

**MINUTES OF REGULAR MEETING
BURLINGTON ELECTRIC COMMISSION**

Wednesday, November 12, 2025

The regular meeting of the Burlington Electric Commission was convened at 5:01 pm on Wednesday, November 12, 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, Andy Vota, and Brian Williams were present.
- Staff members Elena Alexander, Paul Alexander, Jen Green, Amanda Hurlbut, Mike Kanarick, Munir Kasti, Ita Meno, Lincoln Sprague, Darren Springer, and Emily Stebbins-Wheelock were present at 585 Pine Street.
- Staff members Seth Clifford, James Gibbons, and Amber Widmayer were present via Microsoft Teams.
- Public member Peter Macausland was present at 585 Pine Street.

Agenda

There were no proposed changes to the agenda.

Meeting Minutes

Commission Chair Bonn made a correction to the statutes cited, stating that the Cyber Security Executive Session should have cited 1 VSA §313(a)(10), and the Financial Audit Executive Session should have cited 1 VSA §313(a)(6). The minutes have been updated to reflect these changes. Commissioner Moody made a motion to approve the minutes of the October 8, 2025, Commission Meeting; Commissioner Kenney seconded the motion. Vote: 4 ayes 0 nays Commissioner Williams abstained as he was not on the commission during the October 2025 meeting.

Public Forum

There were no public comments.

Monthly Impact Minute

Ita Meno, Project & Equity Analyst, provided an update on the progress of the Department's multilingual instructional videos.

- An APPA DEED grant of \$44,000 plus \$8,000 from Efficiency Vermont and Vermont Gas is being used to produce four multilingual videos in 17 to 19 languages.
- The first video on home weatherization and comfort is complete, focusing on living habits and energy efficiency.

- Three other videos are in progress: one on cooling/heating being revised for accessibility, one script on alternative transportation under review, and a final video on efficient household appliances aimed at renters.
- Videos will be available by March 2026, with plans for social media segments and promotional events in partnership with community organizations.
- BED will continue integration with existing energy clinics and events to maximize impact.

Commissioners' Corner

- Commissioner Moody requested clarification regarding the incorrect statute citation that was made for last month's executive session. Commissioner Bonn explained that the executive sessions are still legally valid under the new statutes cited.
- Commissioner Kenney requested an update on the miscellaneous service fees discussion from the Board of Finance and City Council.
- Commissioner Kenney requested updates to include how the Board will be integrated into the Velerity report process, the status of and Commission involvement in the Integrated Resource Plan (IRP), and the current progress of the Connecticut REC RFP process.

General Manager's Update

General Manager Springer shared the following:

- The 2023 IRP approval has been delayed due to litigation and is pending a Public Utility Commission (PUC) order; an extension for the 2026 IRP has been requested. The IRP is a planning framework without binding decisions. Operations may continue despite lack of formal IRP approval. Separate approvals are needed for key decisions regardless.
- A hybrid solar power event for commercial properties discussing solar tax credits is scheduled for November 19, emphasizing opportunities before federal residential tax credits phase out.
- The proposed revisions to the Department's miscellaneous service fees were approved by both the Board of Finance and City Council with an implementation delay to April 2026 to accommodate ongoing customer projects, with communication plans in place.
- An Efficiency Modernization Act extension in the upcoming legislative session is critical to continue funding innovative programs like heat pump incentives and EV rebates; its expiration would reduce incentive levels.
- GM Springer invited Mike Kanarick, Manager of Customer Care, Communications, and Energy Services, to provide customer satisfaction survey follow ups. Takeaways included: renters and homeowners have very different needs; not enough renters and homeowners know about our rebates; fewer renters take advantage of rebates and have fewer opportunities to do so based on not owning their homes. Action steps discussed included: creating entry-points for renters to benefit more from rebates; work to survey at least as many renters as homeowners in future surveys; make more effective use of customer segmentation intel to more effectively communicate about our rebates; find ways to get more customers, especially renters, to take advantage of rebates. The results also revealed financial challenges including bill pay fees, rate increases, and other community conditions leading to decreased rebate inquiries, especially among commercial customers. Barriers to electrification include costly electric panel upgrades and contractor recommendations

favoring gas equipment; programs and dealer networks exist to improve contractor practices and customer education.

- Key regulatory proceedings and events continue, including the Business Process Review, District Energy docket, and ongoing advocacy for efficiency funding extensions and new electrification support programs.

September 2025 Financial Review

Emily Stebbins-Wheelock, CFO and Manager of Strategy & Innovation, presented financial results for September 2025.

- September net income was \$2.1 million vs. a budgeted net loss of \$753,000, mainly due to timing differences in renewable energy credit revenues.
- Sales to customers revenue was up slightly by \$75k.
- Power supply revenues for the year to date are below budget because of lower McNeil production in prior months, resulting in fewer renewable energy credits to sell than expected.
- Net power supply expense had a favorable variance of \$122k: higher fuel costs from increased McNeil production in the current month and gas turbine R99 testing were offset by reduced purchased power and transmission costs.
- Other O&M expense had a slight positive variance of \$86k.
- Year-to-date net income of \$1.7 million exceeds budget by roughly \$447k.
- Commissioner Kenney asked how the Department plans for changes (growth or decline) to sales to customers over the long run.
- Ms. Stebbins-Wheelock responded that over the past 10 to 15 years energy sales have been flat or declining due to efficiency gains and industrial load loss, creating pressure on rates as fixed costs and capital expenses rise. Strategic electrification (EVs, heat pumps) is therefore not only good for the climate but also good for the Department's business model, as it supports increased energy sales, helping to mitigate rate pressure. The Department engages Itron to conduct a long-range energy and demand forecast for the IRP.
- Capital spending is 10% of budget through September, with some timing delays on transformer deliveries.
- Cash position is stronger than budgeted (\$15.2M vs. \$14M).
- Debt service coverage ratio is 4.57, adjusted debt service coverage ratio is 1.16, and there are 159 days cash on hand including credit line.
- Commissioner Kenney requested clarification on the net zero roadmap goals. Ms. Stebbins-Wheelock explained that the goals are ambitious and mostly have annual targets without YTD tracking; adding YTD columns and clearer labeling will improve progress visibility for future discussions.
- GM Springer noted that the Tier 3 program goal is currently exceeded at 170%, serving as a useful performance metric alongside broader net zero targets.

Financial Internal Controls

Controller Amanda Hurlbut presented the following:

- The company's internal controls for fiscal year 2025 are based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework, focusing on preventing errors, fraud, and resource mismanagement, with emphasis on fraud prevention.

- Internal controls address the fraud triangle's three conditions: incentives/pressure, attitudes/rationalization, and opportunity.
- The five COSO components covered are control environment (ethical culture set by management), risk assessment (identifying and managing financial and operational risks), control activities (policies like segregation of duties and approval processes), information and communication (effective flow of financial data and employee awareness), and monitoring (ongoing evaluation and updates).
- Control activities include segregation of duties in cash handling, multi-level purchase and payment approvals, and ongoing financial reviews; plans are underway to implement new financial software by July 2027 to improve these processes.
- Training in internal controls currently focuses on finance staff, but company-wide controls training is planned to promote alignment and awareness beyond the finance department.

FY2025 Audited Financials

Ms. Hurlbut presented the following:

- The statement of net position (balance sheet) provides a year-end snapshot showing assets, liabilities (current and long-term), and net position as accumulated historical net income totaling \$68 million out of \$193 million total assets.
- Significant debt via bonds supports capital projects that grow infrastructure and asset base; a \$5.4 million increase in net capital assets was mainly funded by 2022 revenue bond proceeds and ongoing construction projects.
- Regulatory assets and liabilities are accounting mechanisms approved by the Public Utility Commission to smooth costs and rate impacts over multiple years, ensuring equitable customer rates.
- The statement of revenues, expenses, and changes in net position showed an improved operating income of \$750,000 for fiscal 2025, driven by a \$3.7 million increase in operating revenues offsetting a \$3 million rise in purchased power and transmission expenses, with non-operating income contributing \$3.9 million.
- The statement of cash flows demonstrated strong cash from operations (\$7.9 million) but negative cash from capital/financing activities (\$17.3 million) due to increased capital asset acquisitions, while investing activities contributed \$10.1 million mainly from interest and dividends.
- The EEU financials showed minor asset increases and net position improvement (\$840,000), reflecting a recent rate increase and market conditions, with slight reductions in expenses and liabilities.

BED's 2025-26 Property/B&M Insurance Renewal

- The property, boiler & machinery insurance is the largest insurance line for the Department, covering all tangible assets with a complex arrangement of four carriers sharing the risk.
- The annual policy renewal runs from November 20, 2025, to November 20, 2026, with a not-to-exceed premium of \$718,024.29, reflecting a 6.39% reduction from the budgeted renewal estimate.
- The insurance covers a wide range of perils and assets, including generation stations, substations, buildings, and equipment, with some deductible increases under consideration to manage risk and costs.

- The Department uses an insurance agent (Acrisure, formerly Hickok and Boardman) rather than a broker, collaborates with the City on shared insurance lines, and continuously evaluates valuation methods and risk mitigation strategies.
- Despite a historically difficult “hard market” and premium spikes, recent efforts have stabilized premiums, and the policy renewal was unanimously approved for binding with A-rated carriers.

Commissioner Moody made the motion to authorize the General Manager of Burlington Electric Department or their designee, to execute the Property, Boiler & Machinery insurance coverage renewal contract with AIG/ZURICH/STARTECH/AEGIS for the policy period 11/20/2025 through 11/20/2026 with a not to exceed premium of \$718,024, as outlined in this memo, subject to review and approval of the City Attorney’s office, the City’s CAO, Board of Finance, and the City Council. Commissioner Williams seconded the motion. Motion passes, 5 ayes 0 nays

Commissioners’ Check-In

Commissioners welcome Brian Williams as a new member of the Commission.

Adjourn

Commissioner Moody made a motion to adjourn; the motion was seconded by Commissioner Vota; Commission vote. Motion passes, 5 ayes 0 nays

The meeting of the Burlington Electric Commission adjourned at 6:59p.m.

Microsoft Teams transcript used to create minutes drafted by Elena Alexander, Board Clerk. Amended 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