

**MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION**

Wednesday, October 8, 2025

The regular meeting of the Burlington Electric Commission was convened at 5:06 pm on Wednesday, October 8, 2025, at Burlington Electric Department, 585 Pine Street, Burlington, Vermont, and on Microsoft Teams.

Attendance

- Channel 17 was present to record this meeting.
- Commissioners Lara Bonn, Ali Kenney, Scott Moody, and Andy Vota were present.
- Staff members Elena Alexander, Erica Ferland, Mike Flora, Amanda Hurlbut, Mike Kanarick, Lincoln Sprague, Darren Springer, and Emily Stebbins-Wheelock were present at 585 Pine Street.
- Staff members Paul Alexander, Munir Kasti, and Amber Widmayer were present via Microsoft Teams.
- UVM Center for Rural Studies consultant Michael Moser was present at 585 Pine Street.
- KPMG auditors Renee Bourget-Place and Jake Day were present via Microsoft Teams.
- Public member Alan Bjerke was present at 585 Pine Street.

Agenda

There were no proposed changes to the agenda.

Meeting Minutes

Commissioner Moody made a motion to approve the minutes of the September 10, 2025, Commission Meeting; Commissioner Kenney seconded the motion. Vote: 4 ayes 0 nays.

Public Forum

Alan Bjerke, Burlington resident, spoke about miscellaneous service fees, particularly the initial service fee, stating that in March 2024, the City Council approved new fees. Mr. Bjerke requested that the Department file the proposal with the Public Utility Commission (PUC) by the December Commission meeting.

Monthly Impact Minute

Mike Flora, Director of Safety and Environmental, presented an update on the R99 Renewable Diesel initiative at the Gas Turbine. Renewable diesel is chemically similar to conventional diesel and derived from renewable sources, leading to lower emissions via hydro treating. Benefits of R99 include a high cetane number for better emissions, excellent cold weather performance, and early indications of no carbon buildup on fuel nozzles. BED conducted a test run of the Gas Turbine on

R99 to gather emissions data and monitor equipment in hopes of beginning to run the unit solely on R99 in future. The next steps involve awaiting lab results by November and submitting permit modification applications to the State of Vermont.

Commissioners' Corner

No items presented or discussed.

General Manager's Update

General Manager Springer shared the following:

- A successful EV press event was held on September 22, with participation of the Mayor and Champlain Elementary 5th-graders, during which BED announced that our all-electric EV incentive has increased to \$5,000 for all customers and \$5,700 for income-qualified customers as of October 1, 2025. The increase is funded through TEPF funds, not general rates, and supports Burlington's EV adoption goals.
- The independently conducted Forestry report is included in the Commission packet and indicates compliance and positive feedback from suppliers about McNeil's contributions to sustainable practices.
- The Moduly battery pilot with 111 interested customers is set to launch following the PUC's October 15, 2025 deadline.
- Vermont maintains relatively low utility rates compared to New England, despite rising energy costs nationwide.
- Upcoming discussions will address the EV site license agreement and miscellaneous service fees, aiming for simultaneous approval from the Board of Finance and City Council.
- There is ongoing interest in tracking electricity demand and rates for better context in Vermont and beyond. Commissioner Kenney requested updates throughout the year.

August 2025 Financial Review

Ms. Stebbins-Wheelock presented financial results for August 2025. The Department reported a net loss for August of \$346,000 compared to a budgeted net income of \$2.28 million, primarily due to the timing of Renewable Energy Credit (REC) revenues, which were budgeted to be received in August but were received in September.

Capital spending year-to-date is under budget at approximately \$700,000 against a \$3 million budget, with several projects including the Winooski 1 FERC licensing progressing on schedule.

Customer arrearages over 60 days currently stand at around \$600,000, which is a concern. Mike Kanarick, Manager of Customer Care, Communications, and Energy Services, is working with General Manager Springer on an action plan for collecting past due payments. Commissioner Moody requested updates be provided in upcoming meetings.

The debt service coverage ratio is 5.11, the adjusted debt service coverage ratio is 1.05, and the Department had 142 days cash on hand including the \$10 million line of credit.

Commissioner Kenney requested updates to the Net Zero Roadmap targets in the dashboard; current materials are dated 2023. Ms. Stebbins-Wheelock will update materials for the November meeting.

FY25 Audit Report

Ms. Hurlbut acknowledged the Department's accounting team for their diligent work in preparing for the audit, which is crucial for success.

Ms. Bourget-Place shared that the audit is close to completion, pending responses to legal inquiries and outstanding items related to actuarial studies for OPEB and pensions. KPMG anticipates issuing an unmodified opinion, contingent upon finalizing necessary procedures and addressing open questions. No significant issues were reported during the audit, with management doing an excellent job in preparation and responses. A new accounting standard related to compensated absences was adopted, reflecting minimal impact on the financial statements.

Executive Session to discuss FY25 Audit Report

Commissioner Vota made the motion to find that premature general public knowledge regarding the FY25 KPMG Audit would clearly place the Burlington Electric Department at a substantial disadvantage per Title 1 VSA §313(a)(6) of the Vermont Statutes. Commissioner Moody seconded the motion. Motion passes 4 ayes, 0 nays.

Commissioner Vota moved that the Commission enter into executive session to discuss the FY25 KPMG Audit under the provisions of Title 1 VSA §313(a)(6) of the Vermont Statutes. Commissioner Moody seconded the motion. Motion passes 4 ayes, 0 nays.

Executive session start time: 6:27pm

Executive session end time: 6:53pm

Triennial Customer Satisfaction Survey

Michael Moser from UVM Center for Rural Studies presented the triennial customer satisfaction survey results, covering both residential and commercial customers.

- The survey includes mandated questions and additional inquiries to measure progress over the years, including new electrification-related questions.
- The satisfaction study maintains respondent confidentiality and gathered responses from BED's residential and commercial customers.
- Overall satisfaction with Burlington Electric is slightly declining, particularly for commercial customers, influenced by customer participation rates and changes in billing processes.
- Reliability of electrical service is the most important customer characteristic, consistently ranking higher than other factors such as rate concerns.
- Recent rate increases have raised customer concerns about affordability, compounded by rising costs in other areas like healthcare and groceries.
- Awareness of energy efficiency programs is improving, but a significant percentage of respondents remain unaware, particularly among new customers.
- Customer demographics show a notable increase in electric vehicle ownership, indicating a trend toward higher adoption rates than the city average. 43% of respondents are waiting to replace their current vehicle before purchasing an EV or PHEV, while one-third feel the cost is

still too high despite rebates. 7% expressed complete disinterest in buying or leasing an electric vehicle, with a portion of the population in Burlington identifying as non-car owners.

- For residential cold climate heat pumps, one-third are not responsible for purchasing heating equipment, and 20% are waiting to replace their systems.
- Interest in utilizing heat pumps for both heating and cooling is declining, especially if operating costs remain high, with significant residential usage noted primarily for heating.
- Trust in the State of Vermont for energy information is declining, while trust in Efficiency Vermont is increasing, and neighbors remain a trusted source.
- There is an ongoing effort to review survey results to enhance advertising strategies and communication about energy programs.
- Future discussions could include insights on arrearages and informal outreach opportunities to gather further data.

EV Charging License Agreement

Emily Stebbins-Wheelock and Munir Kasti presented a proposed electric vehicle (EV) charging license agreement for the installation of BED-owned public charging stations on private property. The agreement is modeled after the one in place with the University of Vermont and is intended as a generic template for future installations. The Department is in discussions with the owner of the Market 32/TJ Maxx shopping area and there may be other sites in the city where private property is the best or only suitable location for chargers. The agreement outlines responsibilities for maintenance and removal of chargers and addresses issues like snow removal and parking enforcement. Commission approval is requested, although the agreement will not entail a financial transaction.

Commissioner Moody made the motion to move that the Electric Commission approve and recommend that the City Council approve the use of the proposed electric vehicle charging infrastructure agreement as a generic site license agreement for BED-owned public EV charging stations on private property. Commissioner Kenney seconded the motion. Motion passes, 4 ayes 0 nays.

Miscellaneous Service Fees

Emily Stebbins-Wheelock presented the proposed fee changes, including:

- A reduction of the initial service fee from \$30 to \$5 for returning customers and \$15 for new customers.
- Other changes in various fees include an increase in the reconnection fee from \$20 to \$26 and a rise in the temporary service fee from \$535 to \$882.
- New disconnection and reconnection fees will range from \$577 to \$885 based on service type
- The collection fee would be eliminated entirely.
- Estimated net increase in operating revenues is approximately \$38,000, with revenues from new fees offsetting declining revenue from some fees decreasing.

- Proposed changes aim to align more closely with costs, and a detailed cost analysis will accompany the proposal to the PUC.

Commissioner Kenney made the motion to move to recommend that the Board of Finance and City Council authorize BED to submit the proposed changes to the miscellaneous service fee tariff to the Vermont Public Utility Commission for approval. Commissioner Vota seconded the motion. Motion passes, 4 ayes 0 nays.

IT Update

Emily Stebbins-Wheelock and Erica Ferland presented the following:

- The IT update provided a general overview of BED's IT environment.
- BED operates with three distinct IT networks: the business environment, Smart Grid network, and SCADA system.
- Significant initiatives include upgrading devices to Windows 11, implementing the Meter Data Management system, and transitioning to a new customer information system (CIS) and web portal.
- The projected timeline for major implementations includes CIS, IVR, and bill print systems in spring 2025 and the Financial Information System transition targeting July 1, 2027.
- The Department's Advanced Metering Infrastructure system is expected to need replacement sometime in the next 3 to 8 years. The Department is monitoring meter failure rates to plan a timely replacement and avoid large-scale failures.
- Emily Stebbins-Wheelock to provide updates periodically throughout the year.

Executive Session - Cybersecurity

Commissioner Moody made the motion to find that premature general public knowledge regarding cybersecurity would clearly place the Burlington Electric Department at a substantial disadvantage per Title 1 VSA §313(a)(10) of the Vermont Statutes. Commissioner Vota seconded the motion. Motion passes 4 ayes, 0 nays.

Commissioner Moody made the motion that the Commission enter into executive session to discuss cybersecurity under the provisions of Title 1 VSA §313(a)(10) of the Vermont Statutes. Commissioner Vota seconded the motion. Motion passes 4 ayes, 0 nays.

Executive session start time: 8:20pm

Executive session end time: 9:16pm

Commissioners' Check-In

Commissioner Moody requested more information on the issue of arrearages and the status of a planned mitigation strategy. General Manager Springer stated that:

- Staffing challenges, including the loss of a customer care representative, affected outreach efforts, but have since been addressed with the addition of temporary staff.
- The team intends to focus more on outreach to help customers set up plans to make payments on their arrearages and will provide monthly progress updates.

- There is concern about potential backsliding in the reduction of arrearages due to the winter prohibition on service disconnections for non-payment.
- The inability to disconnect may lead to decreased customer responsiveness and affect overall arrearage amounts.

Adjourn

Commissioner Moody made a motion to adjourn; the motion was seconded by Commissioner Vota; Commission vote. Motion passes, 4 ayes 0 nays

The meeting of the Burlington Electric Commission adjourned at 9:20p.m.

Microsoft Teams transcript used to create minutes drafted by Elena Alexander, Board Clerk, and edited by Mike Kanarick, Manager of Customer Care, Communications & Energy Services and Emily Stebbins-Wheelock, CFO & Manager of Strategy and Innovation.

Attest:  _____
Elena Alexander, Board Clerk