are well documented. What is not clear to the Department, however, is whether or how far these issues extend and how those issues might further disadvantage their customers. Our recommendation is that the audit focus on the four areas described above while taking a broader look at the overall management structure and culture.

Having said that, as documented in its Service Quality and Reliability Plan (SQRP) metrics, the Department believes it is important to note that BED delivers reliable service to its customers. Further, the Department receives very few complaints from BED's customers, and we note that BED seems to mostly enjoy strong customer support as evidenced by recent bond votes. Most importantly in this context, we do not believe that BED is intentionally obscuring facts or engaging in actions for any malicious purposes.

These are some of the reasons why the Department finds their poor performance in the identified areas so frustrating: they can do better, they know they should, and yet to date they have not. In fact, in the last two weeks, BED withdrew its Revised Miscellaneous Service Fees Tariff dated August 4, 2025, due to the Department uncovering multiple formula errors in the supporting spreadsheets that resulted in incorrect fee calculations. When alerted to these errors by Department staff, BED responds reasonably well but its continued mistakes and need of remedial help diverts precious resources from other critical Departmental responsibilities and comes at an as yet unquantified cost to their customers. Such a state is unsustainable.

The impact of BED's poor performance doesn't just affect their own customers and personnel, but all of Vermont's electric ratepayers. That is why, in the end, the Department recommends that the Commission open the investigation as described. We are mindful of the demands on BED personnel's time, the Department and Commission's time, and the possibility of unintended

negative consequences that may accrue from the recommended audit. Yet, it is BED's own performance that has brought us to this point.

The Department's goal in recommending this investigation and audit is to secure effective, comprehensive and sustained performance by BED to best ensure self-sustained reliable and affordable service. It is intended as a corrective action that the Department decided upon only after careful consideration of all other options. The Department would like nothing better than to help BED quickly secure an end state whereby all aspects of the utility's operations are effectively managed.

Thank you for your consideration of these recommendations.

Sincerely,

A handwritten signature in black ink, appearing to read "Kerrick Johnson". The signature is fluid and cursive, with a large initial "K" and "J".

Kerrick Johnson
Commissioner



To: Burlington Board of Electric Commissioners

From: Darren Springer, General Manager

Date: September 5, 2025

Subject: August 2025 Highlights of Department Activities

General Manager – Darren Springer

- **DPS response 8.29 to PUC 7.31 letter** - BED is in receipt of the Department of Public Service (DPS) letter to the Public Utility Commission recommending a third-party review of BED’s business processes and regulatory work. We acknowledge and take accountability for the McNeil REC error from 2024 and the other instances where we have not performed to expectation in the regulatory context and are committed to improve our performance. As reported previously to the Commission, we’ve taken steps to address these issues including:
 - Establishing a regular quarterly meeting with principals for BED with DPS to improve communications opportunities, on top of other regular check-ins during the normal course of business;
 - The REC process review and updated business processes (with guidance/input from DPS) documented in our memo and appendix presented to the Electric Commission at its May 2025 meeting;
 - Undertaking a similar process, currently underway, for our energy efficiency programs (again in conjunction with DPS guidance); and
 - As noted later in this report, undertaking a permit process review

In addition to the above steps, we have recently taken several additional steps including:

- Posting for two policy & planning positions (one recently vacated and one held vacant for budgetary purposes) to bolster staff capacity;
- Pausing, with one exception (the EV announcement noted below) any incentive changes or additional program launches not already planned for an indefinite period of time to give our team room to focus on implementation of the important existing set of programs and initiatives currently underway; and
- Holding an intensive weekly internal regulatory review meeting with the GM, two Managers, three directors (finance, energy services, and policy & planning), and regulatory team members to better coordinate work on dockets, filings, and reports in the regulatory space, (on top of other internal regulatory meetings);

While we’ve taken the steps outlined above, we welcome the third-party review and the opportunity to learn more about recommendations and best practices we can implement.

We take our regulatory responsibilities seriously, and we'll work constructively with our regulators on these items. Our customers expect and deserve our best performance in regulatory space, and we'll work as hard as we possibly can to improve and meet expectations.

- **R99 Testing** – BED will be working with the State in September to test the use of R99 (99% renewable diesel) at the Gas Turbine peaker plant. The plant previously ran on oil, and currently runs on a B20 mix of 20% biodiesel and 80% oil. BED has been working to convert the unit, which runs very infrequently for peak demand needs, to renewable and lower carbon energy. R99 is a non-fossil based renewable diesel, and has been highlighted as a drop in, far lower greenhouse gas emission replacement for fossil fuel based diesel in states like Oregon (https://www.oregon.gov/odot/climate/Documents/Alt_Diesel_InfoSheet-ODOTghginventory.pdf) and California (<https://ww2.arb.ca.gov/resources/fact-sheets/fact-sheet-renewable-diesel-fuel-requirements>) and Hawaii (<https://hidot.hawaii.gov/wp-content/uploads/2025/06/Draft-ESWRP-6.27.25.pdf>).
- **Upcoming EV announcement** – BED is working towards an announcement later this month to support EV drivers, including income-qualified customers, in the wake of the federal legislation which abruptly removes the federal EV tax credit at month-end.
- **McNeil Studies** - K2Q provided an update to TEUC at its August meeting about the forestry study, and we anticipate Velerity will provide an update on the efficiency/emissions reduction study at the September TEUC meeting.
- **Benchmarking/BERO Work** - BED was joined by Synapse and Building Electrification Institute for a set of presentations at TEUC in August on energy benchmarking and BERO, including analysis of cost-benefit of certain approaches using real buildings in Burlington as examples. We look forward to engaging further with TEUC on possible policy development and to seeing the energy benchmarking data as it becomes available in Spring 2026.
- **4th Annual Net Zero Energy Festival** – We had to move the Festival due to rain from Saturday September 6th, to Sunday September 7th, but appreciate all the work our team members put into planning the event and coordinating logistics of the date change.

Center for Innovation – Emily Stebbins-Wheelock

- Prepared to implement approved FY25 5.5% rate increase, tariff adjustment for pending FY26 4.5% rate increase, and Water Resources renter assistance program on September 1
- PUC filings in multiple dockets:
 - District Energy System spending investigation
 - Statewide energy burden proceeding
 - Updated plans for use of surplus TEPF Funds
 - Miscellaneous Service Fees – withdrew filing; will update for Commission and Council approval before refiling
 - Moduly battery pilot program
 - Annual RES compliance report for 2024
 - Commercial Demand Response pilot rate
 - EAP rate expansion
 - Demand Resource Plan for 2027-2029 performance period

- Completed DEED grant-funded video on heating and cooling and started transportation video script.
- Supported Church Street’s weekly passagiata with Ford Lightning F150 and e-bike display. Included partner agency Local Motion. Tabled at Family Room and Fletcher Free Library.

Center for Safety and Risk Management – Paul Alexander

Safety

- Safety completed the annual testing & recertification of Operation Personnel insulated hot sticks, personal grounds and other assorted protective rubber goods. A safety presentation was completed on ergonomics and back safety.
- A Lock Out Tag Out (LOTO) kit was procured for the Winooski One Hydro. This will allow technicians to work safely on equipment, which will include a job leader lock that will be first on, last off.
- The Center for Safety met with the City committee to end homelessness. A meeting has been arranged to discuss the removal of an encampment that has grown on the private landowners property adjacent to 585 Pine Street, North Lot.

Environmental

- The Environmental Team worked with the Generation Team to complete the 2nd quarter 2025 GIS Submission into NEPOOL which is due October 10th. Verification of the data will be completed by Policy & Planning.
- The Environmental Team is the lead of a State of VT approved test run of R99 renewable diesel at the Gas Turbine on September 17th. Testing protocols have been submitted to the State for their approval.
- At the request of the General Manager the Environmental Team assembled a document covering all environmental permits, reports, testing, sampling events, and requirements plus their expiration dates and filing due dates.

Risk Management

- Working with the Burlington Police Department, City Attorney’ office and the “Safe Outdoor Sites” committee to address “tenters/trespassers on our property and/or adjacent sites.
- Awarded full judgment (include filing fees) at the 8/1 VT Superior Court hearing via our Small Claims court case which involves paying back BED funds that were used in an apprentice program as outlined in Section 8.6 of our Union (IBEW) contract.
- Received NPCC’s summary letter re: Self-certification Audit on regulatory standards PRC-005 and PRC-006 (Protection System and Underfrequency Load shedding. No further requests for information, and BED passed without any findings.
- Finished reviewing/editing the COB’s *Standard Contract Conditions* language, in particular, Attachment C-1 (*Insurance & Indemnification*) to be used as a template in future BED contracts/agreements, as well as our minimum insurance level requirements.

Purchasing/General Services

- An all-Electric Bucket Proposal was reviewed, and truck will be purchased in FY27
- A request-for-proposal (RFP) for a Bucket Truck charger (Level 2/Level 3) was written up and put out to bid
- Our Gas Turbine (GT) Dispatch area has had reflective tint put on the windows to help cool the area from the greenhouse effect of the sun

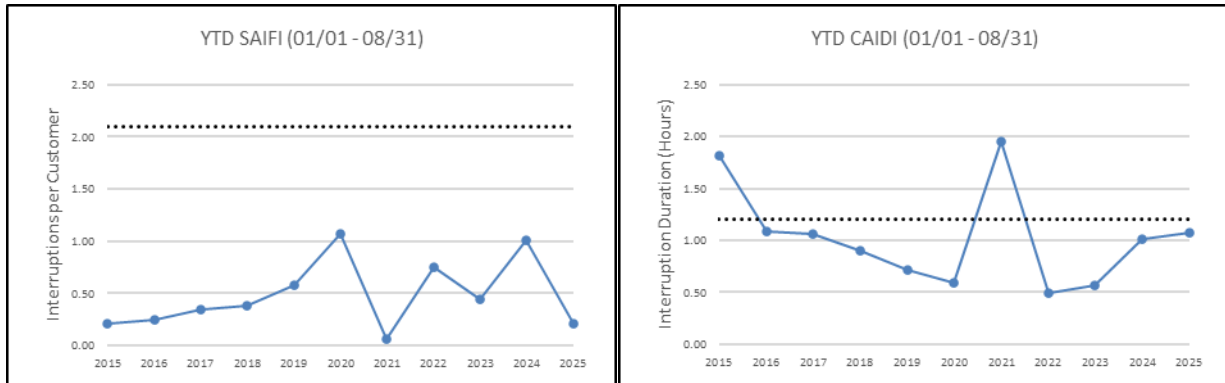
Center for Operations & Reliability – Munir Kasti
Engineering, Grid Services & Operations

- Issued work order for relocation of primary underground along St. Paul Street near City Place.
- Completed reconductoring work on South Cove Road, Dunder Road, and Revere Court.
- Completed Phase 1 of the City Place street lighting project on Bank Street.
- Two apprentice line workers attended their third round of the second-year apprenticeship training at the New England Public Power Association headquarters in Massachusetts.

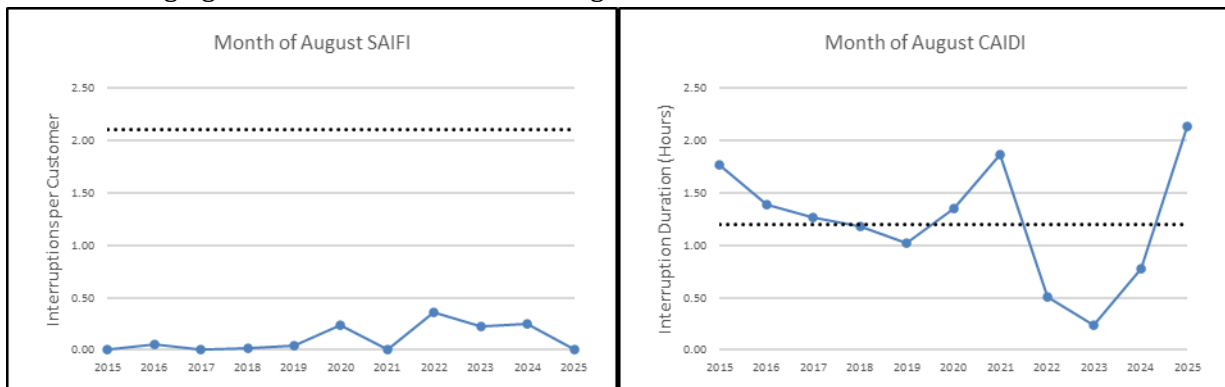
SAIFI & CAIDI Outage Metrics:

BED’s distribution system experienced 13 outages in August 2025 (2 unscheduled and 11 scheduled). BED’s SAIFI for the Month of August was 0 interruptions per customer and CAIDI was 2.13 hours per interruption. BED’s YTD SAIFI is 0.21 interruptions per customer and YTD CAIDI is 1.07 hours per interruption. BED experienced a high CAIDI value for the month of August due to multiple pole transfers as a part of the South Cove Road rebuild project.

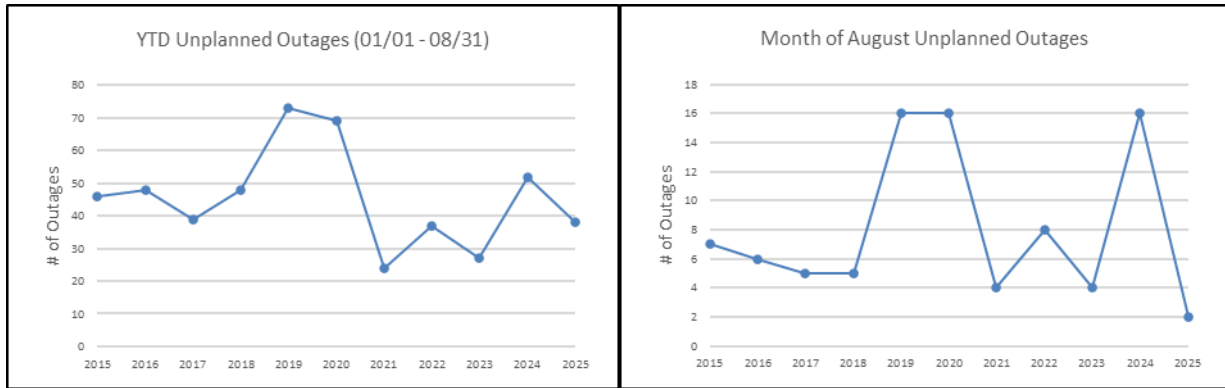
The following figure shows BED’s historical YTD SAIFI and CAIDI:



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



The following figure shows BED’s historical Unplanned Outages:



Generation

McNeil Generating Station

Month Generation: 29,433 MWh
 YTD Generation: 156,718 MWh
 Month Capacity Factor: 79.12%
 Month Availability: 87.0%
 Hours of Operation: 651.28 hours

A McNeil Yard Worker position was filled on August 25, and the new hire is in the process of training to be on shift.

Winooski One Hydroelectric Station

Monthly Generation: 0 MWH (0% of average)
 YTD Generation: 12,203.34 MWh (57.62 % of average)
 Month Capacity Factor: 0%
 Annual Capacity Factor: 28.28%
 Month Availability: 0% due to lack of water flow.

Routine maintenance, preventative maintenance, and process improvement projects were conducted at Winooski One in August. The process of preparing for turbine overhauls in September has continued. There has been a significant lack of water flow in August.

Burlington Gas Turbine

Month Generation: 33.6 MWh
 YTD Generation: 386.8 MWh
 Month Capacity Factor: 0.235%
 Month Availability: 99.1%
 Hours of Operation Unit A: 3.2 hours
 Hours of Operation Unit B: 3.2 hours

The Gas Turbine was successfully dispatched one time in August and had a monthly test run for a

total of 33.6 MWh.

Solar

Solar (Pine Street 107 kW)

Month Generation:	14 MWh (+16% from previous year)
YTD Generation:	79 MWh
Month Capacity Factor:	17.9%
Month Availability:	100%

Solar (Airport 499 kW)

Month Generation:	79 MWh (+20% from previous year)
YTD Generation:	405 MWh
Month Capacity Factor:	21.3%
Month Availability:	100%

Center for Customer Care & Energy Services – Mike Kanarick

Energy Services

UVM & UVMMC

- ES is working with staff and contractors on several ongoing projects.
- Working with UVM on a partial HVAC replacement project in the Waterman building. The existing constant-volume AHU and air-cooled chiller that serve the basement offices in building are being replaced.
- Working with UVMMC on a main parking garage ventilation fan replacement project that includes two 150-HP blower fans that need to run 24/7 for safety purposes.

Other Services

- Continued Decline in New Development and Energy Efficiency Activity
 - As previously reported, over the past several months few new construction zoning applications have been submitted to DPI, indicating a decline in near term new development. High lending costs and construction costs continue to slow this market.
 - ES also continues to see a slowdown in EEU and Tier 3 activity with smaller and medium-sized commercial customers. As report widely in the media, these customers continue to face economic headwinds where discretionary energy efficiency, and beneficial electrification improvements, are understandably not a priority. BED and VGS continue to work with the Burlington 2030 District and CEDO/Business and Workforce Development (BWD) to get the word out about our services and that we are here to help.
- ES continues to:
 - Work on new construction projects such as the conversion of the office space at 1 Lawson Lane to 33 apartments, CHT’s 70-unit building at Cambrian Rise, Burlington High School with a geothermal heating and cooling system, the former YMCA conversion to apartments, Burlington Square (aka City Place), CHT’s Post Apartments on S. Winooski Ave and Mater Christi’s Early Education Center.
 - Support the customer care team with a number of residential and commercial customer high bill concerns.
 - Partner with the VGS ES team on a number of residential weatherization and heat pump projects and commercial retrofit projects.

Electric Vehicles & Charging Stations

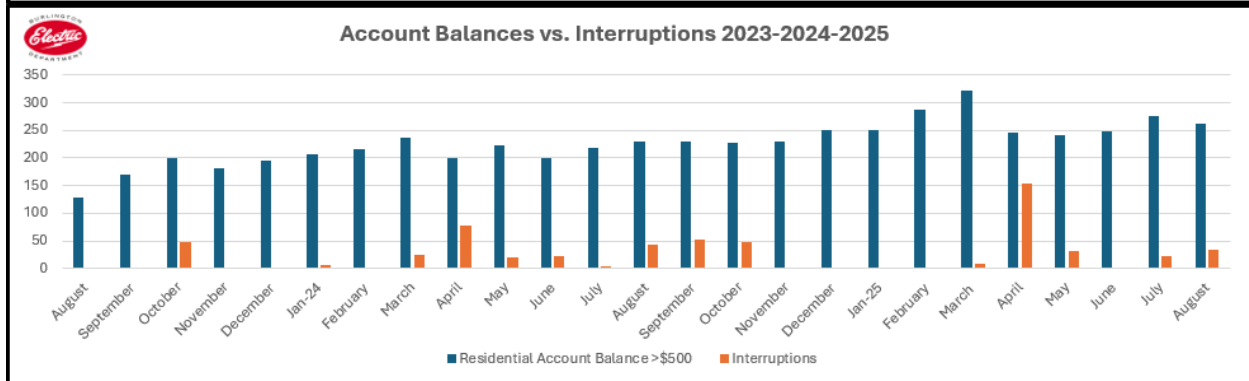
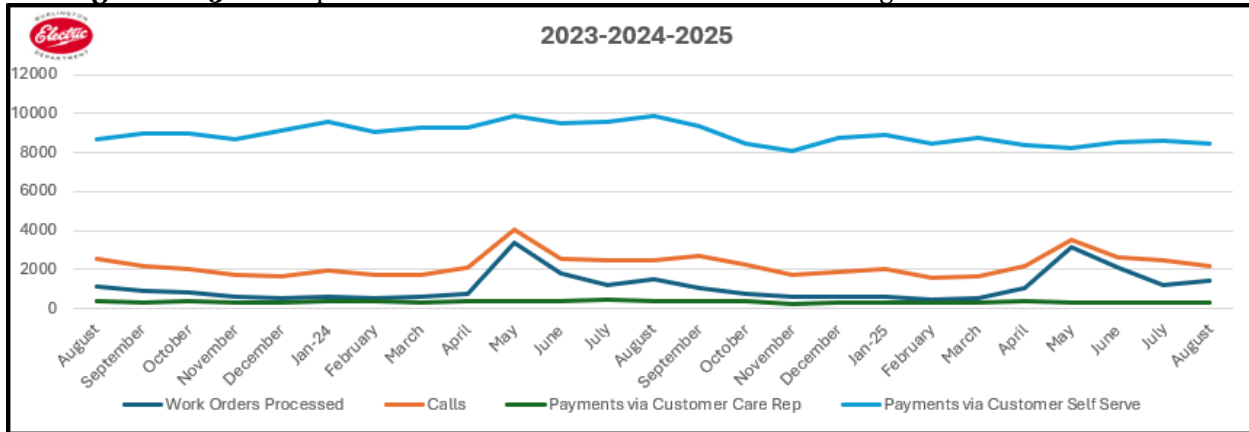
- The EVSE (ChargePoint, Flo & AmpUp) dispensed a total of 44.4MWh and supported 2,254 sessions.
- Approximately 39% (or 17.4 MWh) of the energy sold from the entire network is attributed to the Pine St., Marketplace Garage, and Pease Lot DCFC’s. The Pease Lot DCFC dispensed the most energy.
- EV and PHEV rebates to date – 1,098 (of this 249 LMI rebates to date)
- Customers currently participating in the new EV Charging Rate- 399
- Single-family & multifamily home EV charging stations rebates to date – 366

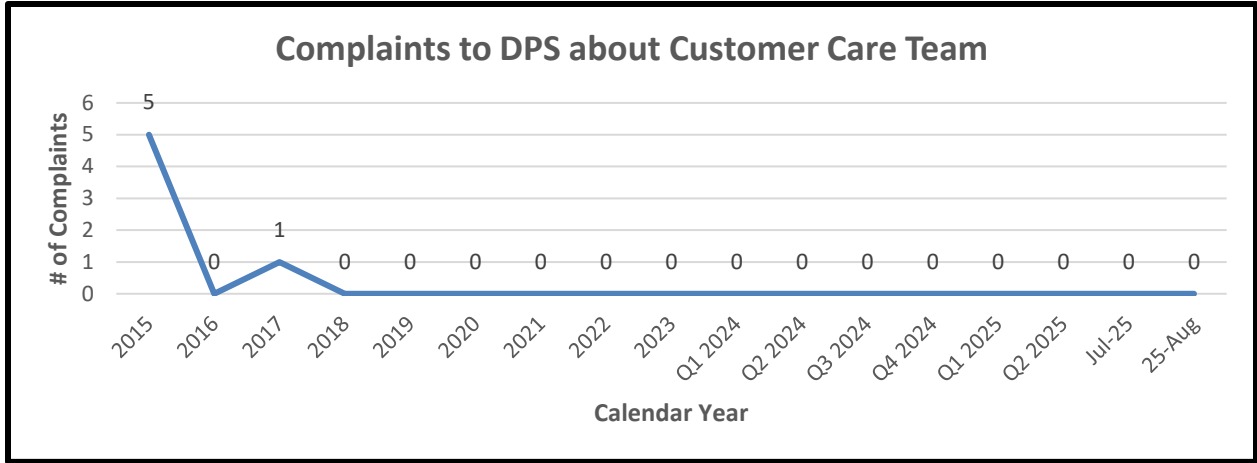
Heat Pump Installations to Date

Total Heat Pump Technology Installations including Multi-Family New Construction Projects & Installations in existing buildings since the September 2019 NZEC announcement – **3,057 installations** (of this 212 LMI rebates to date)

Customer Care

- **Call Answer Time (75% in 20 seconds):** August 2025 78.4%, July 77.5%, June 69.4%, May 61.4%, April 86.1%, March 90.3%. August 2024 83%, July 76.5%, June 74.6%, May 69.2%, April 85.8%, March 87.7%.
- **August 2025 Stats:** please see dashboard for additional metrics categories.





Communications and Marketing

- **DATE CHANGE (due to weather):** 4th Annual Net Zero Energy Festival – A Supercharged Day of Family Fun: this **SUNDAY, SEPTEMBER 7**, from 10:00am to 2:00pm at BED during Art Hop weekend. Activities for people of all ages focused on reducing fossil fuel use and electrifying everything, including: renewably-powered food trucks; games and activities for children; Star 92.9’s radio personalities Mike & Mary; raffles; E-bike test rides; EV showcase; mobile bike repair unit; bike parking; BED partners providing heat pump, solar, and electric lawn care products; carshare and biking partners; BED energy experts; and more.
- Art Hop sponsorship: BED will sponsor SEABA’s Art Hop, taking place from September 5-7. BED’s 585 Pine Street building will host the “HOPE” statue and again will be part of “Light Hop,” with SEABA installing LED lighting on the building at night.
- Full website visits for August 2025



- Top-performing Facebook & Instagram posts
Passeggiata

	Join us this evening from 5-8 on The Church Street Marketplace for...	Boost	...	Wed Aug 6, 8:54am	104	0	0	0
	Join us this evening from 5-8 on @churchstreetmarketplace for Un...	Boost	...	Wed Aug 6, 8:52am	433	13	0	3

**BED 2025-2026
Strategic Direction Dashboard**

	Target	Aug 2025 Actuals	July 2025 Actuals	June 2025 Actuals	May 2025 Actuals	April 2025 Actuals	March 2025 Actuals	February 2025 Actuals	January 2025 Actuals	2024 Yearly Actual	2023 Yearly Actual	2022 Yearly Actual	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
Engage Customers and Community															
Call answer time 75% within 20 seconds	75%	78%	78%	69%	61%	86%	90%	90%	86%	avg 81%	avg 82%	avg 82%	avg 82%	avg 81%	
Delinquent accounts >\$500	0	262	276	248	242	246	323	287	251	avg 223	avg 168	avg 188	avg 529	avg 201	
Disconnects for non-payment	0	34	22	2	31	153	10	1	1	308	224	12	0	45	
Energy Assistance Program Customers (program lifetime)	NA	898	887	881	871	869	862	858	852	843	234				
Energy Assistance Program Customers (currently enrolled)	300	787	781	776	788	776	776	776	774	770	219				
# of residential weatherization completions	10	1	0	0	1	0	0	0	0	7	11	5	5	3	11
Weatherization completions in rental properties		0%	0	0	0	0	0	0	0	3	8	6	0	0	TBD
# or % of homes or SF weatherized		TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	0	TBD	TBD	TBD	TBD	0
# of commercial building with improved thermal envelopes		0	0	1	0	0	0	0	0	5	6	4	5	5	0
Total annual mWh saved via the EE programs (annual goal)	4,032	1,391	1,031	1,003	934	904	877	84	61	1116	2,940	4053			3057
Total residential annual mWh saved via the EE programs (cumulative for year)	724	166	142	128	68	64	51	35	28	333	494	862			917
Total commercial sector annual mWh saved via the EE programs (cumulative for year)	3,308	1,225	889	875	866	840	828	49	33	783	2,447	3191			2140
% of EEU charge from LMI customers spent on EE services for LMI customers (cumulative for 2024- 2026 3-year EEU performance period)	\$ 297,026	\$ 233,861	\$ 215,682	\$ 204,228	\$ 200,971	\$ 195,750	\$ 186,013	\$ 178,052	\$ 167,552	\$ 155,814	\$ 504,942	\$ 335,234	TBD	TBD	TBD
# of customers enrolled in DTP mailing list	TBD	852	844	826	816	NA	NA	NA	NA	812	800	738	689	698	523
# of large customers participating in DtP		12	12	12	12	NA	NA	NA	NA	12	12	11			
# of pageviews, overall website-wide		20,567	22,866	21,052	28,406	21,747	19,047	18,341	23,653						
# of unique website homepage views		4,181	4,867	4,621	5,046	4,617	4,251	3,804	4,739						
Strengthen Reliability															
SAIFI (AVG interruptions/customer) (annual target)	< 2.1	0.0	0.04	0.003	0.03	0.02	0.01	0.05	0.07	1.63	0.56	1.05	0.17	1.48	1.01
CAIDI (AVG time in hrs to restore service) (annual target)	< 1.2	2.13	0.62	1.09	1.16	2.39	1.94	1.72	0.44		0.94	0.67	1.49	0.55	0.75
Distribution System Unplanned Outages (annual target)	82	2	10	6	2	6	4	5	3	69	39	61	44	90	98
McNeil Forced Outages	0	0	1	1	1	1	2	1	0	10	5	14	5	21	TBD
W1H Forced Outages	0	0	0	0	0	0	1	1	0	3	2	6	9	2	TBD
GT Forced Outages	0	0	1	0	1	0	0	0	1	2	9	6	2	3	TBD
Invest in Our People, Processes, and Technology															
Avg. # of days to fill positions under recruitment	120	366	311	282	281	217	317	257	232	253	219	100	68	179	
# of budgeted positions vacant	0	9	10	11	10	10	9	11	11	avg 12	avg 12	avg 9	avg 9	6	NA

BED 2025-2026
Strategic Direction Dashboard

	Target	Aug 2025 Actuals	July 2025 Actuals	June 2025 Actuals	May 2025 Actuals	April 2025 Actuals	March 2025 Actuals	February 2025 Actuals	January 2025 Actuals	2024 Yearly Actual	2023 Yearly Actual	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		13	20	20	0	10	18	11	31	176	186	255	315	203	10	
# of commercial heat pump installs		0	0	0	0	0	0	0	0	5	8	4	4	13	0	
# of residential hot water heat pump installs		1	0	3	0	5	1	2	5	28	31	26	14	6	4	
# of commercial hot water heat pump installs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Heat pump rebates		19	22	20	6	10	18	11	31	185	206	271	328	212	0	
Heat pump hot water heater rebates		1	0	3	0	5	1	2	5	28	47	18	15	3	0	
LMI heat pump rebates		6	2	4	6	0	1	0	0	35	21	43	28	6	4	
Heat pump technology installs in rental properties		0	0	0	0	0	0	0	0	3	8	10	14	9	TBD	
LMI heat pump hot water heater rebates		0	0	4	0	1	0	0	0	2	6	1	2	0	1	
EV rebates - new		10	3	9	16	11	10	6	18	125	103	53	67	14	36	
EV rebates - pre-owned	See NZE Roadmap Goals below	3	1	1	1	3	2	2	1	23	16	18	7	8	2	
LMI EV rebates		2	2	2	4	1	4	2	5	50	26	9	11	7	7	
PHEV rebates - new		5	2	3	0	2	4	3	7	44	25	27	41	10	17	
PHEV rebates - preowned		1	1	2	3	1	0	0	5	8	6	12	6	5	3	
LMI PHEV rebates		1	0	1	0	0	0	0	0	11	5	15	13	6	2	
Public EV chargers in BTV (total)		41 ports	41 ports	41 ports	41 ports	41 ports	41 ports	41 ports	40 ports	40 ports	40 ports	32 ports	30 ports	27 ports	27 ports	14
Public EV charger energy dispensed (kWh)		44,400	40,400	36,700	36,700	39,100	38,500	36,400	40,800	35,500	244,300	151,360	86,570	35,690	78,000	
Home EV charging station rebates		17	6	3	5	13	8	5	18	82	72	70	32	20	12	
EV charging rate customers (total)		399	394	389	382	379	364	354	351	347	246	157	40	40	28	
Level 2 charger rebates		0	11	0	0	0	0	0	1	22	10	11	10	0	1	
Level 1 charger rebates	0	1	0	0	0	0	0	0	0	0	-	0	1	0		
E-bike rebates	29	24	36	32	39	22	1	27	169	147	152	88	36	65		
E-mower rebates	3	8	31	25	10	1	0	2	109	135	159	154	95	142		
E-forklift rebates	0	0	0	0	0	0	0	0	0	0	1	0	0	0		
MWE of Tier 3 measures installed		2,434	21,135	4,409	1,040	1,400	1,788	1,139	1,977	26,120	22,374	22,837	23,763	35,112	3,342	
% Tier 3 obligation met with program measures	100%	146%	136%	49%	30%	26%	20%	13%	8%	122%	117%	131%	159%	283%	31%	
<i>Net Zero Energy Roadmap Goals</i>																
# of solar net metering projects installed		0	1	2	0	2	2	1	1	13	32	33	29	24	33	
No. of homes receiving NZE Home Roadmaps		0	0	0	0	0	0	0	0	0	-	7	10	7		
Residential heat pumps for space heating (no. of homes)	2023: 8615	NA	NA	NA	NA	NA	NA	NA	NA	2,320, 18% of goal	1,952	1,749	1,448	1,112	925	
Commercial heat pumps for space heating (1000 SF floor space served)	2023: 5397	NA	NA	NA	NA	NA	NA	NA	NA	487, 7% of goal	431	411	405	374	374	
Residential heat pumps for water heating (no. of homes)	2023: 4365	NA	NA	NA	NA	NA	NA	NA	NA	344, 4% of goal	289	243	224	208	203	
Commercial heat pumps for water heating (1000 SF floor space served)	2023: 1019	NA	NA	NA	NA	NA	NA	NA	NA	6, 0.2% of goal	0	0	0	0	-	
EV registrations in BTV (light-duty)	2023: 2294	NA	NA	NA	NA	NA	NA	NA	NA	1,285, 23% of goal	829	699	549	361	296	
Greenhouse gas emissions (1000 metric tons CO2)	2023: 150	NA	NA	NA	NA	NA	NA	NA	NA	174, 55% above target	179	193	188	185	214	
Fossil fuel consumption (billion BTU)	2023: 2418	NA	NA	NA	NA	NA	NA	NA	NA	2,964, 68% above target	3,044	3,319	3,169	3,185	3,660	

BED 2025-2026
Strategic Direction Dashboard

	Target	Aug 2025 Actuals	July 2025 Actuals	June 2025 Actuals	May 2025 Actuals	April 2025 Actuals	March 2025 Actuals	February 2025 Actuals	January 2025 Actuals	2024 Yearly Actual	2023 Yearly Actual	2022 Yearly Actual	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
Demand Response															
# of Defeat the Peak events called		0	0	1	0	0	0	0	0	2	3	3	5	3	4
Average kW savings per DtP event		NA	NA	413	NA	NA	NA	NA	NA	342	372	463	419.5	261	242
Manage Budget and Risks Responsibly															
Safety & Environmental															
No. of workers' compensation/accidents per month	0	1	0	0	2	2	0	0	0	7	8	16	4	8	
Total Paid losses for workers' compensation accidents (for the month)	annual	\$11,091	\$7,121	\$21,245	\$13,204	\$10,248	\$3,018	\$5,489	\$66,100	\$272,353	\$98,393	\$ 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	N/A	N/A	N/A	N/A	0.99	2.0	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	N/A	N/A	N/A	N/A	9.90	107.4	112.63	0.0	41.71	78.2
Lost work days per month	0	0	0	11	16	0	0	0	0	avg 10	avg 12	avg 9	0.0	45	
NOx reporting levels to EPA (Quarterly) (lbs/mmbtu)	<0.075	0.066	0.067	0.068	0.069	0.091	0.068	0.069	0.068	0.06	0.06	0.06	0.07	0.07	
# of reported spills, waste water incidents (monthly)	0	0	0	0	0	0	0	0	0	4	2	6	4	4	
Phosphorus levels to DEC in lbs (monthly/yearly total)	<0.8/37	0.172/1.152	0.038/1.053	0.04/1.063	0.013/1.024	0.181/2.082	0.174/1.979	0.165/1.986	0.153/1.965	1.87	0.705	0.688	2.028		1.169
# of new power outage claims reported (monthly)	1	0	1	0	0	0	0	0	0	6	3	5	7	4	
# of new auto/property/other liability claims reported (monthly)	2	2	2	1	3	3	1	1	4	24	36	27	18	27	
Purchasing & Facilities															
# of Purchase Orders for Inventory (Target: avg for winter months)	42	67	108	41	78	67	86	72	51	738	541	636	644	593	
\$ value of Purchase Orders for Inv. (Target: avg dollars spent during winter)	\$78,000	\$493,359	\$1,128,775	\$140,202	\$325,805	\$401,355	\$973,263	\$919,825	\$142,579	\$ 6,613,883	\$2,481,531	\$ 4,861,023	\$ 3,278,620	975,531	
# of stock issued for inventory (Target: avg during winter months)	320	731	641	732	563	707	730	510	631	7,207	6,777	6,187	4,402	4,545	
\$ value of stock issued for inventory (Target: avg. during winter)	\$ 65,000	\$ 164,571	\$ 66,137	\$ 359,158	\$ 134,027	\$ 190,684	\$ 151,857	\$ 122,341	\$ 66,331	\$ 2,352,360	\$ 1,925,781	\$ 2,200,233	855,456	1,086,478	
# of posters pulled from poles monthly (Target: goal to remove each month)	58	125	64	0	121	0	0	0	40	351	592	900	2,728	627	
# of Spark Space and Auditorium setup/breakdowns monthly (Target: Covid impact)	3	13	14	11	16	13	19	16	15	199	207	132	88	87	
Finance															
Debt service coverage ratio (avg of previous 12-months)	1.25		1.24	TBD	4.91	5.47	5.08	5.14	4.95	4.10 FY24	3.81 FY23	4.61 FY22	4.26 FY21	3.77 FY20	3.56 FY19
Adjusted debt service coverage ratio (avg of previous 12-months)	1.5		4.92	TBD	1.26	1.44	1.32	1.34	1.29	1.25 FY24	1.29 FY23	1.22 FY22	1.08 FY21	0.93 FY20	0.90 FY19
Days unrestricted cash on hand (incl line of credit)	>90		141	TBD	144	137	152	156	153	146 FY24	93 FY23	120 FY22	121 FY21	120 FY20	109 FY19
Arrearages >60 days		\$568,448	\$561,164	\$ 558,755	\$ 514,677	\$ 486,445	\$ 493,414	\$ 484,303	\$ 480,633	\$ 470,940	\$ 392,196	\$ 408,903	\$ 1,087,769	\$ 749,054	
Power Supply															
McNeil generation (MWH) (100%)	per budget	29,433	26,010	18,513	13,684	552	10,132	25,714	32,680	197,044	184,798	228,981	273,355	192,696	
McNeil availability factor	100%	87%	76%	61%	67%	2%	29%	81%	100%	66%	84%	67%	80%		
McNeil capacity factor	per budget	79%	72%	51%	37%	1.5%	27%	77%	88%	45%	42.3%	52.4%	62.4%		
Winooski One generation (MWH)	per budget	0	471	1,442	2,805	2,974	2,573	854	1,083	29,498	36,318	25,350	24,752	21,194	
Winooski One availability factor	100%	0%	40%	60%	70%	70%	70%	90%	90%	98%	97.2%	98.3%	97%		
Winooski One capacity factor	per budget	0%	48%	27%	56%	56%	47%	17%	20%	48%	56%	41.7%	37%		
Gas Turbine generation (MWH)	NA	33.6	97.9	171.7	22.0	17.7	19.0	18.1	6.9	484	475	356	373	441	
Gas Turbine availability factor	100%	99%	99%	86%	89%	100%	100%	100%	97%	98%	46.7%	54.5%	96%		
Gas Turbine capacity factor	NA	0.2%	0.6%	1.2%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.2%	0.2%	0.21%		
BTV solar PV production (mWh)		646	658	632	466	503	410	117	215	5,020	4,681	5,260	5,015	5,182	
Cost of power supply - gross (\$000)			\$3,574	\$3,073	\$2,760	\$4,328	\$3,346	\$2,968	\$2,629	\$34,858	\$30,002	\$36,755	\$30,285	\$31,081	
Cost of power supply - net (\$000)			\$3,574	\$3,073	\$1,829	\$1,559	\$3,346	\$2,968	\$2,629	\$27,984	\$22,710	\$27,487	\$22,134	\$23,388	
Average cost of power supply - gross \$/KWH			\$0.11	\$0.11	\$0.11	\$0.18	\$0.13	\$0.11	\$0.09	\$0.11	\$0.09	\$0.11	\$0.09	\$0.10	
Average cost of power supply - net \$/KWH			\$0.11	\$0.11	\$0.07	\$0.06	\$0.13	\$0.11	\$0.09	\$0.08	\$0.07	\$0.08	\$0.07	\$0.08	



*FY 2026
Financial Review
July*

September 5, 2025

**Burlington Electric Department
Financial Review**

FY 2026

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FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of July FY26

(\$000)	Full Yr Budget	CURRENT MONTH			YEAR TO DATE		
		Budget	Actual	Variance	Budget	Actual	Variance
Sales to Customers	56,090	5,638	5,934	296	5,638	5,934	296
Other Revenues	3,881	364	280	(84)	364	280	(84)
Power Supply Revenues	7,631	0	0	0	0	0	0
Total Operating Revenues	67,602	6,002	6,214	212	6,002	6,214	212
Power Supply Expense (Net)	35,540	3,466	3,574	(107)	3,466	3,574	(107)
Operating Expense	22,912	2,243	2,088	155	2,243	2,088	155
Depreciation & Amortization	5,832	495	513	(17)	495	513	(17)
Taxes	3,615	308	291	17	308	291	17
Sub-Total Expenses	67,899	6,513	6,466	47	6,513	6,466	47
Operating Income	(298)	(511)	(251)	260	(511)	(251)	260
Other Income & Deductions	6,855	490	457	(33)	490	457	(33)
Interest Expense	3,204	259	258	1	259	258	1
Net Income (Loss)	3,354	(279)	(52)	227	(279)	(52)	227

Year-to-Date Results:

- **Sales to Customers** up \$296,500 (5%). Residential Sales up \$113,000 and Non-Residential Sales up \$179,600.
- **Other Revenues** down \$84,000 (23%)
 - a. DSM billable (customer driven).
- **Power Supply Expenses (Net)** up \$107,000 (3%)
 - a. Fuel down \$236,000.
 - b. Purchased Power up \$11,000.
 - c. Transmission was up \$331,000.
- **Operating Expenses** down \$155,000 (7%)
 - a. Timing: various items were less than budget including outside services (\$177,000), materials & supplies (\$52,000), and RPS Compliance (\$31,000); offset by items higher than budget including maintenance contracts, \$55,600.
- **Taxes** down \$17,200, (5.6%)
 - a. Actual Payment in Lieu of Tax (PILOT) is \$162,300 lower than budget assumption for the year.
 - b. Actual Winooski One Property Tax is \$29,700 lower than budget assumption for the year.
- **Other Income & Deductions** down \$33,000 (6.8%)
 - a. Timing of jobbing unfavorable (\$100,000).
 - b. Offset by unrealized gain on investment \$24,600 and customer contribution/grant proceeds \$48,000.

FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of July FY26

Capital Spending – July YTD				
(\$000s)				
Plant Type	Full Yr. Budget	Budget	Actual	% Spent
Production	\$4,481	\$249	\$41	1%
Other	868	89	18	2%
Transmission	222	0	0	0%
Distribution	6,419	560	137	2%
General	3,228	465	42	1%
Total	\$15,218	\$1,363	\$239	2%

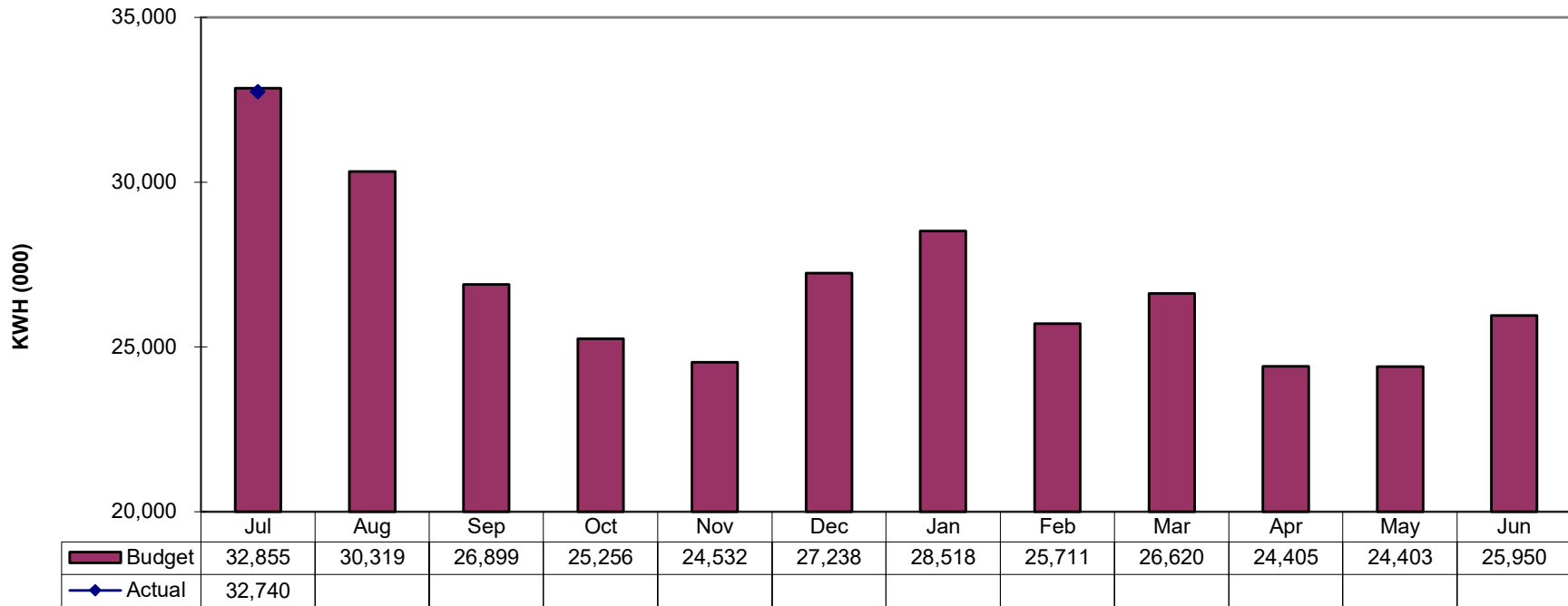
- (1) **Production** – Timing; W1 FERC Relicensing budget assumed \$121,950 in July vs actual of \$2,400. Also, budget assumed \$50,000 for replacement rail cars in July vs \$0.
- (2) **Distribution** – Transformers under budget due to availability (\$269,000).
- (3) **General** – Timing; budget includes IT Forward projects of \$166,650 vs actual of \$32,670. Also, timing of Forklift EV, \$137,700. RFP is out for proposal.

As of July 31, 2025	
Operating Cash and Investments	
Operating Funds	\$6,913,900
Operating Fund – CD's	\$985,100
CD/Money Market - GOB	\$3,814,300
Total Operating Cash	\$11,713,300

Credit Rating Factors – July 2025				
	"A"	"Baa"	Current	3 Year Average
Debt Service Coverage Ratio	1.25	1.25	4.92	4.22
Adjusted Debt Service Coverage Ratio	1.50	1.10	1.24	1.25
Cash Coverage - Days Cash on Hand	90	30		
- With \$10M Line of Credit			141	132
- Without Line of Credit			80	

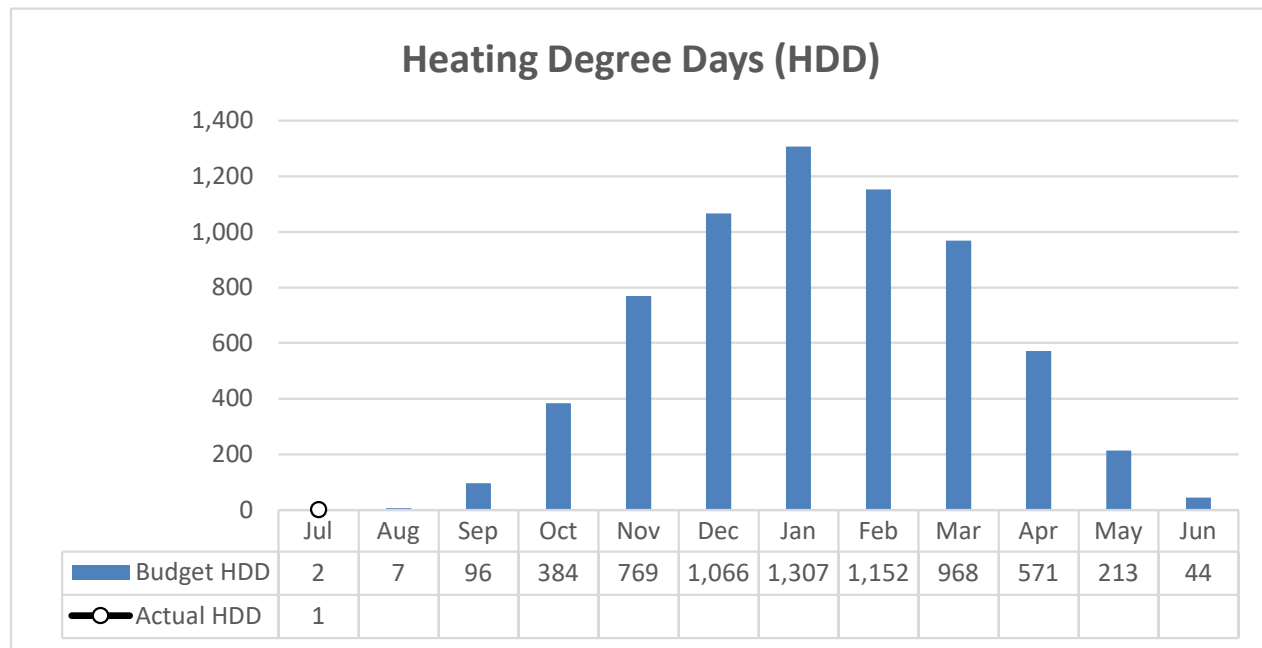
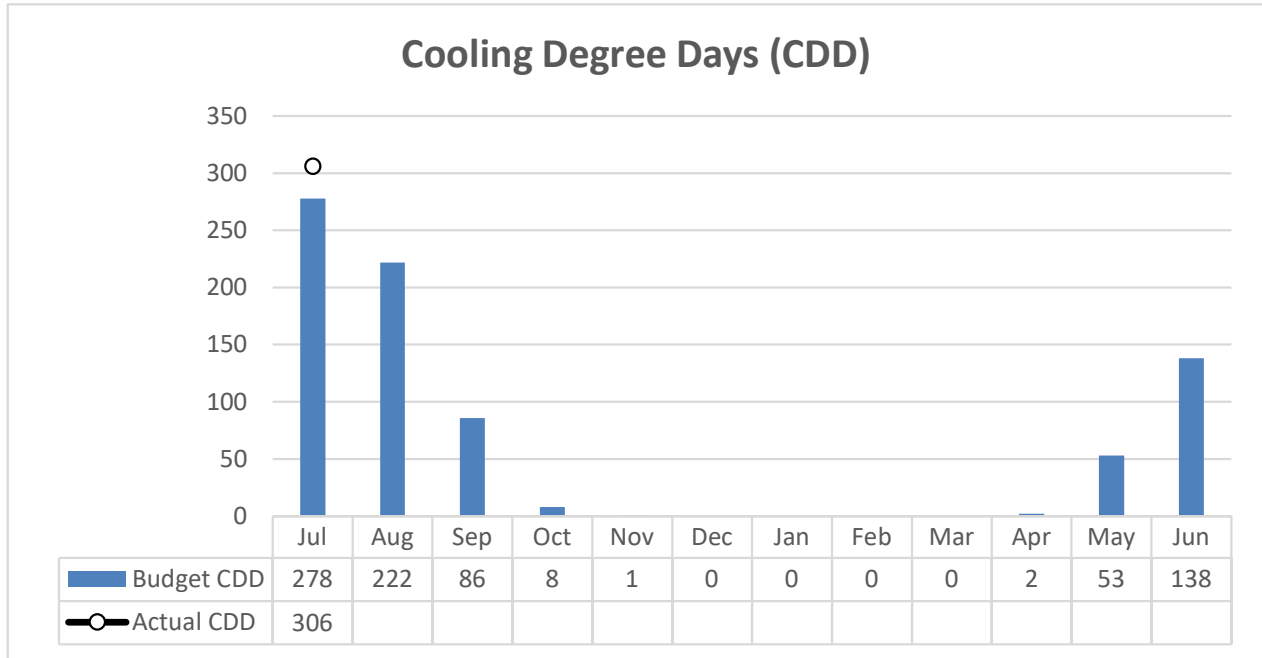
**Burlington Electric Department
Fiscal Year Ending June 30, 2026**

**Total Sales to Customers - KWH
Monthly**



KWH Sales to Customers (YTD)												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	32,855	63,173	90,073	115,329	139,861	167,098	195,617	221,328	247,949	272,354	296,757	322,708
Actual	32,740											

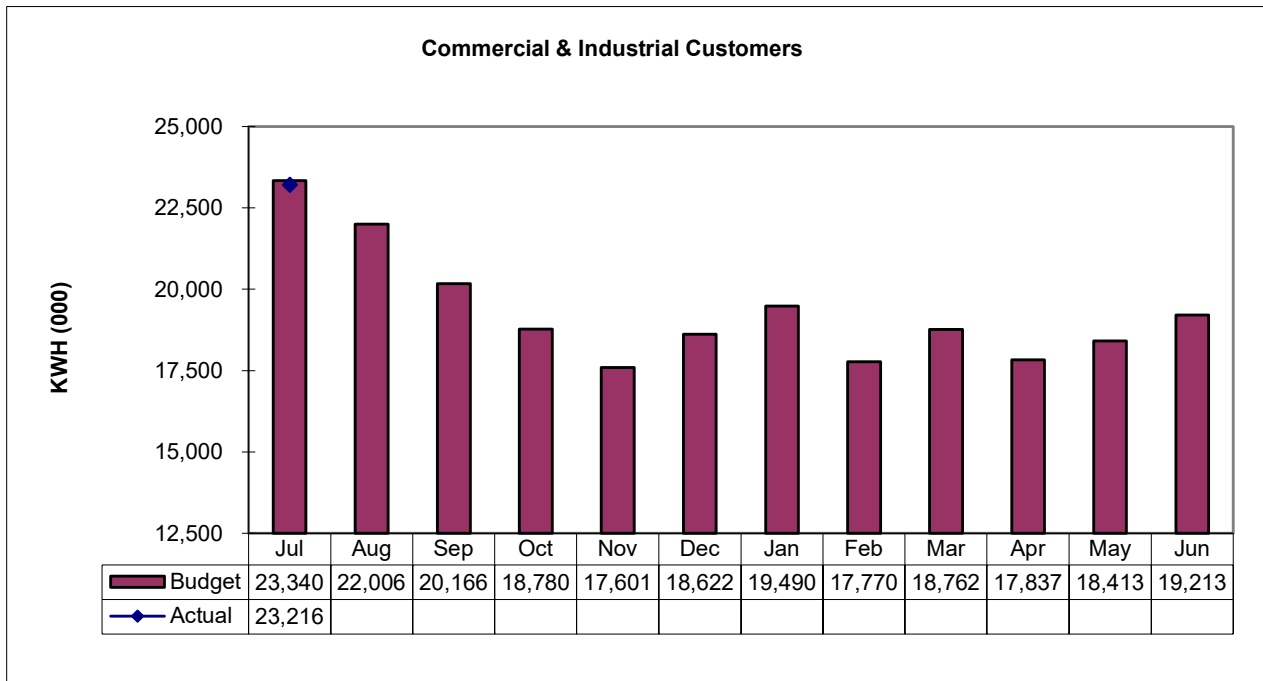
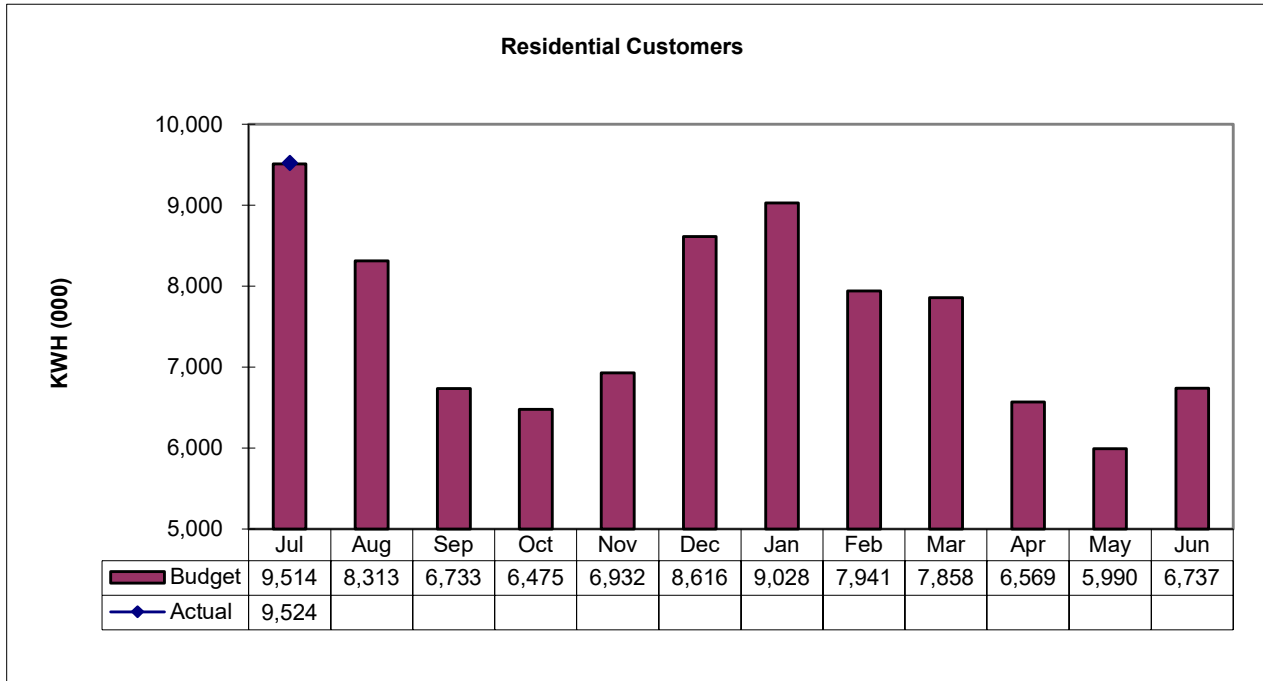
FY 2026



Average Monthly Temperature												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	74	72	65	53	39	30	23	24	34	46	60	68
Actual	75											

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, 2026
KWH Sales**



Street Lighting is included with Commercial & Industrial Customers.

**Net Power Supply Costs
July - FY 2026**

	(\$000)						
	Current Month			Year-to-Date			
	Budget	Actual	Variance	Budget	Actual	Variance	
Expenses:							
Fuel (p. 7)	\$1,201	\$966	\$236 (1)	\$1,201	\$966	\$236 (1)	
Purchased Power (p.11)	1,428	1,440	(11) (2)	1,428	1,440	(11) (2)	
Purchased Power Adjustment (p 11)	43	43	(0)	43	43	(0)	
Transmission Fees - ISO	772	933	(161) (3)	772	933	(161) (3)	
Transmission Fees - Velco	(41)	129	(170) (4)	(41)	129	(170) (4)	
Transmission Fees - Other	63	63	(0)	63	63	(0)	
Total Expenses	<u>3,466</u>	<u>3,574</u>	<u>(107)</u>	<u>3,466</u>	<u>3,574</u>	<u>(107)</u>	
Revenues:							
Renewable Energy Certificates - McNeil	0	0	0	0	0	0	
Renewable Energy Certificates - Wind	0	0	0	0	0	0	
Renewable Energy Certificates - Hydro	0	0	0	0	0	0	
Renewable Energy Certificates - Other	0	0	0	0	0	0	
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Net Power Supply Costs	<u>\$3,466</u>	<u>\$3,574</u>	<u>(\$107)</u>	<u>\$3,466</u>	<u>\$3,574</u>	<u>(\$107)</u>	
Load (MWh)	33,465	33,680	215	33,465	33,680	215	
\$/MWh	\$103.58	\$106.10	\$2.52	\$103.58	\$106.10	\$2.52	

Current Month:

- (1) See detail on page 7.
- (2) See detail on page 11.
- (3) ISO-NE Peak Load over Budget.
- (4) VELCO Common charges over Budget.

YTD:

- (1) See detail on page 7.
- (2) See detail on page 11.
- (3) ISO-NE Peak Load over Budget.
- (4) VELCO Common charges over Budget.

**Net Power Supply Costs
July - FY 2026**

	(\$000)						
	Current Month			Year-to-Date			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	
FUEL:							
McNeil	1,129	927	202 (1)	1,129	927	202 (1)	
Gas Turbine	72	39	34 (2)	72	39	34 (2)	
Total Fuel	<u>1,201</u>	<u>966</u>	<u>236</u>	<u>1,201</u>	<u>966</u>	<u>236</u>	

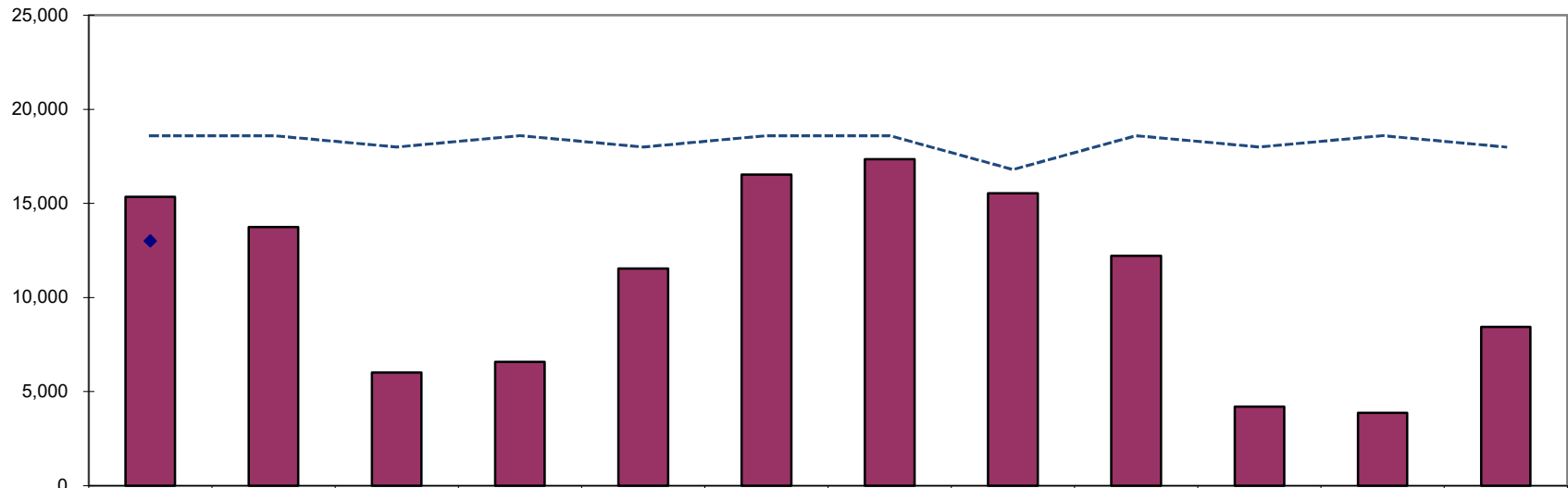
Current Month:

- (1) McNeil production 15% under Budget. Wood Price Per Ton 5% under Budget. (p. 8)
- (2) GT production (98 MWh) 85% over Budget. Budget includes \$50,000 in July for R99 testing.

YTD:

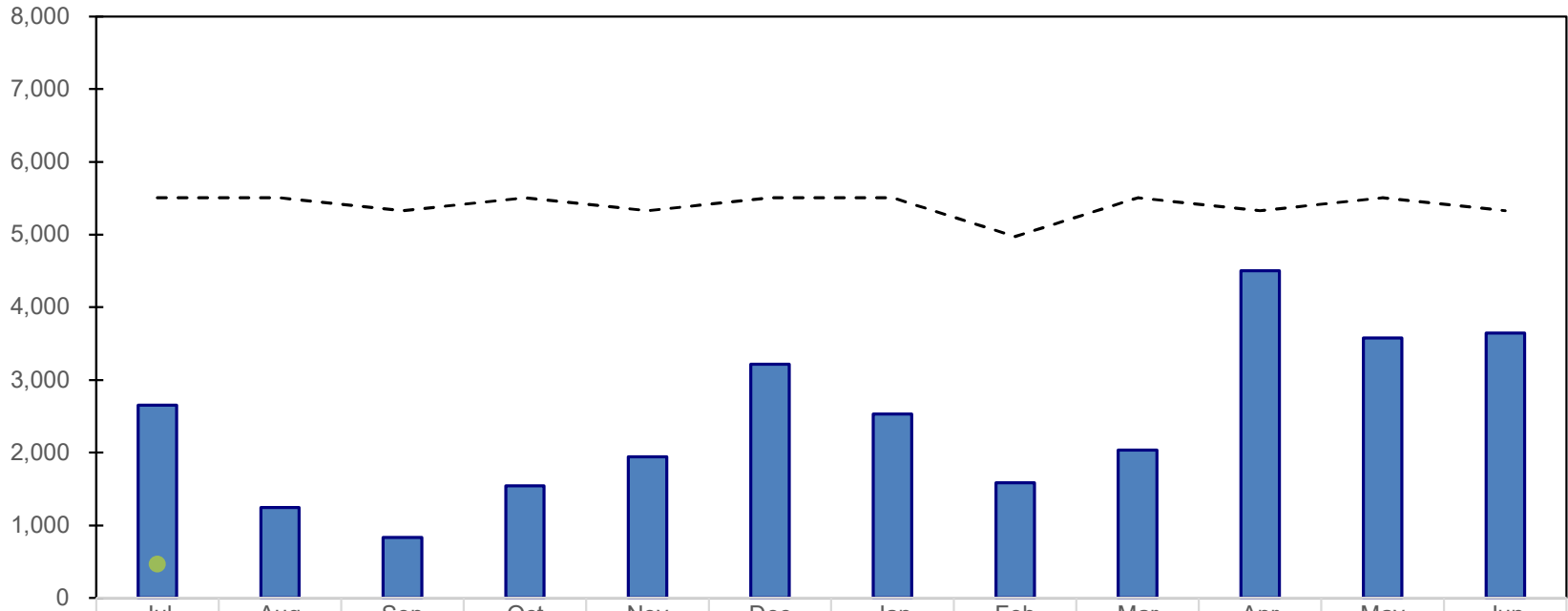
- (1) McNeil production 15% under Budget. Wood Price Per Ton 5% under Budget. (p. 8)
- (2) GT production (98 MWh) 85% over Budget. Budget includes \$50,000 in July for R99 testing.

**Burlington Electric Department
McNeil Plant - MWH Production (50%)
FY 2026**



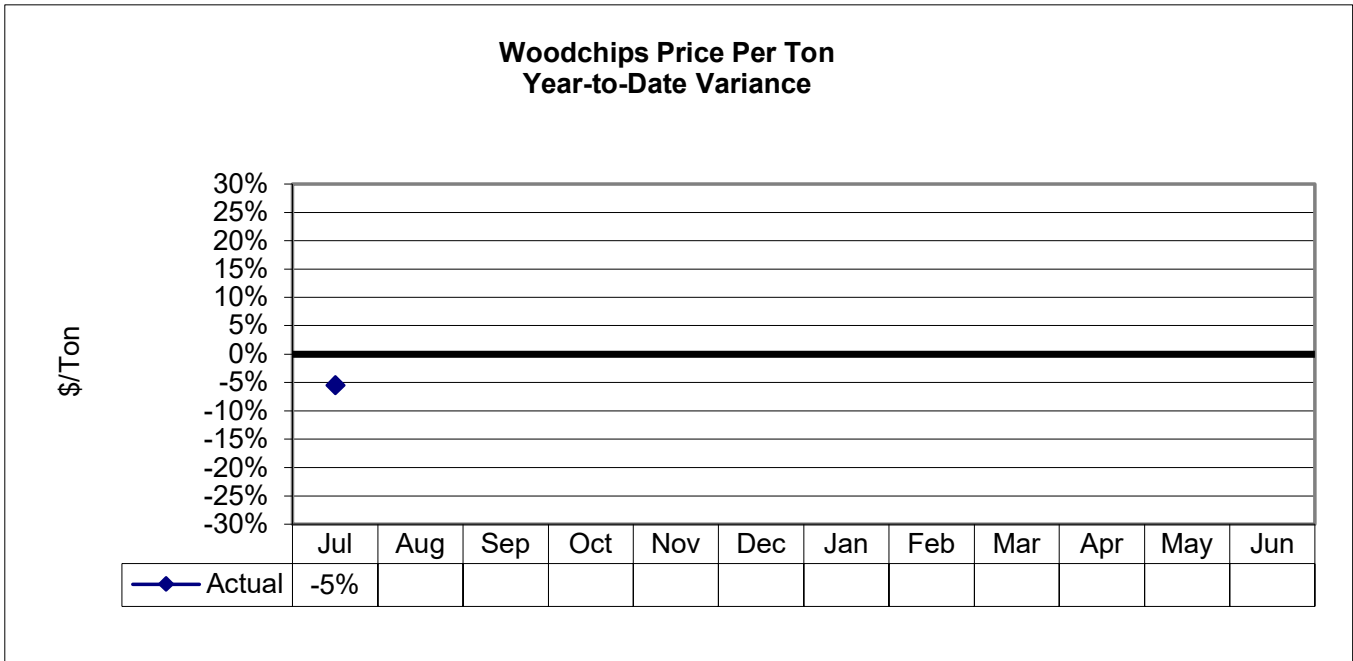
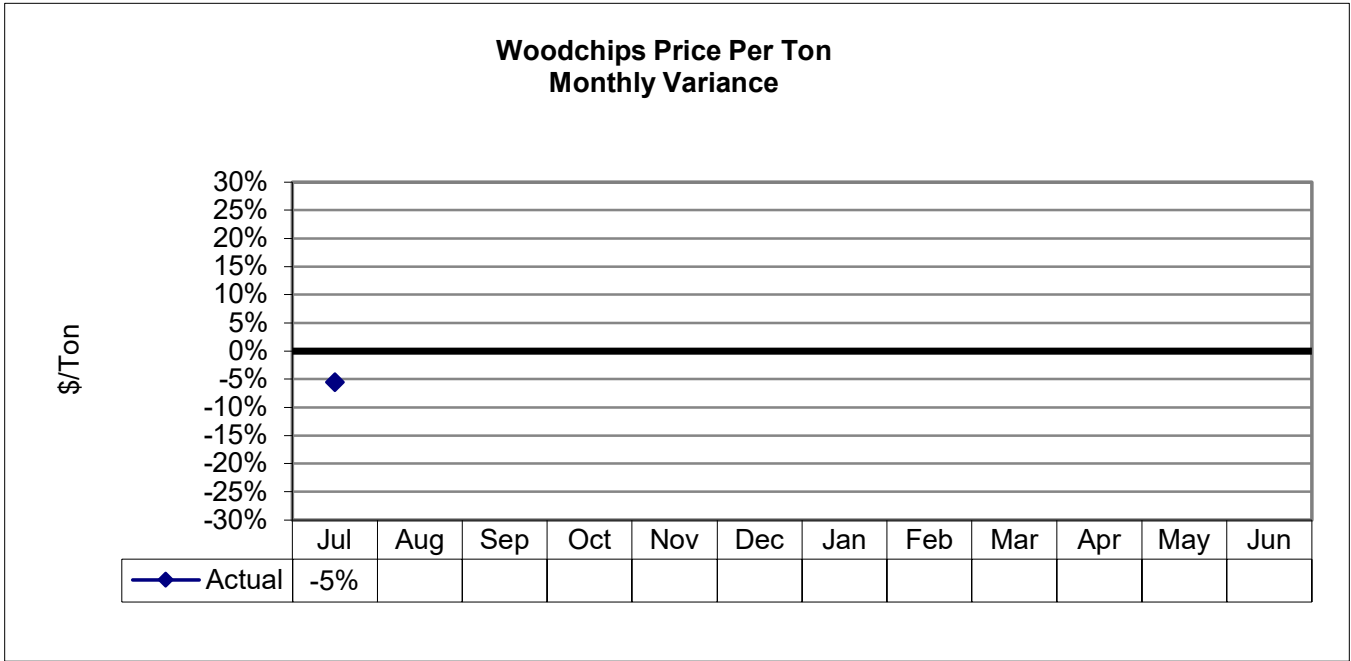
Budget	15,353	13,749	6,000	6,573	11,538	16,538	17,347	15,544	12,227	4,199	3,875	8,431
Actual	13,005											
Maximum	18,600	18,600	18,000	18,600	18,000	18,600	18,600	16,800	18,600	18,000	18,600	18,000

**Burlington Electric Department
Winooski One - MWH Production
FY 2026**



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	2,650	1,246	832	1,541	1,942	3,216	2,531	1,587	2,032	4,503	3,575	3,643
Actual	468											
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 2026



* Wood only. Does not include other costs.

**Net Power Supply Costs
July - FY 2026**

	(\$000)							
	Current Month			Year-to-Date				
	Budget	Actual	Variance	Budget	Actual	Variance		
<u>PURCHASED POWER:</u>								
Non-Energy (capacity)	95	(73)	168	(1)	95	(73)	168	(1)
Energy:								
Georgia Mountain Wind	204	193	11	(2)	204	193	11	(2)
Hancock Wind	130	140	(9)	(3)	130	140	(9)	(3)
VT Wind	121	110	11	(4)	121	110	11	(4)
Hydro Quebec	300	300	(0)		300	300	(0)	
In City Solar Generators	114	109	6		114	109	6	
NYPA	6	7	(1)		6	7	(1)	
ISO Exchange	208	637	(430)	(5)	208	637	(430)	(5)
ISO Exchange Adjustment	43	43	(0)	(**)	43	43	(0)	(**)
FirstLight	178	99	78	(6)	178	99	78	(6)
Velco Exchange	0	(0)	0		0	(0)	0	
Total Energy	<u>1,305</u>	<u>1,638</u>	<u>(334)</u>		<u>1,305</u>	<u>1,638</u>	<u>(334)</u>	
Ancillary Charges	5	(157)	162	(7)	5	(157)	162	(7)
VT RES Tier 1 Compliance Expense	0	0	0		0	0	0	
Renewable Energy Credit Purchase	0	0	0		0	0	0	
Miscellaneous-Other	67	75	(8)		67	75	(8)	
Total Purchased Power Expense	<u><u>1,472</u></u>	<u><u>1,483</u></u>	<u><u>(11)</u></u>		<u><u>1,472</u></u>	<u><u>1,483</u></u>	<u><u>(11)</u></u>	

Special Note ()**

Adjustment to reduce expense and create regulatory asset by amount of ISO Exchange excess winter energy revenue shortfall (\$4,162,233) and record one-eighth (\$520,279) as amortization in FY24.

Current Month:

- (1) Includes credit from Pay for Performance event.
- (2) Production 6% under Budget.
- (3) Production 7% over Budget.
- (4) Production 9% under Budget.
- (5) Production (McNeil (15%), Winooski One (82%), FirstLight (44%), and Wind (3%)) under Budget.
- (6) Production 44% under Budget.
- (7) Reserve revenues over Budget.

YTD:

- (1) Includes credit from Pay for Performance event.
- (2) Production 6% under Budget.
- (3) Production 7% over Budget.
- (4) Production 9% under Budget.
- (5) Production (McNeil (15%), Winooski One (82%), FirstLight (44%), and Wind (3%)) under Budget.
- (6) Production 44% under Budget.
- (7) Reserve revenues over Budget.

**Burlington Electric Department
Operating and Maintenance Expense by Spending Category
FY 2026 - July YTD**

	Budget	Actual	Variance	% Variance	*
Labor-Regular	801,333	832,505	(31,172)	4%	a
Labor-Overtime	40,925	42,361	(1,436)	4%	
Labor-Temporary	6,900	1,728	5,172	75%	b
Labor-Overhead	346,838	351,538	(4,700)	1%	c
Outside Services	382,381	205,371	177,010	46%	d
DSM (rebates & outside services)	181,917	184,275	(2,358)	1%	e
Materials & Supplies	140,083	88,019	52,064	37%	f
Insurance	65,592	63,990	1,602	2%	
A & G Clearing	(88,798)	(31,713)	(57,085)	64%	g
Other - RPS Tier 3 Compliance	99,133	67,847	31,286	32%	
Other	265,437	282,237	(16,800)	6%	
Operating & Maintenance Expense	2,241,740	2,088,158	153,582	7%	

(a) Labor is impacted by the amount of capital (vs. expense) work.

(b) Temporary help at McNeil Plant.

(c) See page 13.

(d) Timing; budget assumed GT R99 Testing in July, \$171,000.

(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.

(f) Timing of various areas.

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

**Burlington Electric Department
Budget vs Actual Spending Analysis
FY 2026 - July YTD**

Labor - Overhead	(000's)			%	
	Budget	Actual	Variance		
Pension	\$154	\$160	(\$6)	-4%	(a)
Medical Insurance	203	196	7	3%	(b)
Social Security Taxes	94	93	1	1%	(c)
Workers Compensation Ins.	37	35	2	6%	(b)
Dental Insurance	8	8	0	1%	(b)
Life Insurance	2	2	0	7%	(b)
Childcare Contribution Tax	5	5	0	7%	(d)
	\$502	\$499	\$3	1%	

Rates Table:	Budget
<i>Pension (a)</i>	12.58%
<i>Social Security (c)</i>	7.65%
<i>Childcare Payroll Tax</i>	0.44%

(a) Function of labor cost.

Includes pension per City, \$1,760,100 and amortization of IBEW Pension back payment, \$87,041.

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

(d) New tax as of July 1, 2024 is 0.44% of wages.

Net Income
FY 2026 - July (\$000)

	Ref	Current Month			Year - To - Date		
		Budget	Actual	Variance	Budget	Actual	Variance
Operating Revenues							
Sales to Customers	p.3	5,638	5,934	296	5,638	5,934	296
Other Revenues		364	280	(84) (a)	364	280	(84) (a)
Power Supply Revenues	p.6	0	0	0	0	0	0
Total Operating Revenues		<u>6,002</u>	<u>6,214</u>	<u>212</u>	<u>6,002</u>	<u>6,214</u>	<u>212</u>
Operating Expenses							
Fuel	p.6	1,201	966	235	1,201	966	235
Purchased Power	p.6	1,471	1,483	(12)	1,471	1,483	(12)
Transmission	p.6	793	1,125	(332)	793	1,125	(332)
Operating and Maintenance	p.12	2,243	2,088	155	2,243	2,088	155
Depreciation & Amortization		495	513	(17)	495	513	(17)
Revenue Taxes		60	60	(0)	60	60	(0)
Property Taxes Winooski One		27	25	2 (b)	27	25	2 (b)
Payment In Lieu of Taxes		221	206	15 (c)	221	206	15 (c)
Total Operating Expenses		<u>6,512</u>	<u>6,466</u>	<u>46</u>	<u>6,512</u>	<u>6,466</u>	<u>46</u>
Other Income and Deductions							
Interest/Investment Income		31	28	(3)	31	28	(3)
Dividends		373	373	0	373	373	0
Customer Contributions/Grant Proceeds		76	124	48 (d)	76	0	(76) (d)
Gain/(Loss) on Disp of Plant		0	0	0	0	0	0
Other		10	(68)	(78) (e)	10	56	46 (e)
Total Other Income & Deductions		<u>490</u>	<u>457</u>	<u>(33)</u>	<u>490</u>	<u>457</u>	<u>(33)</u>
Interest Expense		259	258	1	259	258	1
Net Income		<u>(279)</u>	<u>(52)</u>	<u>227</u>	<u>(279)</u>	<u>(52)</u>	<u>227</u>

Current Month:

- (a) Energy Efficiency Program cost reimbursement was lower than planned, \$78,300.
- (b) Actual Winooski One tax bill is lower than budget assumption by \$29,700 for the year.
- (c) Actual Payment in Lieu of Tax (PILOT) is lower than budget assumption by \$162,300 for the year.
- (d) Budget includes customer contributions for Champlain Pkwy (\$51,000). Also, grant income for "Building Giants" (Federal 50% share) (\$23,400) and Distributed Energy Resources Management (\$1,500). Actual includes customer contribution for Champlain Parkway (\$69,000) and various grant income.
- (f) Timing of jobbing unfavorable, (\$100,000); offset by unrealized gain on investment, \$24,600.

Year - To - Date:

- (a) Energy Efficiency Program cost reimbursement was lower than planned, \$78,300.
- (b) Actual Winooski One tax bill is lower than budget assumption by \$29,700 for the year.
- (c) Actual Payment in Lieu of Tax (PILOT) is lower than budget assumption by \$162,300 for the year.
- (d) Budget includes customer contributions for Champlain Pkwy (\$51,000). Also, grant income for "Building Giants" (Federal 50% share) (\$23,400) and Distributed Energy Resources Management (\$1,500). Actual includes customer contribution for Champlain Parkway (\$69,000) and various grant income.
- (f) Timing of jobbing unfavorable, (\$100,000); offset by unrealized gain on investment, \$24,600.

**Burlington Electric Department
Capital Projects - FY26**

	\$000			
	Full Year Budget	Budget	July Actual	Variance
McNeil (BED 50% Share)				
Analyzer Upgrades for Chemical Treatment	9			0
Ash Silo Pug Mill/Auger Upgrade (312)	13			0
Augers Replaced	30			0
Catalyst Replacement for Nox System (312)	150		1	(1)
CEMS Server Upgrade (312)	15			0
Cooling Tower Timber Replacement	84		0	(0)
Demineralization Resin	20			0
Disk Screen	15			0
ESP Mechanical Field Rebuild	300			0
Farmhouse Improvements (311)	9			0
Freight Elevator Geared Equipment and Controls (311)	180			0
IT Forward - FIS Replacement (McNeil)	37			0
IT Forward - Work & Asset Management (McNeil)	22			0
Live Bottom Rebuild	139			0
McNeil Relay Engineering Study (315)	134	7	1	6
Network Infrastructure - McNeil Switches	7			0
Opacity Replacement (312)	20			0
Reclaimer Rebuild			12	(12) (a)
Replacement Rail Cars (312)	50	50		50
Routine Station Improvements ¹	188	38		38
Safety Valve Replacements (312)	25	6		6
Shredder Upgrade (312)	100			0
Station Tools & Tool Boxes (312)	8	1	2	(1)
Well New (311)	185			0
Woodchip Dryer (1 of 3) (312)	626			0
Other	17	5	1	4 (b)
Total McNeil Plant	2,380	106	16	90

(a) Prior year project.

(b) Budget includes appliances, energy efficiency upgrades, furniture, perimeter fence, replacement scale at Swanton, rigging equipment and switchgear & station upgrades.

Hydro Production	<u>1,926</u>	<u>134</u>	<u>3</u>	<u>131</u> (a)
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(a) Budget assumed FERC Relicensing, \$121,950 vs actual \$2,383. Also, Timing; Routine Station Improvements.

Gas Turbine	<u>175</u>	<u>9</u>	<u>22</u>	<u>(13)</u> (a)
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(a) Budget assumes Rigging Equipment. Actual includes prior year GT Roof Replacement, \$2,800 and GT Server Upgrade, \$19,443.

**Burlington Electric Department
Capital Projects - FY26**

	\$000			
	Full Year Budget	Budget	July Actual	Variance
Other				
Direct Current Fast Chargers (Level 3)	159	0	0	(0)
Distributed Energy Resources	34	3		3
Distributed Energy Resources Management System	244	0		0
EV Charger Installations (Level 2)	264	0	0	(0)
EV Chargers/Staging Plan	0	0	18	(18)
P&P R&D	26	3		3
585 Fleet EV Chargers	115	58		58
585 Fleet EV Charging Design Study	25	25		25
Total Other	868	89	18	70
Transmission Plant				
VT Transco Investment	222	0	0	0
Total Transmission Plant	222	0	0	0
Distribution Plant-General				
Aerial				
Deforest Road Rebuild	493	99	2	96
Dunder Road Rebuild	0		22	(22) (a)
NZE Transfer Load Between 1L1 to L14	210			0
Rebuild 1L4 from Poles P838 to P2795	173			0
Rebuild Howard Street Pole P655 to P836	41			0
Rebuild Plattsburgh Ave Poles P3762 to P3752	40		0	(0)
Rebuild St Paul Street Pole P1004 to P1011	27			0
Rebuild Wells Street Pole P191 to P183	25		0	(0)
Replace Condemned Poles	210		0	(0)
S Cove Rd East Rebuild			62	(62) (a)
South Cove Road West Rebuild			42	(42) (a)
Total Aerial	1,220	99	129	(30)
<i>(a) Prior year project.</i>				
Underground				
Battery Street Replacement			2	(2)
Replace UG to UVM Aiken Center	18	18		18
Replace 2L3 from UH303 to 929S	698			0
Rebuild UG St. Paul Street (Bank St to Cherry St)	358			0
Total Underground	1,073	18	2	16

**Burlington Electric Department
Capital Projects - FY26**

	\$000			
	Full Year Budget	Budget	July Actual	Variance
Customer Driven/City Projects				
Champlain Parkway-Billable	400	60		60
Champlain Parkway (CAFC)	(340)	(51)	(69)	18
City Place Streetlighting	195			0
City Place Streetlighting (CAFC)	(104)			0
Great Street-Main Street	621		4	(4)
Great Street-Main Street (CAFC)	(557)			0
Winooski Bridge Rebuild	34			0
Winooski Bridge Rebuild (CAFC)	(34)			0
Total Underground	<u>215</u>	<u>9</u>	<u>(65)</u>	<u>74</u>
Other				
Communication Equipment Emergency Repair	16			0
Distribution Transformers-Install	11		6	(6)
Distribution Transformers-Purchase	1,445	289	20	269
Fiber Optical Time Domain Reflectometer Unit (OTDR)	12	12		12
Lake Street Battery Bank Replacement	41			0
Replace Failed 920S/921S/922S Switch	63			0
SCADA ADMS Upgrade (Phases 3/4)	1,204	120	33	87
SCADA Field Equipment Replacement	64			0
SCADA Servers PC's and Monitors			12	(12)
Upgrade ArcFM to GIS Pro	318			0
USamp Upgrade	7	7		7
Other				0
Total Other	<u>3,181</u>	<u>429</u>	<u>71</u>	<u>358</u>
Total Distribution Plant-General	<u>5,689</u>	<u>555</u>	<u>137</u>	<u>418</u>
Distribution Plant - Blanket				
Aerial	174	2	0	2
Aerial (CAFC)	(70)		(7)	7
Underground	332		21	(21)
Underground (CAFC)	(143)		(18)	18
Meters	133	3	3	(0)
Lighting	217	1	0	0
Tools & Equipment - Distribution/Technicians	40			0
Replaces Failed SCADA Field Equipment	12		0	(0)
Substation Maintenance	18			0
Substation Camera Replacement	15			0
Total Distribution Plant - Blanket	<u>729</u>	<u>5</u>	<u>0</u>	<u>5</u>
Total Distribution Plant	<u>6,419</u>	<u>560</u>	<u>137</u>	<u>423</u>

**Burlington Electric Department
Capital Projects - FY26**

	\$000			
	Full Year Budget	Budget	July Actual	Variance
General Plant				
Computer Equipment/Software	2,724	292	33	260 (a)
Vehicle Replacement	309	138		138
Buildings & Grounds	179	35	9	26 (b)
Gas Detectors	6			0
AED Purchase	11			
Total General Plant	3,228	465	42	423

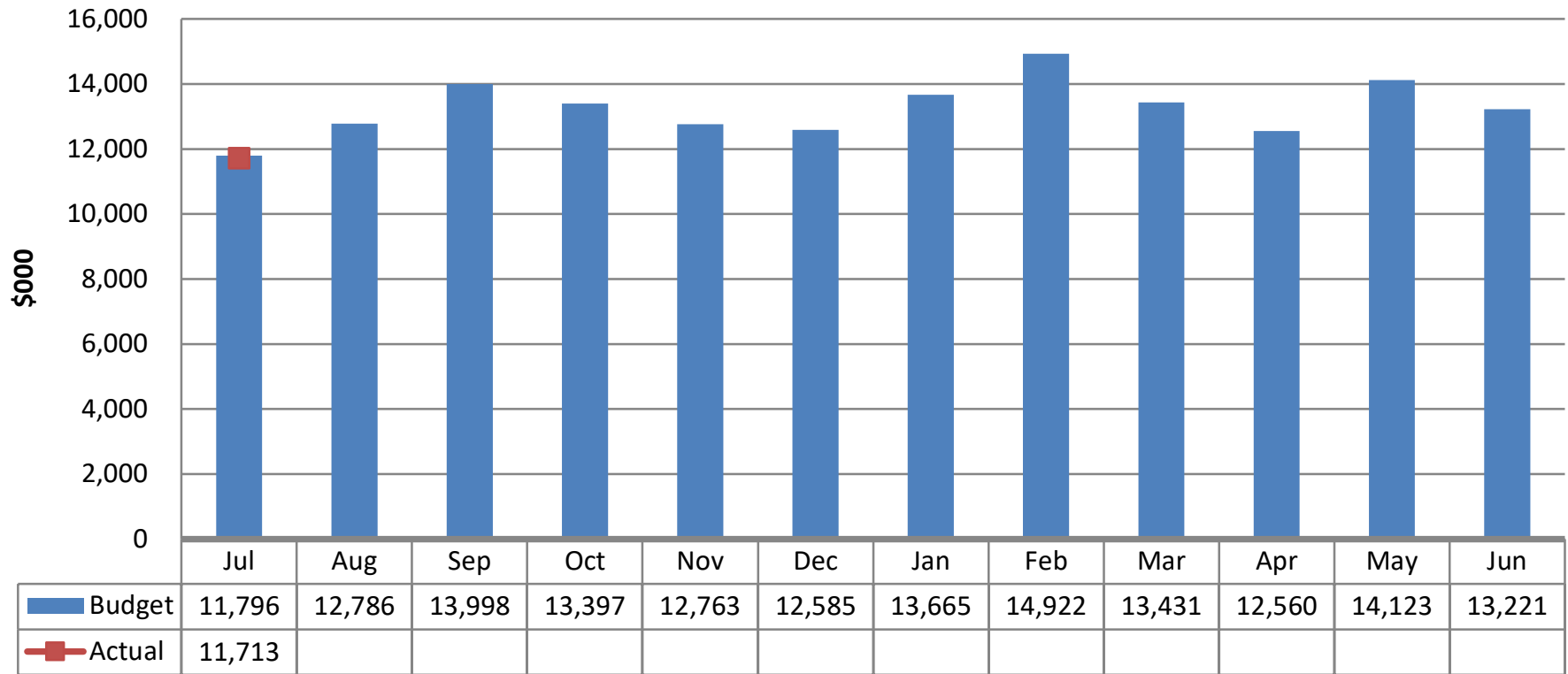
(a) Budget includes IT Forward, \$166,650 vs actual of \$32,670. Other various projects include Internet Firewall.

(b) Budget includes Meter Shop renovation (HVAC) \$35,000. Actual includes new SCADA Room, \$9,200 from prior year.

Sub-Total Plant	\$15,218	\$1,363	\$239	\$1,124
Add: CAFC* reclass to "Other Income"	1,247	51	94	(43)
Total Plant	\$16,465	\$1,414	\$332	\$1,082

* Customer Advances (Contributions) for Construction.

Operating Cash - FY 2026 Monthly Ending Balance





MEMORANDUM

To: Burlington Board of Finance and City Council
From: Darren Springer, General Manager
Date: 9/8/2025 and 9/29/2025
Subject: **Street Light Tariff Update**

Introduction

Burlington Electric Department (“BED”) is seeking Board of Finance and City Council approval to file with the Vermont Public Utility Commission (PUC) the documents needed to update our municipal Street Lighting tariff to accommodate billing for the use of security cameras requested by Burlington Police Department and parking ban lights for the City. Currently such uses would require prohibitively expensive individual metering under the tariff. BED proposes instead, with the requested tariff update, to establish a per month charge for municipal use of a camera or parking ban light, and use the data from a small number of meters to monitor our consumption assumptions and provide for accurate system loss calculations. For cameras, this is how we bill and monitor the consumption of street lights (both street lights and 24/7 cameras have predictable hours of operation and known wattages). In the case of parking ban lights, the consumption is so low as to make detailed energy metering and billing unreasonable, but monitoring of use will still occur via a few representative meters.

BED has also taken the opportunity to make update other portions of the tariff to reflect current business practices.

A redlined copy of the Street Lighting tariff is attached to this memo. BED staff will be present at Board of Finance on 9.8.25 and the 9.29.25 Council meeting to answer any questions.

PLEASE NOTE: The rates shown in the proposed tariff are based on BED’s currently approved rates without the 4.5% surcharge that went into effect on bills rendered after September 1, 2025. This proposed tariff, if approved, would be subject to that 4.5% surcharge while the FY26 rate case is pending at the PUC, and the proposed tariff would ultimately be increased by 4.5% after the FY26 rate filing is approved. The 4.5% rate change is subject to PUC review and approval and could be approved at different level than the 4.5% proposed.



Streetlight Tariff Filing Motions

Board of Finance: To approve and recommend that the City Council authorize the General Manager of the Burlington Electric Department or their designee to file the updated Street Lighting tariff with the Vermont Public Utility Commission and to take such actions as may be needed to secure its approval.

City Council: To approve and authorize the General Manager of the Burlington Electric Department or their designee to file the updated street lighting tariff with the Vermont Public Utility Commission and to take such actions as may be needed to secure its approval.



**Burlington Electric Department
Tariff Sheets**

**Effective August 1, 2024, for bills rendered on and after September 1, 2024
Effective date TBD (upon Public Utility Commission approval)**

**STREET LIGHTING (SL) RATE
(SL Page 1 of 2)**

Availability

For Burlington Electric Department (BED-)-owned municipal street lighting and city-owned parking ban lights on city-accepted streets ~~and, municipally owned security cameras, and privately owned~~ overhead lighting illuminating private property where such lighting is not metered as a portion of the load served under another BED tariff.

Character of Service

Unmetered alternating current, 60 Hertz, single phase, at nominal voltages of 120, 120/240, or 277 volts.

~~Standard street and area lighting service entails providing, operating, and maintaining standard dusk to dawn street luminaires fed from overhead distribution lines.~~

~~BED will own and maintain all poles and luminaires served under this tariff and reserves the right to approve or deny individual fixture choices that differ from those typically stocked.~~

Parking ban lights and security cameras will be fed by existing distribution lines, or by new distribution line extensions (where required) installed at customer expense.

For BED-owned municipal street lighting and private area lighting, BED will maintain all poles, luminaires, conductors, conduits, and all associated materials served under this tariff. For all other uses, BED will maintain BED-owned poles, conductors, conduits, and all associated materials served under this tariff (but not the parking ban lights, security cameras, or any conductors and/or conduits between the customer owned device(s) and BED’s first secondary connection point on the pole or in the underground system).

Monthly ~~Bill~~Rate

Standard Rates per Luminaire (LED wattages not shown below will be charged at the rate of the LED fixture closest in watts) or Device

<u>Nominal Luminaire Wattage or Device Type</u>	<u>Assumed Luminaire Wattage with Ballast</u>	<u>Bulb Type Luminaire Bulb Type</u>	<u>\$/Month</u>
100	117	Mercury Vapor	\$ 11.94
175	205	Mercury Vapor	\$ 16.10
250	292	Mercury Vapor	\$ 21.88
400	453	Mercury Vapor	\$ 30.76

Approved: ~~May 1, 2025, by Public Utility Commission in Case # 24-1848-TF~~

For further information, see BED's Operating Guidelines



**Burlington Electric Department
Tariff Sheets**

**Effective August 1, 2024, for bills rendered on and after September 1, 2024
Effective date TBD (upon Public Utility Commission approval)**

100	119	Metal Halide	\$ 15.35
175	206	Metal Halide	\$ 19.26
250	288	Metal Halide	\$ 24.20
400	450	Metal Halide	\$ 33.59
70	99	High Pressure Sodium	\$ -11.00
100	136	High Pressure Sodium	\$ -12.94
150	195	High Pressure Sodium	\$ 16.06
250	305	High Pressure Sodium	\$ 23.44
400	466	High Pressure Sodium	\$ 32.47
189	189	Incandescent	\$ 20.68
40	44	LED	\$ 12.00
65	72	LED	\$ 14.58
90	100	LED	\$ 16.81
120	133	LED	\$ 21.34
150	170	LED	\$ 25.40
180	204	LED	\$ 29.48
<u>Security Camera</u>	<u>N/A</u>	<u>N/A</u>	<u>\$ 13.39</u>
<u>Parking Ban Light</u>	<u>80</u>	<u>N/A</u>	<u>\$ 0.42</u>

(SL Page 2 of 2)

Terms and Conditions

- 1) New or additional service required distribution lines installed under this tariff for any use must be reviewed and approved in advance by BED to insure that requested facilities comply with current BED engineering standards. For parking ban light and security camera installations, all electrical work not owned by BED must comply with all applicable National Electrical Code (NEC) standards and any City permitting requirements.
- 2) New BED-owned municipal street lighting installations shall meet the recommendations of the Illuminating Engineering Society of North America (~~IESNA~~)-IES-NA). Any new street lighting installations on city streets or on new streets that will become accepted city streets shall meet these recommendations as detailed in the latest version of the ~~IESNA~~IES-NA Lighting Handbook. Lighting levels for illuminating private property will be as requested by the customer subject to BED approval.
- 3) For decorative BED-owned municipal street lighting, the customer must make a contribution in aid of construction, in advance, to cover ~~incremental costs~~ the cost for the installation of requested facilities ~~such as decorative fixtures that are in excess of \$651 per installed luminaire (the luminaire being defined as all hardware required at the location except above the cost of BED's standard design costs for municipal street lighting for a pole). If a requested lighting service requires setting a dedicated poles~~ similar non-decorative fixture.

Approved: ~~May 1, 2025, by Public Utility Commission in Case # 24-1848-TF~~

For further information, see BED's Operating Guidelines



**Burlington Electric Department
Tariff Sheets**

**Effective August 1, 2024, for bills rendered on and after September 1, 2024
Effective date TBD (upon Public Utility Commission approval)**

- ~~2)4) For new parking ban lights and security cameras, the customer shall pay must make a contribution in aid of construction, in advance equal to the cost of installing that pole. Excess costs may optionally be financed over 60 months in accordance with BED's Lending Policy, to cover the cost of extending the existing or constructing a new distribution line.~~
- ~~3) The customer may be required to enter into a contract with a minimum term of 5 years for any new or additional lighting facilities.~~
- ~~5) BED no longer accepts new applications for or alterations to pre-existing overhead lighting illuminating private property where such lighting is not metered as a portion of the load served under another BED tariff.~~
- ~~4)6) Lighting service shall be provided from dusk to dawn as controlled locally by photocells. Service for parking ban lights and security cameras will be provided all hours.~~
- ~~5)7) For purposes of computing billed energy for BED-owned municipal street lighting, the following burning hours will be have been assumed:~~

Month	Burning Hours
January	456
February	379
March	374
April	316
May	285
June	255
July	274
August	310
September	344
October	403
November	432
December	468

Approved: ~~May 1, 2025, by Public Utility Commission in Case # 24-1848-TF~~

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