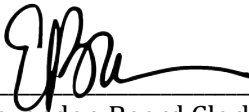


BURLINGTON
BOARD OF ELECTRIC COMMISSIONERS
585 Pine Street
Burlington, Vermont 05401
To be held at Burlington Electric Department (and)
Via Microsoft Teams
[+1 802-489-6254](tel:+18024896254), [636059465#](tel:+18024896254)

LARA BONN, CHAIR
ALI KENNEY
SCOTT MOODY
ANDY VOTA, VICE CHAIR
BRIAN WILLIAMS

AGENDA
Regular Meeting of the Board of Electric Commissioners
Wednesday, May 13, 2026 - 5:00 PM

- | | |
|--|-----------|
| 1. Agenda | (5 min.) |
| 2. Minutes of April 8, 2026 Meeting | (5 min.) |
| 3. Public Forum | (10 min.) |
| 4. Monthly Impact Minute (discussion) | (5 min.) |
| 5. Commissioners' Corner (discussion) | (5 min.) |
| 6. GM Update (oral update) | (10 min.) |
| 7. Financials: March FY26 (discussion): Emily Stebbins-Wheelock | (10 min.) |
| 8. Line of credit extension (discussion): Emily Stebbins-Wheelock | (15 min.) |
| 9. FY27 general obligation borrowing (discussion and vote): Emily Stebbins-Wheelock | (15 min.) |
| 10. FY27 rate change (discussion and vote): Emily Stebbins-Wheelock | (15 min.) |
| 11. FY27 budget (discussion and vote): Emily Stebbins-Wheelock | (15 min.) |
| 12. Release of federal interest for BED's EDA Revolving Loan Fund Award #01-79-14206
(discussion and vote): Chris Burns | (15 min.) |
| 13. Executive Session - Power supply contract (discussion): James Gibbons | (10 min.) |
| 14. Power supply contract (discussion and vote): James Gibbons | (10 min.) |
| 15. Community EV Charging Permanent Rate Approval (Discussion & Vote) James Gibbons | (10 min.) |
| 16. Commissioners' Check-In | (5 min.) |

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

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

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, April 8, 2026

The regular meeting of the Burlington Electric Commission was convened at 5:00 pm on Wednesday, April 8, 2026, 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, Xander Briggs, Chris Burns, Munir Kasti, Tom Lyle, Darren Springer, and Emily Stebbins-Wheelock were present at 585 Pine Street.
- Staff members Erica Ferland and James Gibbons were present via Microsoft Teams.
- Public member Pike Porter was present via Microsoft Teams.

1. Agenda

General Manager Springer proposed the removal of Agenda item #4 Monthly Impact Minute and #11 Proposed Renewable Wind Energy Contract.

Commissioner Vota moved to accept the agenda as amended. Commissioner Moody seconded the motion. Vote: 5 ayes 0 nays.

2. Meeting Minutes

Commissioner Bonn provided an updated version of the March 11, 2026 draft meeting minutes, replacing the version that was distributed in the packet.

Commissioner Vota moved to accept the amended March 11, 2026 minutes as presented. Commissioner Kenney seconded the motion. Vote: 5 ayes 0 nays.

3. Public Forum

No public comments were presented.

5. Commissioners' Corner

Commissioner Kenney asked for an update on the RFP for the battery storage at McNeil. General Manager Springer shared that the battery proposal is currently ranked as third priority for the power supply team, behind short-term energy needs and replacing expiring contracts. The primary

goal is to advance a tangible battery proposal to the Commission and City Council this year. Progression of the battery project is strictly contingent on the economic favorability of the proposals. Several solar proposals are also in the queue but will only be reviewed after the battery project has been addressed. Once a proposal is successfully advanced and approved, the project will move forward into the permitting process.

6. General Manager's Update

General Manager Springer shared the following:

- BED has secured a five-year renewal extension with Sheffield for wind energy.
- Legislation H.940, which extends pilot authority for the expanded use of TEPF funds, has passed the House and is currently moving through the Senate Finance Committee.
- The Principal Counsel position has been reposted with modified requirements, with the goal of starting interviews within the next month.
- The FY26 rate case was officially approved at a 4.33% level, and a refund plan for the previous surcharge difference has been submitted to the PUC for feedback.
- The Jim Reardon Public Service Award presentation is scheduled for Wednesday, April 15th at 12:00 PM in the Spark Space.
- The Electrify Vermont Summit featuring keynote speaker Jigar Shah will take place this Monday at the UVM Davis Center.
- An updated Net Zero Energy roadmap including weather-normalized thermal data will be presented to the City Council later this month and to the Commission in May.
- The \$20 million Net Zero Energy & Grid Reliability revenue bond has been issued through the Vermont Bond Bank and will begin funding the FY26 capital budget.
- A meeting is scheduled for this week with the Department of Public Service to initiate a broad review of fiscal health and operational reliability.

7. February 2026 Financial Review

Emily Stebbins-Wheelock, CFO and Manager of Strategy & Innovation, presented financial results for February 2026.

- The actual net income for February 2026 was \$1,460,000, outperforming the budgeted target of \$1.2 million.
- The fiscal year-to-date net income reached over \$3.5 million, creating a favorable variance of \$992,000 compared to the budget.
- Power supply revenues were lower than budgeted by \$104,000 because of lower production from renewable resources and a decrease in available renewable energy certificates (RECs).
- Operating expenses for power supply showed an unusually precise variance of only \$1,000 on a \$3.2 million line item.
- Rising diesel prices are impacting wood chip procurement costs via a contract pricing structure that adjusts based on fuel prices.
- Management warned that entering into short-term energy contracts would currently expose the company to high market volatility caused by events in the Persian Gulf.

- Capital spending for the fiscal year-to-date is \$5.4 million, which is significantly lower than the budgeted \$11.3 million for this period.
- The company reported 148 days of cash on hand, a debt service coverage ratio of 4.86, and an adjusted debt service coverage ratio of 1.22.

8. FY27 Preliminary Budget

Emily Stebbins-Wheelock, CFO and Manager of Strategy and Innovation presented the following:

- The draft budget will be presented to the Board of Finance on April 29, followed by a final review and separate votes on the budget and rate change during the May Commission meeting.
- Management has successfully reduced an initial \$5.5 million budget deficit to a current gap of approximately \$2 million through ongoing adjustments.
- A proposed rate increase of 3% to 4% is estimated to take effect on bills rendered starting September 1st.
- The expiration of the Hancock wind contract and lower production volumes are contributing to a \$750,000 shortfall in REC revenue.
- Transmission costs are projected to increase by \$673,000, driven by regional structural shifts and a FERC ruling that negatively impacts Vermont utilities' transmission costs.
- Major capital investments for FY27 include the relicensing of the Winooski 1 dam and the replacement of core financial and asset management software systems.
- Labor and benefit costs are budgeted to rise by \$573,000, with the IBEW union contract set to expire on June 30 amid ongoing negotiations.
- Total interest expenses will increase by \$672,000 as the utility takes on a new revenue bond to fund its capital plan.
- Despite the installation of over 3,200 heat pumps, overall kilowatt-hour sales are forecast to remain flat, making it more difficult to absorb rising structural costs.
- BED is budgeting electrification rebates at 1.8 times the state compliance requirement to proactively support local net-zero roadmap goals.

9. Energy Efficiency Update

Chris Burns, Director of Energy Services, provided the following:

- The current energy efficiency performance period runs from 2024 through 2026.
- Program activity for 2024 and 2025 is currently described as sluggish, particularly within the commercial sector.
- The most significant declines in activity are occurring in commercial existing buildings and commercial new construction.
- Sluggish commercial performance is a statewide trend affecting all three Energy Efficiency Utilities (EEUs), including partners like Efficiency VT and VGS.
- Utilities are held to specific minimum performance requirements and quantifiable performance indicators that are largely standardized across the state.
- A potential study is currently underway to prepare for the 2027-2029 Demand Resource Plan.

10. Executive Session – Proposed Renewable Wind Energy Contract Terms

Commissioner Vota moved to find that premature general public knowledge of the Commission’s discussion regarding the proposed Renewable Energy Wind Contract would clearly place the Burlington Electric Department at a substantial disadvantage per Title 1, Section 313 (a)(1) of the Vermont Statutes. Commissioner Kenney seconded the motion. Vote: 5 ayes 0 nays

Commissioner Vota moved that the Commission and staff members enter into executive session to discuss the proposed Renewable Energy Wind Contract under the provisions of Title 1, Section 313(a) (1) (A) of the Vermont Statutes. Commissioner Moody seconded the motion. Vote: 5 ayes 0 nays. Executive Session start time: 6:31pm.

Commissioner Vota moved to exit executive session at 6:56pm, the motion was seconded by Commissioner Williams. Vote: 5 ayes 0 nays.

11. Commissioners’ Check-in

No topics discussed.

Adjourn

Commissioner Moody made a motion to adjourn; the motion was seconded by Commissioner Williams. Vote: 4 ayes 0 nays (Commissioner Kenney was not in attendance).

The meeting of the Burlington Electric Commission adjourned at 6:58p.m.

Microsoft Teams transcript used to draft minutes prepared by Elena Alexander then amended by Emily Stebbins-Wheelock.

Attest: _____
Elena Alexander, Board Clerk



To: Burlington Board of Electric Commissioners

From: Darren Springer, General Manager

Date: May 8, 2026

Subject: April 2026 Highlights of Department Activities

General Manager – Darren Springer

- **Budget and Rates** – BED is pleased to have finalized our FY27 rate change at 2.99%, our lowest since the pandemic and requiring significant efforts from our team on the budget and cost reductions. See Center for Innovation report for important context on transmission cost changes that are negatively impacting BED and all of Vermont, and mitigation steps.
- **Electrify Vermont Summit** – BED, REV and UVM co-hosted a successful second Electrify Vermont Summit on April 13th. Check out the NZE Podcast from the Summit with Jen Green speaking with Jigar Shah and Navneet Trivedi, following their excellent keynote session: www.burlingtonelectric.com/pod
- **Net Zero Roadmap 2025 update** – Check out the slides presenting the 2025 Net Zero Energy Roadmap update here: <https://www.burlingtonelectric.com/wp-content/uploads/NZE-2025-Roadmap-Update-4.27.26.pdf>. Highlights for 2025 include a 24.3 percent reduction in ground transportation fossil fuel use since 2019 due to more EVs/PHEVs and less gasoline vehicles registered. Colder weather in 2025 (relative to 2023 and 2024) meant a moderate rebound in thermal sector emissions. This is first year Synapse has also shared weather normalized data, included in the slides.
- **New Fast Chargers** – BED has two new DC Fast Chargers located at St. Paul and Bank Street near the new AC Hotel. They can charge at speeds up to 125 kW, making them the fastest currently in our public charging network.
- **New BED AI Customer Support** – BED has a new AI customer chatbot available on our website by clicking the green tab at the bottom. The chatbot can provide granular rebate information for customers. Test it out and share feedback with us!
- **H. 940** – Is with Governor, as of May 7th.

Center for Innovation – Emily Stebbins-Wheelock

- On March 19, 2026, the Federal Energy Regulatory Commission (FERC) issued an order related to the return on equity (ROE) allowed for New England Transmission Owners (NETOs). The order resolves four complaints filed beginning in 2011 arguing that transmission costs were too high due to the allowable rate of return for transmission owners on investments made to grid infrastructure. The recent order reduces the NETOs' ROE from 10.57% to 9.57% and requires refunds be issued, with interest, to transmission customers for a portion of costs incurred since 2011.
- For most of New England, this order will reduce transmission costs for utilities and their ratepayers. In Vermont, however, the state transmission operator, VELCO/Transco, is owned by the distribution utilities (DUs). Therefore, this order's effect on DUs, including BED, will be a decrease in ISO-NE transmission costs, but an increase in VELCO transmission costs (because per the 1991

VT Transmission Agreement, VELCO is allowed to recover from the DUs whatever portion of its expenses are not covered by the region).

- All of the NETOs except VELCO have filed a motion for FERC to reconsider its Order, challenging FERC’s authority to require interest during the entire refund period. It is expected that this request will be denied, but it is a required step before filing a court action.
- VELCO separately filed a motion for reconsideration noting Vermont’s unique situation and that FERC’s action would increase costs for Vermont ratepayers.
- On April 30, the Participating Transmission Owners Administrative Committee filed a motion with FERC to set the going-forward ROE at 11.39%. VELCO chose not to participate in the filing but to intervene.
- BED staff have been participating actively in regular, continuing discussions with VELCO to evaluate and mitigate the financial impacts of this order. The order will affect BED in two ways: (1) transmission costs will increase going forward (in FY27, by an estimated \$36,000) and (2) BED as a VELCO owner will need to contribute to paying the refund and interest. VELCO currently estimates that it will need to refund \$121 million to ISO-NE and that 35% of this, or \$40 million, will be returned to the Vermont DUs as a credit on their ISO-NE transmission bills, leaving a net cost to the DUs of over \$80 million. Refunds are currently expected to be paid between September 2026 and May 2027. VELCO and the DUs are discussing possible mechanisms to spread this cost. The current thinking is for VELCO to borrow the money and seek FERC approval to create a regulatory asset to invoice DUs the \$80M net cost of the refund plus loan interest over a 10-year period, smoothing the impact on VT ratepayers.
- Hired Ying Liu (formerly McNeil Sr. Staff Accountant) as Operating Sr. Staff Accountant
- Successfully recruited for Systems and Support Analyst (start date 6/8)
- Began issuing FY25 rate case refunds to customers as bill credits on April 20
- Finalizing FY27 budget
- Sourcing short-term and long-term renewable energy contracts
- Public Utility Commission approved BED’s request for extension for filing 2026 IRP
- Due to a judicial stay, McNeil Q4 2025 RECs remain CT-1 eligible
- Met with Department of Public Service re the “health assessment” DPS is conducting of all VT municipal and cooperative utilities
- Toured Highgate converter as part of VELCO’s Advisory Team exploring options to refurbish, upgrade, or replace the converter
- Achieved CIS implementation major milestone of data conversion 2.1
- Selected FlexEnergi as distributed energy resource management system (DERMS) vendor
- Podcast interview with Electrify Vermont Summit keynote speaker Jigar Shah.
- Coordinating May 13 City Council presentation of Mayor’s Climate Advisors’ report
- CEDO, VGS and BED re: collaborative support to small businesses.
- Co-hosted Earth Day 2026 event at NNE Fletcher Free Library. Displayed F150 Lightning and a Mustang Mach-E.
- In partnership with Communication and Technology Specialist, planned a more robust social media campaign to generate additional customer engagement.

Center for Safety and Risk Management – Paul Alexander

Safety

- The Safety Team conducted weekly Tuesday morning safety briefings with operations personnel. PreJob tailboards are covered, as well as weekly assignments for Operations with Engineering Support. System Operations gives weekly SCADA updates.
- The Safety Team performed annual maintenance on all Operation fire extinguisher to include gas Turbine and all substations.
- The Safety Team completed weekly OSHA 300 reporting.
- The Safety Team replaced and updated all AED Pads at 585 Pine Street.
- The Safety Team completed the annual mandatory OSHA 1910.179 Crane & Hoist Inspections and Preventative Maintenance (PM) on at all BED locations. The inspection encompassed operational testing of all the equipment as well as a detailed inspection per OSHA 1910.179 and ASMEB30 requirements.

Environmental

- The McNeil REC team completed the 1st quarter 2026 CT Class I renewable energy source compliance filing related to orders 1 and 4 of docket 08-01-03 for McNeil. Confirmation receipt was received 04/28/2026. Compliance deadline is 45 days from the end of the reporting period.
- The Environmental Team conducted the bimonthly meetings with McNeil Operations. Air & Water weekly reports are covered with emphasis on water chemistry and emissions compliance.
- The Environmental Team completed the Q1 2026 Air Emissions Report for the VTDEC thus meeting the compliance deadline of 30 days from the end of the reporting period.
- The Environmental Team organized various Vactor truck cleaning activities for the McNeil annual outage that began in April.
- The Environmental Team met with Engineering firm and Clarity Water consultants to map out an improved water chemistry program for the McNeil boiler.

Risk Management

- Continued extensive effort on reviewing and revising both the FY'26 and FY'27 Expense and Capital Budgets for the Center for Safety (C4S)
- Received reimbursement from our Auto Insurance company (Travelers) re: stolen tools from line truck (#C-3)
- Begin creation of a Request-for-Proposal (RFP) Process Policy for Purchasing area
- Joined City of Burlington's (COB's) Inland Marine/Transit policy for shipped product
- Conducted/chaired monthly BED Safety Committee (BSC)
- Updated 2026 version of the "Local Emergency Management Plan" (LEMP) for the Burlington Fire Department (BFD)
- Created BED's 585 Pine Street mail run policy document for coverage issues

Purchasing/General Services

- Passing of Shawn Lowell FMS III
- Working on RFP process, templates, LawVu,
- McNeil Spring Outage started getting parts staged & forklift from Pine St to McNeil for electric motor out & load for delivery to vendor for repair & service

- McNeil RSCR Heatsink arranged delivery & trailer to hold product until installed
- McNeil RSCR Catalyst & Heatsink installed by Cormetech getting crane & testing done on Heatsink to find out it is non-hazardous material
- Worked on modifying FY26 & FY27 Expense & Capital Budgets

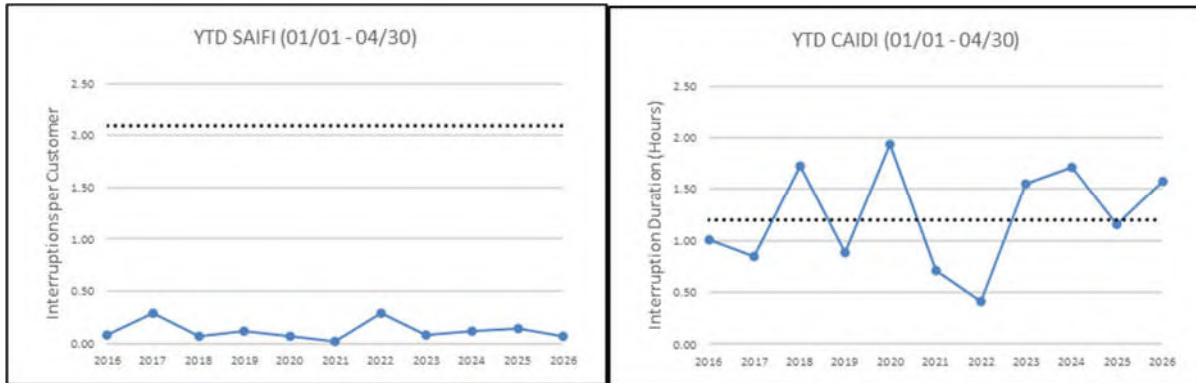
Center for Operations & Reliability – Munir Kasti
Engineering, Grid Services & Operations

- Completed overhead rebuilds on Austin Drive, Woodlawn Road, Woodbury Road and Staniford Road.
- Replaced two overloaded distribution transformers.
- Replaced fifteen condemned poles.
- Completed customer service upgrades on Pine Street and Mansfield Avenue.
- Line crews were made aware of Osprey making a nest on two poles near the McNeil Generating Station. Crews performed a power outage to distribution circuits at McNeil to build an extension and platform for Osprey to safely re-build the nest away from power lines. Osprey successfully relocated nest to new platform.

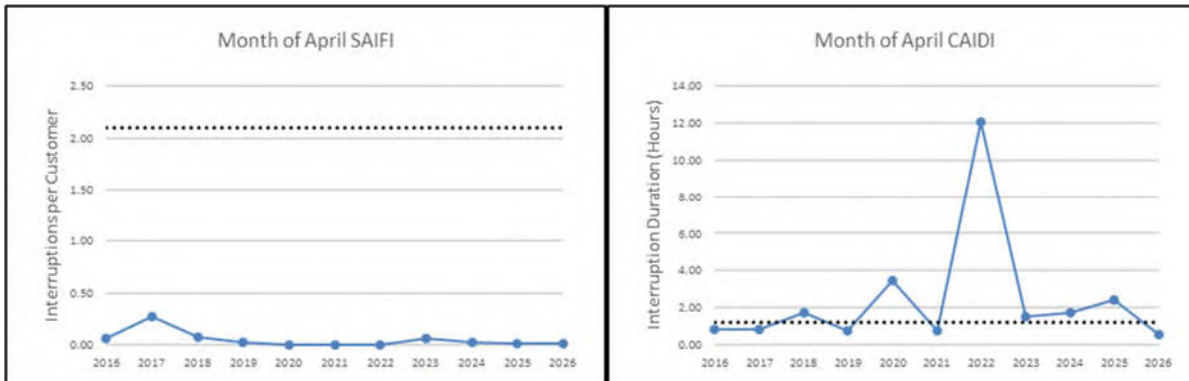
SAIFI & CAIDI Outage Metrics:

BED’s distribution system experienced 18 outages in April 2026 (2 unscheduled and 16 scheduled). BED’s SAIFI for the Month of April was 0.02 interruptions per customer and CAIDI was 0.54 hours per interruption. BED’s YTD SAIFI is 0.07 interruptions per customer and YTD CAIDI is 1.58 hours per interruption.

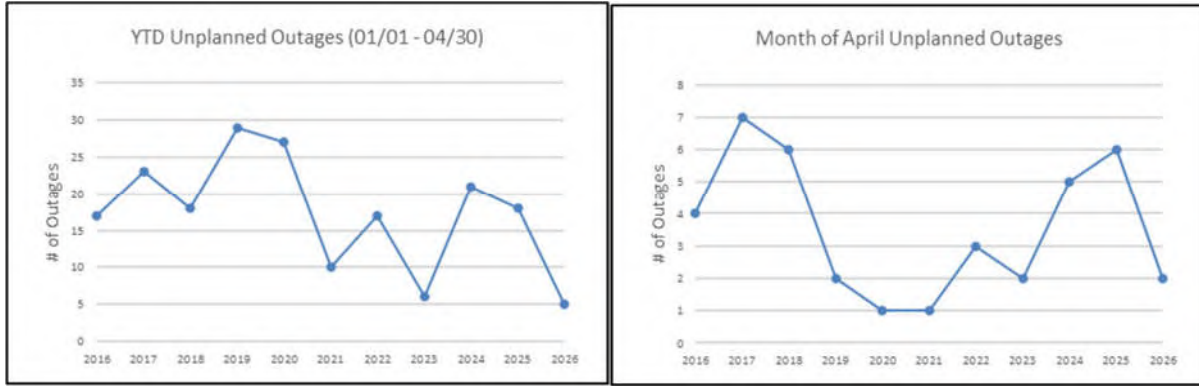
The following figure shows BED’s historical YTD SAIFI and CAIDI:



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



The following figure shows BED’s historical Unplanned Outages:



Generation

McNeil Generating Station

Month Generation: 10,516 MWh
 YTD Generation: 84,206 MWh
 Month Capacity Factor: 29.2%
 Month Availability: 47.8 %
 Hours of Operation: 344 hours

Winooski One Hydroelectric Station

Monthly Generation: 3,768.9 MWh
 YTD Generation: 9,455.2 MWh
 Month Capacity Factor: 71%
 Annual Capacity Factor: 44.37%
 Month Availability: 100%

Burlington Gas Turbine

Month Generation: 0 MWh
 YTD Generation: 571.7 MWh
 Month Capacity Factor: 0%
 Month Availability: 100%

Solar (Pine Street 107 kW)

Month Generation: 11.18 MWh (-10% from previous year)
 YTD Generation: 20.50 MWh
 Month Capacity Factor: 14.5%
 Month Availability: 100%

Solar (Airport 499 kW)

Month Generation: 59.81 MWh (+41% from previous year)
 YTD Generation: 108.89 MWh

Month Capacity Factor: 16.6%
Month Availability: 100%

Center for Energy Services – Chris Burns

UVM & UVMMC

- UVM Medical Center – East Pavilion 3 and Old Hall Level 4 Lighting Upgrades - BED has developed savings estimates for both of these LED lighting projects.
- UVM Rowell / Classroom Lighting Retrofit – UVM is gathering information on a basement nursing classroom lighting retrofit involving QTY=24 T8 fixtures to be replaced one-for-one with LED.
- UVM Library Research Annex / Conversion from Steam Boilers to Hot Water – The University is planning replacing steam boilers with hot water units. The humidification system will need to be upgraded to a different technology. Included will be VFD’s added to AHU-1 and AHU-2 supply and return fans. BED is in the process of confirming expected savings and developing an incentive offer for this project.

Other Services

- Continued Decline in New Development and Energy Efficiency Activity
 - As previously reported, over the past year and a half few new construction zoning applications have been submitted to Department of Permitting and Inspections (DPI), indicating a decline in near term new development. High lending costs and construction costs continue to slow this market.
 - As previously reported, ES also continues to see an overall slowdown in EEU and Tier 3 activity with customers. Challenging, and uncertain, economic conditions are influencing customer decision-making. Customers continue to face economic headwinds where discretionary energy efficiency, and beneficial electrification improvements, are understandably not a priority even when utility incentives are available. VGS and EVT have reported similar market conditions. BED and VGS continue to work with the Burlington 2030 District and CEDO’s Business Support Services team to get the word out about our services and that we are here to help. BED, VGS and CEDO will be meeting in April to brainstorm business outreach approaches.
- ES continues to:
 - Work on several projects continues including Consolidated Communications Central Telecommunications Hub / Chiller System upgrade, Rhino Foods cooler & freezer upgrade to CO2 refrigerant, GBYMCA / HVAC Re-Commissioning, and Hill Gardens Apartments LED lighting retrofit.
 - 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 40.3 MWh and supported 2,112 sessions.
- The ChargePoint EVSE served 836 unique drivers.
- The top 3 sales on the ChargePoint network were 110kWh, 119kWh, and 139kWh and occurred at the Pease Lot DCFC, Pine St L2, and the Marketplace Garage.

- Approximately 50.5% (or 20.3MWh) of the energy sold from the entire network is attributed to the DCFC’s. The Pine St. DCFC dispensed the most energy.
- The BE11 (Champlain College Summit St.) was removed because it was in the way of construction planned for this spring/summer.
- DCFC’s BE20 and BE21 (Bank St. & St. Paul St.) were commissioned on April 8th. Stations were placed in service on April 10 and then hidden from view on the driver app on April 28. The road in front of the chargers is being paved. Paving should be completed this week.
- EV and PHEV rebates to date – 1,272 (of this 275 LMI rebates to date)
- Customers currently participating in the EV Charging Rate- 449
- Single-family & multifamily home EV charging stations rebates to date – 445 (of this 24 LMI rebates to date).

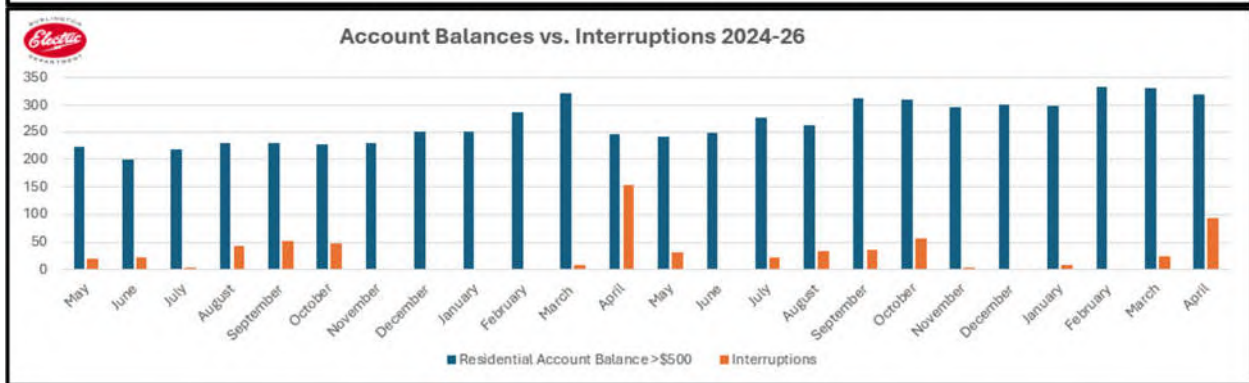
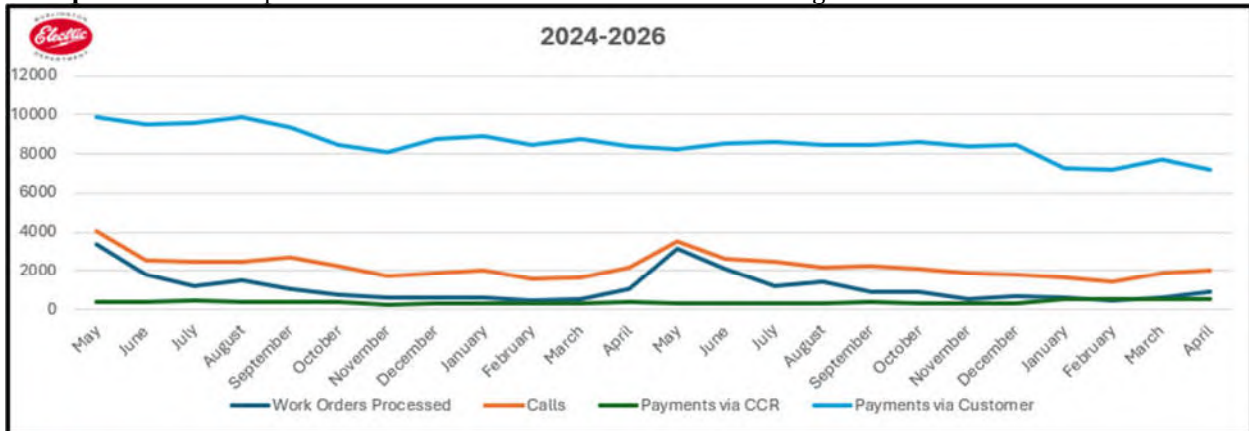
Heat Pump Installations to Date

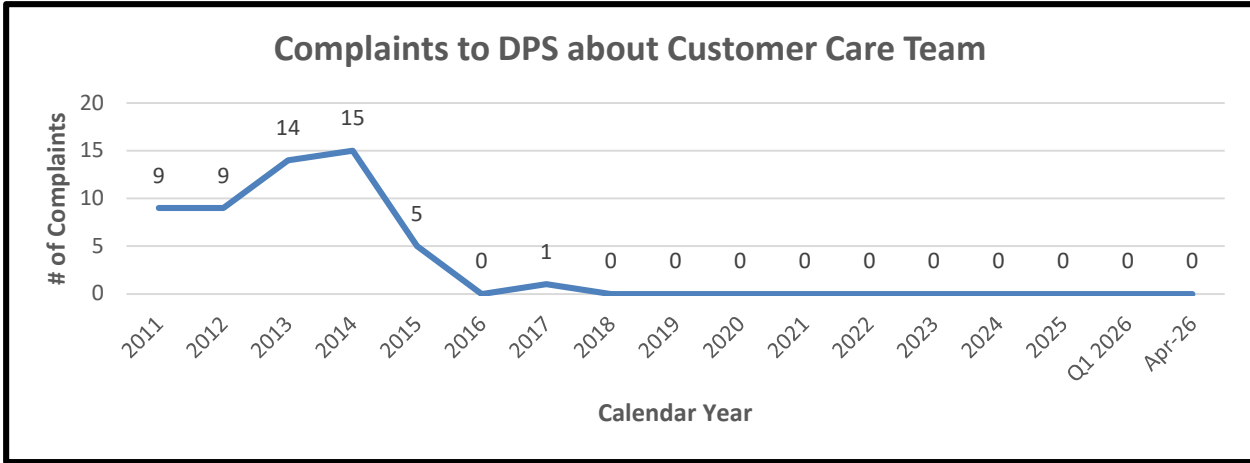
Total Heat Pump Technology Installations including Multi-Family New Construction Projects & Installations in existing buildings since the September 2019 NZEC announcement – **3,267 installations** (of this 256 LMI rebates to date)

Center for Customer Care & Communications – Mike Kanarick

- **Call Answer Time (75% in 20 seconds):** April 2026 81.0%, March 81.7%, February 80.6%, January 90.4%, December 2025 91.4%, November 80.3%. April 2025 86.1%, March 90.3%, February 89.6%, January 86.4%, December 2024 83.4%, November 84%.

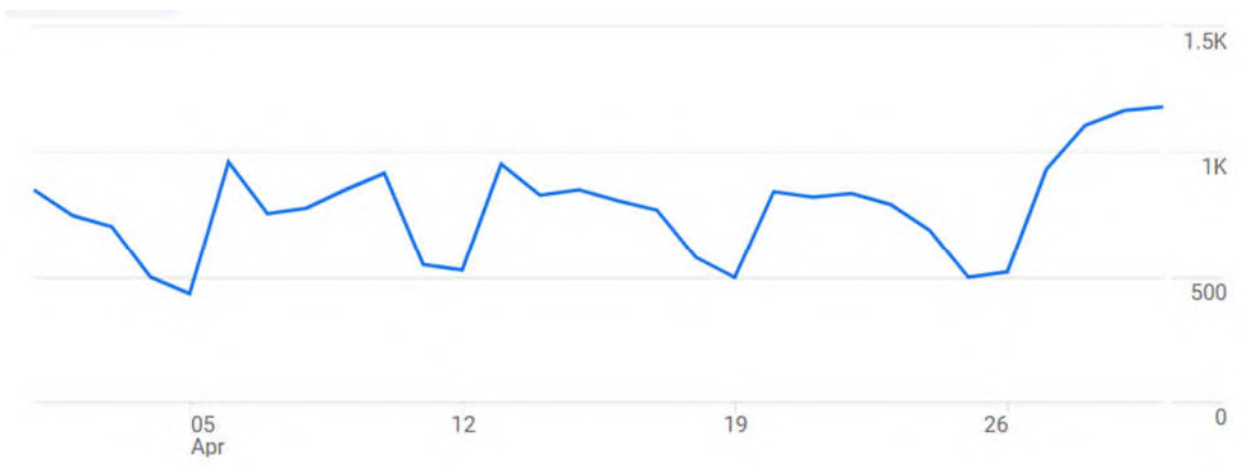
- **April 2026 Stats:** please see dashboard for additional metrics categories.





Communications and Marketing

- Earth Day: we celebrated Earth Day in fine style at the New North End Branch of the Fletcher Free Library at Ethan Allen Shopping Center on April 22. We were set up in the parking lot with BED electric fleet vehicles, including a Ford F-150 Lightning, a Mustang Mach-E, and an electric bicycle. We were proud to show community members our EVs and to have conversations about BED rebates for EVs. We thank FFL for presenting a selection of books on energy, the environment, and electrification.
- Lake Monsters Customer Appreciation Nights: BED will be on the Centennial Field concourse again this season with our friends from VGS on Tuesday, June 9 to cheer on our Vermont Lake Monsters as they face the Worcester Bravehearts and again on Tuesday, July 28 as they face the Westfield Starfires (VGS will not be joining us on July 28, but will be at the July 2 game). On July 28, we plan to demonstrate a special induction cooking range, which uses a regular 120-volt plug and has battery backup power. To show appreciation for our customers, BED will give away baseball caps to the first 250 Burlingtonians each night (please show us your online or paper bill). Also, we will provide expert energy advice before and during the game.
- Net Zero Energy Podcast: we invite you to listen to our latest podcast episodes, featuring Jigar Shah, co-founder of Multiplier and former Department of Energy Loan Program Office Director, and Navneet Trivedi, co-founder of Vrinda, discussing Vermont’s path to a sustainable future; and Deb Sachs, director of Net Zero Vermont and project manager of the Walk to Shop program, discussing sustainable transit. burlingtonelectric.com/podcast
- Full website visits for April 2026



Top-performing Facebook & Instagram posts

- Podcast with Jigar Shah and Navneet Trivedi & with VHFA.
- National Transgender Visibility Day.

Platform	Post Content	Date	Engagement
Facebook	Is Burlington ready to lead the charge toward... Burlington Electric Department	Tue Apr 28, 8:40am	3.7K likes, 19 comments
Instagram	Is Burlington ready to lead the charge toward... burlingtonelectric	Tue Apr 28, 8:38am	61 likes, 2 comments
Instagram	New podcast episode: Much of Vermont's h... burlingtonelectric	Tue Apr 14, 9:26am	100 likes, 4 comments
Facebook	New podcast episode: Much of Vermont's h... Burlington Electric Department	Tue Apr 14, 9:25am	420 likes, 2 comments
Facebook	Today, on Transgender Day of Visibility, we'r... Burlington Electric Department	Tue Mar 31, 12:55pm	4.6K likes, 108 comments
Instagram	Today, on Transgender Day of Visibility, we'r... burlingtonelectric	Tue Mar 31, 12:54pm	221 likes, 19 comments

**BED 2025-2026
Strategic Direction Dashboard**

	Target	2026 Yearly Actuals	Apr 2026 Actuals	Mar 2026 Actuals	Feb 2026 Actuals	Jan 2026 Actuals	2025 Yearly 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%	83%	81%	82%	81%	90%	avg 81%	avg 81%	avg 82%	avg 82%	avg 82%	avg 81%	
Delinquent accounts >\$500	0	320	320	330	333	298	avg 280	avg 223	avg 168	avg 188	avg 529	avg 201	
Disconnects for non-payment	0	127	95	24	0	8	351	308	224	12	0	45	
Energy Assistance Program Customers (program lifetime)	NA	964	964	949	942	936	929	843	234				
Energy Assistance Program Customers (currently enrolled)	300	787	787	782	777	771	772	770	219				
# of residential weatherization completions	10	1	-	1	0	0	3	7	11	5	5	3	11
Weatherization completions in rental properties		-	-	0	0	0	0	3	8	6	0	0	TBD
# or % of homes or SF weatherized		TBD	TBD	TBD	TBD	TBD	0	0	TBD	TBD	TBD	TBD	0
# of commercial building with improved thermal envelopes		-	-	0	0	0	1	5	6	4	5	5	0
Total annual mWh saved via the EE programs (annual goal)	4,039	1058	1058	982	952	506	1,674	1,116	2,940	4053			3057
Total residential annual mWh saved via the EE programs (cumulative for year)	702	59	59	56	37	22	233	333	494	862			917
Total commercial sector annual mWh saved via the EE programs (cumulative for year)	3,337	999	999	926	915	484	1,441	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	\$ 322,387	\$ 322,387	\$ 306,434	\$ 290,691	\$ 282,343	\$ 277,854	\$ 164,186	\$ 504,942	\$ 335,234	TBD	TBD	TBD
# of pageviews, overall website-wide		84,962	23,199	21,286	18,276	22,201	267,394						
# of unique website homepage views		21,316	4,414	8,400	3,986	4,516	53,579						
Strengthen Reliability													
SAIFI (AVG interruptions/customer) (annual target)	< 2.1	0.02	0.02	0.05	0.00	0.00	0.35	1.63	0.56	1.05	0.17	1.48	1.01
CAIDI (AVG time in hrs to restore service) (annual target)	< 1.2	1.63	0.54	1.93	2.99	1.04	1.44		0.94	0.67	1.49	0.55	0.75
Distribution System Unplanned Outages (annual target)	82	5	2	2	0	1	58	69	39	61	44	90	98
McNeil Forced Outages	0	5	1	2	1	1	11	10	5	14	5	21	TBD
W1H Forced Outages	0	0	0	0	0	0	2	3	2	6	9	2	TBD
GT Forced Outages	0	3	0	0	1	2	3	2	9	6	2	3	TBD
Invest in Our People, Processes, and Technology													
Avg. # of days to fill positions under recruitment	120	163	149	147	129	228	282	253	219	100	68	179	
# of budgeted positions vacant	0	10	12	11	10	7	avg 10	avg 12	avg 12	avg 9	avg 9	6	NA

**BED 2025-2026
Strategic Direction Dashboard**

	Target	2026 Yearly Actuals	Apr 2026 Actuals	Mar 2026 Actuals	Feb 2026 Actuals	Jan 2026 Actuals	2025 Yearly 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		35	2	6	13	14	217	176	186	255	315	203	10
# of commercial heat pump installs		2	-	2	0	0	1	5	8	4	4	13	0
# of residential hot water heat pump installs		1	1	0	0	0	30	28	31	26	14	6	4
# of commercial hot water heat pump installs		0	-	0	0	0	-	0	0	0	0	0	0
Heat pump rebates		37	2	8	13	14	232	185	206	271	328	212	0
Heat pump hot water heater rebates		0	-	0	0	0	30	28	47	18	15	3	0
LMI heat pump rebates		3	3	0	0	0	42	35	21	43	28	6	4
Heat pump technology installs in rental properties		0	-	0	0	0	-	3	8	10	14	9	TBD
LMI heat pump hot water heater rebates		3	1	0	0	2	24	2	6	1	2	0	1
EV rebates - new		15	9	4	1	1	127	125	103	53	67	14	36
EV rebates - pre-owned		14	3	4	4	3	32	23	16	18	7	8	2
LMI EV rebates	See NZE Roadmap Goals below	9	3	3	3	0	26	50	26	9	11	7	7
PHEV rebates - new		4	1	0	0	3	33	44	25	27	41	10	17
PHEV rebates - preowned		4	3	0	0	1	15	8	6	12	6	5	3
LMI PHEV rebates		0	-	0	0	0	3	11	5	15	13	6	2
Public EV chargers in BTV (total)		40 ports	40 ports	41 ports	41 ports	41 ports	41 ports	40 ports	32 ports	30 ports	27 ports	27 ports	14
Public EV charger energy dispensed (kWh)		160,600	40,200	39,600	40,800	40,000	483,500	355,500	244,300	151,360	86,570	35,690	78,000
Home EV charging station rebates		16	3	4	0	9	148	82	72	70	32	20	12
EV charging rate customers (total)		1,780	449	447	443	441	425	347	246	157	40	40	28
Level 2 charger rebates		-	-	-	0	0	86	22	10	11	10	0	1
Level 1 charger rebates		-	-	-	0	0	1	0	0	-	0	1	0
E-bike rebates		43	30	7	6	0	263	169	147	152	88	36	65
E-mower rebates		8	6	1	0	1	88	109	135	159	154	95	142
E-forklift rebates		-	-	-	0	0	-	0	0	1	0	0	0
MWE of Tier 3 measures installed		12,854	911	766	9,890	1,287	45,276	26,120	22,374	22,837	23,763	35,112	3,342
% Tier 3 obligation met with program measures	100%	49%	49%	45%	42%	5%	187%	122%	117%	131%	159%	283%	31%
<i>Net Zero Energy Roadmap Goals</i>													
# of solar net metering projects installed		4	-	2	1	1	26	13	32	33	29	24	33
No. of homes receiving NZE Home Roadmaps		-	-	-	0	0	-	0	-	7	10	7	
Residential heat pumps for space heating (no. of homes)	2026: 15,424	NA	NA	NA	NA	NA	2,580, 18% of goal	2,320	1,952	1,749	1,448	1,112	925
Commercial heat pumps for space heating (1000 SF floor space served)	2026: 8,411	NA	NA	NA	NA	NA	602, 8% of goal	487	431	411	405	374	374
Residential heat pumps for water heating (no. of homes)	2026: 12,803	NA	NA	NA	NA	NA	416, 4% of goal	344	289	243	224	208	203
Commercial heat pumps for water heating (1000 SF floor space served)	2026: 4,287	NA	NA	NA	NA	NA	17, 1% of goal	6	0	0	0	0	-
EV registrations in BTV (light-duty)	2026: 9,266	NA	NA	NA	NA	NA	1,465, 20% of goal	1,285	829	699	549	361	296
Greenhouse gas emissions (1000 metric tons CO2)	2026: 87	NA	NA	NA	NA	NA	176, 78% above target	173	179	193	188	185	214
Fossil fuel consumption (billion BTU)	2026: 1,337	NA	NA	NA	NA	NA	3,038, 97% above target	2,939	3,044	3,319	3,169	3,185	3,660

BED 2025-2026
Strategic Direction Dashboard

	Target	2026 Yearly Actuals	Apr 2026 Actuals	Mar 2026 Actuals	Feb 2026 Actuals	Jan 2026 Actuals	2025 Yearly Actuals	2024 Yearly Actual	2023 Yearly Actual	2022 Yearly Actual	2021 Yearly Actual	2020 Yearly Actual	2019 Yearly Actual
<i>Demand Response</i>													
Manage Budget and Risks Responsibly													
<i>Safety & Environmental</i>													
No. of workers' compensation/accidents per month	0	5	2	1	1	1	6	7	8	16	4	8	
Total Paid losses for workers' compensation accidents (for the month)	annual	206,011	\$ 178,933	\$ 9,338	\$16,758	\$982	\$ 186,754	\$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	0.95	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	25.52	9.90	107.4	112.63	0.0	41.71	78.2
Lost work days per month	0	-	0	0	0	0	27	avg 10	avg 12	avg 9	0.0	45	
NOx reporting levels to EPA (Quarterly) (lbs/mmbtu)	<0.075	0.065	0.062	0.066	0.066	0.065	0.071	0.06	0.06	0.06	0.07	0.07	
# of reported spills, waste water incidents (monthly)	0	3	1	0	1	1	0	4	2	6	4	4	
Phosphorus levels to DEC in lbs (monthly/yearly total)	<0.8/37		.075/1.274	0.147/1.253	0.162/1.280	0.155/1.283	1.256	1.87	0.705	0.688	2.028		1.169
# of new power outage claims reported (monthly)	1	1	0	0	0	1	2	6	3	5	7	4	
# of new auto/property/other liability claims reported (monthly)	2	11	3	2	5	1	19	24	36	27	18	27	
<i>Purchasing & Facilities</i>													
# of Purchase Orders for Inventory (Target: avg for winter months)	42	67	78	68	63	58	891	738	541	636	644	593	
\$ value of Purchase Orders for Inv. (Target: avg dollars spent during winter)	\$78,000	\$ 849,026	\$ 2,654,966	\$ 494,031	\$151,176	\$95,931	\$ 8,244,846	\$ 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	602	668	547	536	657	8361	7,207	6,777	6,187	4,402	4,545	
\$ value of stock issued for Inventory (Target: avg. during winter)	\$ 65,000	\$ 199,308	\$ 140,716	\$ 125,646	\$ 136,890	\$ 393,980	\$ 2,032,594	\$ 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	0	0	0	0	0	917	351	592	900	2,728	627	
# of Spark Space and Auditorium setup/breakdowns monthly (Target: Covid impact)	3	55	16	18	15	6	166	199	207	132	88	87	
<i>Finance</i>													
Debt service coverage ratio (avg of previous 12-months)	1.25	4.67		4.88	4.86	4.27	50.7 FY25	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	1.17		1.26	1.22	1.04	1.29 FY25	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	145		147	148	140	144 FY25	146 FY24	93 FY23	120 FY22	121 FY21	120 FY20	109 FY19
Arrearages >60 days		\$ 630,709	\$ 645,560	\$ 647,690	\$ 619,506	\$ 610,081	\$ 627,497	\$ 470,940	\$ 392,196	\$ 408,903	\$ 1,087,769	\$ 749,054	
<i>Regulatory</i>													
Open PUC dockets		38	40	38	37	37	33						
Open PUC dockets with deadlines in next 3 months		7	7	7	6	8	10						
<i>Power Supply</i>													
McNeil generation (MWH) (100%)	per budget	84,206	10,516	28,803	22,779	22,108	209,276	197,044	184,798	228,981	273,355	192,696	
McNeil availability factor	100%	68%	48%	84%	75%	63%	60%	66%	84%	67%	80%		
McNeil capacity factor	per budget	58%	29%	77%	68%	59%	48%	45%	42.3%	52.4%	62.4%		
Winooski One generation (MWH)	per budget	9,456	3,769	2,756	982	1,949	17,075	29,498	36,318	25,350	24,752	21,194	
Winooski One availability factor	100%	90%	100%	90%	100%	70%	53%	98%	97.2%	98.3%	97%		
Winooski One capacity factor	per budget	40%	71%	36%	20%	35%	26%	48%	56%	41.7%	37%		
Gas Turbine generation (MWH)	NA	566	-	13	26	527	682	484	475	356	373	441	
Gas Turbine availability factor	100%	99%	100%	99%	99%	99%	96%	98%	46.7%	54.5%	96%		
Gas Turbine capacity factor	NA	4%	0%	1%	12%	3%	1%	0.1%	0.2%	0.2%	0.21%		
BTV solar PV production (mWh)		1,139	472	394	135	138	4,905	5,020	4,681	5,260	5,015	5,182	
Cost of power supply - gross (\$000)	\$	3,382		\$3,570	\$3,208	\$3,368	\$ 34,980	\$34,858	\$30,002	\$36,755	\$30,285	\$31,081	
Cost of power supply - net (\$000)	\$	2,731		\$3,570	\$1,256	\$3,368	\$ 27,131	\$27,984	\$22,710	\$27,487	\$22,134	\$23,388	
Average cost of power supply - gross \$/KWH		\$0.12		\$0.13	\$0.12	\$0.11	\$ 0.12	\$0.11	\$0.09	\$0.11	\$0.09	\$0.10	
Average cost of power supply - net \$/KWH		\$0.10		\$0.13	\$0.05	\$0.11	\$ 0.09	\$0.08	\$0.07	\$0.08	\$0.07	\$0.08	



*FY 2026
Financial Review
March*

May 6, 2026

Burlington Electric Department Financial Review

FY 2026

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FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of March FY26

(\$000)	Full Yr Budget	CURRENT MONTH			YEAR TO DATE		
		Budget	Actual	Variance	Budget	Actual	Variance
Sales to Customers	56,090	5,143	5,262	119	45,302	46,511	1,209
Other Revenues	3,881	341	207	(134)	3,193	2,541	(653)
Power Supply Revenues	7,631	0	0	0	6,754	6,101	(652)
Total Operating Revenues	67,602	5,485	5,469	(16)	55,249	55,153	(96)
Power Supply Expense (Net)	35,540	3,688	3,570	119	30,442	29,663	779
Operating Expense	22,912	1,894	2,020	(126)	17,616	18,128	(512)
Depreciation & Amortization	5,832	495	558	(63)	4,457	4,798	(340)
Taxes	3,615	303	288	15	2,754	2,612	143
Sub-Total Expenses	67,899	6,380	6,435	(55)	55,269	55,200	69
Operating Income	(298)	(896)	(966)	(71)	(20)	(47)	(27)
Other Income & Deductions	6,855	626	509	(116)	4,365	5,160	795
Interest Expense	3,204	256	333	(77)	2,318	2,357	(39)
Net Income (Loss)	3,354	(526)	(790)	(265)	2,028	2,755	728

Year-to-Date Results:

- **Sales to Customers** up \$1,208,800 (2.67%). Residential Sales up \$514,900 and Non-Residential Sales up \$693,900.
- **Other Revenues** down \$653,000 (20.4%)
 - a. DSM billable (customer driven).
- **Power Supply Revenues** down \$652,000 (9.7%) due to lower production in CY 2025.
 - a. McNeil REC revenue of \$3,450,000 compared to a budget of \$3,617,000.
 - b. Wind REC revenue of \$2,311,000 compared to a budget of \$2,560,000.
 - c. Hydro REC revenue of \$340,000 compared to a budget of \$576,000.
- **Power Supply Expenses (Net)** down \$778,300 (2.6%)
 - a. Fuel down \$1,511,900 (25.4%).
 - b. Purchased Power up \$792,700 (17.5%).
 - c. Transmission down \$59,100 (3.1%).
- **Other Operating Expenses** up \$512,400 (2.9%)
 - a. Timing: various items were less than budget including outside services (\$64,700), materials & supplies (\$247,500), and RES Compliance (\$269,000); offset by items higher than budget including labor and labor overhead, \$428,600; maintenance contracts, \$123,000; uncollectible accounts, \$188,300; and rentals/leases, \$57,800.
- **Taxes** down \$142,500 (5.2%)
 - 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** up \$795,000 (18.6%)
 - a. Timing; favorable gain/loss on disposition of plant, \$288,100.
 - b. Interest/investment income up \$154,800.
 - c. Timing; favorable customer contribution/grant proceeds \$451,800.
 - d. Timing; favorable miscellaneous non-operating income \$79,000.
 - e. Offset by timing of jobbing (\$170,500).

FINANCIAL HIGHLIGHTS – BUDGET VS ACTUAL as of March FY26

Capital Spending – March YTD				
(\$000s)				
Plant Type	Full Yr. Budget	Budget	Actual	% Spent
Production	\$4,481	\$3,564	\$1,716	38%
Other	868	634	132	15%
Transmission	222	222	230	103%
Distribution	6,419	5,306	3,369	52%
General	3,228	2,803	877	27%
Total	\$15,218	\$12,528	\$6,323	42%

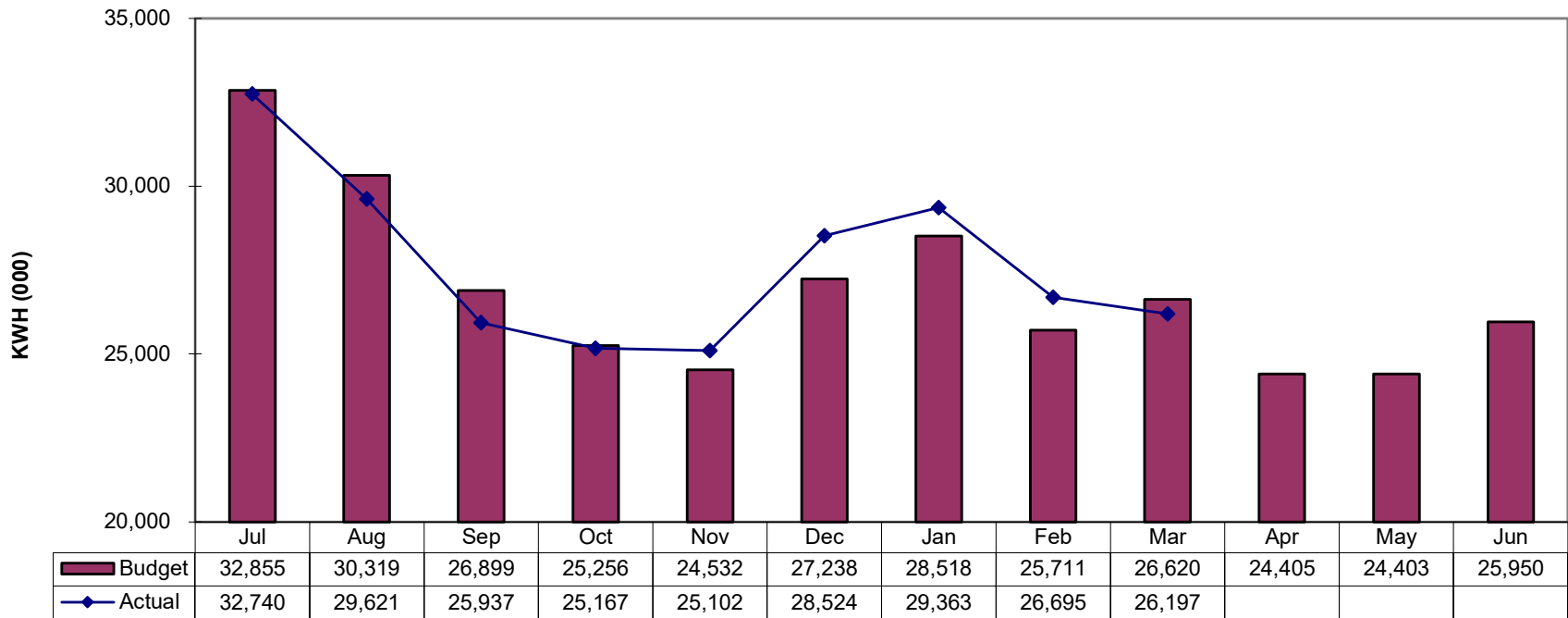
- (1) **Production** – Timing; projects at McNeil and W1 are under budget including NOx system catalyst replacement (\$72,000), well (\$185,000), woodchip dryer (\$627,000), voltage regulator (\$136,000), relay engineering study (\$92,500) and plate torque/embankment repair (\$403,600). Also, budget assumed \$50,000 for replacement rail cars in July vs \$0.
- (2) **Distribution** – Transformers under budget due to availability (\$723,000); timing of St. Paul Street underground (\$358,000), Deforest Rd (\$105,600), underground replacements (\$209,400), overhead rebuilds (\$135,000), GIS Pro upgrade (\$189,000) and ADMS (\$396,000) projects.
- (3) **General & Other** – Timing of IT Forward projects (\$1,080,000), VELCO Computer Hardware (\$263,000), Distributed Energy Resources Management System (\$244,000), EV charger installations (\$260,000), and electric forklift (\$137,700).

As of March 31, 2026	
Operating Cash and Investments	
Operating Funds	\$10,796,531
Operating Funds – CDs	\$989,120
CD/Money Market - GOB	\$2,672,973
Total Operating Cash	\$14,458,625

Credit Rating Factors – March 2026				
	"A"	"Baa"	Current	3 Year Average
Debt Service Coverage Ratio	1.25	1.25	4.88	4.59
Adjusted Debt Service Coverage Ratio	1.50	1.10	1.26	1.31
Cash Coverage - Days Cash on Hand	90	30		
- With \$10M Line of Credit			147	143
- Without Line of Credit			90	

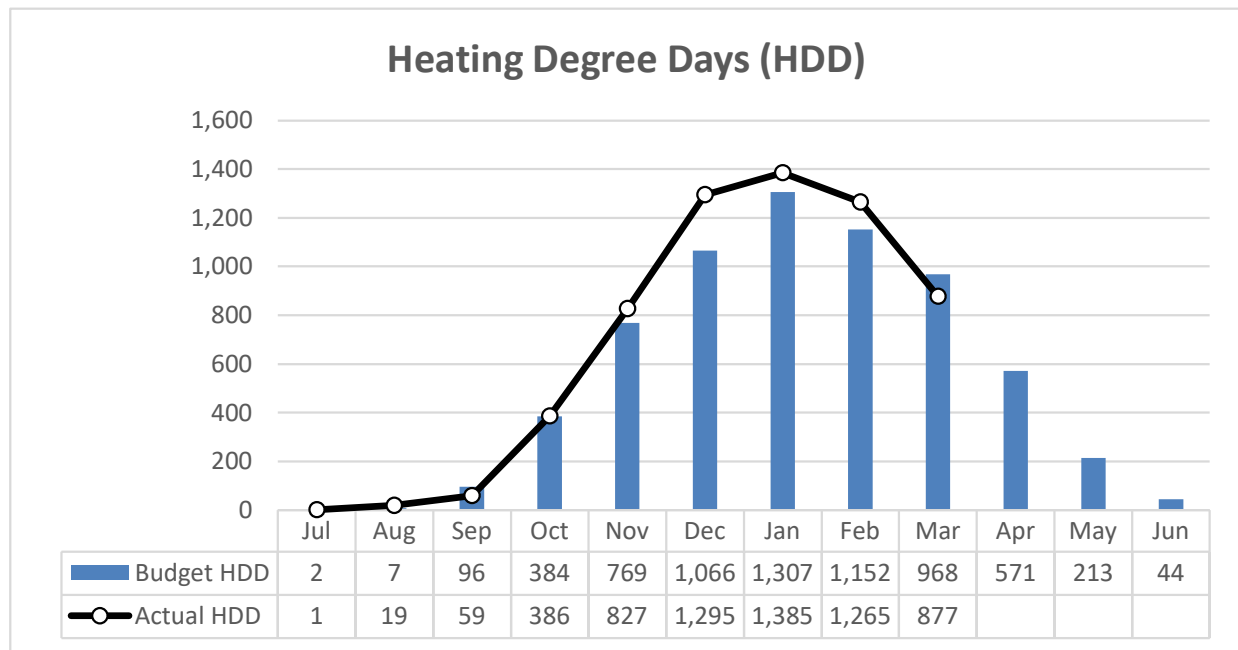
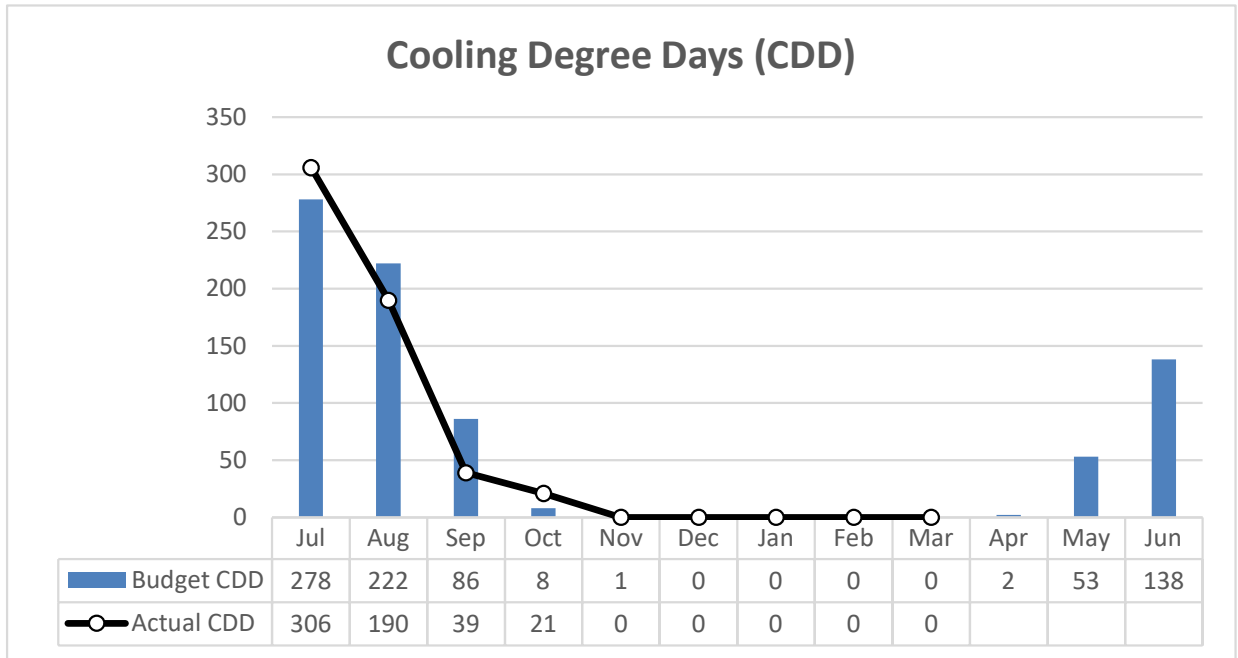
**Burlington Electric Department
Fiscal Year Ending June 30, 2026**

**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	62,361	88,298	113,465	138,567	167,091	196,454	223,149	249,345			

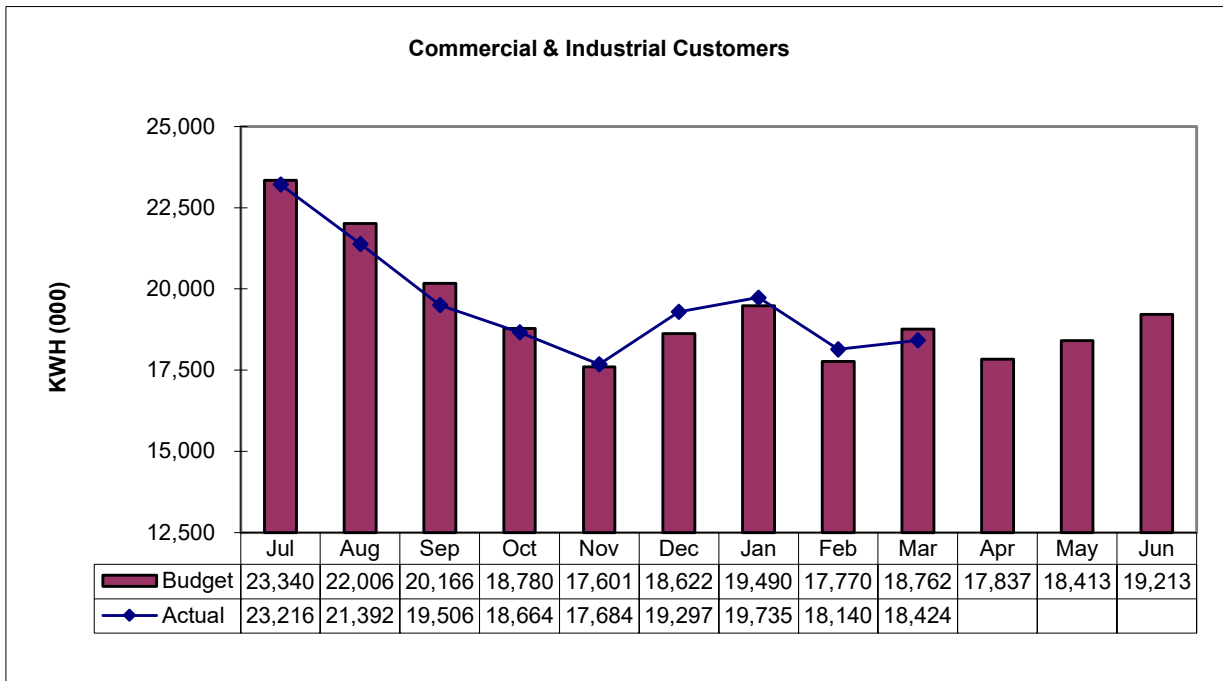
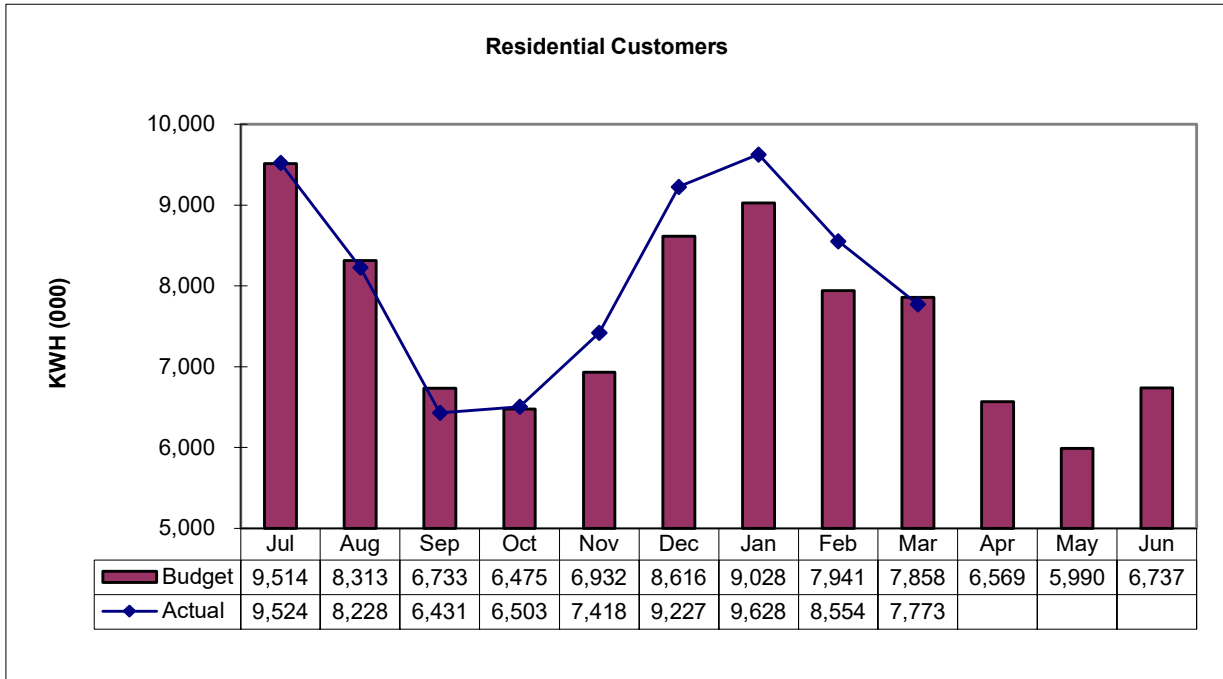
FY 2026



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	70	64	53	37	23	20	20	36			

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
March - FY 2026**

	(\$000)							
	Current Month			Year-to-Date				
	Budget	Actual	Variance	Budget	Actual	Variance		
Expenses:								
Fuel (p. 7)	\$862	\$1,081	(\$219)	(1)	\$8,620	\$7,108	\$1,512	(1)
Purchased Power (p. 11)	1,682	1,379	303	(2)	12,362	13,155	(793)	(2)
Purchased Power Adjustment (p 11)	43	43	(0)		390	390	(0)	
Transmission Fees - ISO-NE	759	805	(46)	(3)	6,878	7,140	(262)	(3)
Transmission Fees - VELCO	243	172	72	(4)	1,451	1,179	271	(4)
Transmission Fees - Other	98	89	9	(5)	741	690	50	(5)
Total Expenses	<u>3,687</u>	<u>3,570</u>	<u>118</u>		<u>30,441</u>	<u>29,663</u>	<u>778</u>	
Revenues:								
Renewable Energy Certificates - McNeil	0	0	0		3,618	3,450	(167)	
Renewable Energy Certificates - Wind	0	0	0		2,560	2,311	(249)	
Renewable Energy Certificates - Hydro	0	0	0		576	340	(236)	
Renewable Energy Certificates - Other	0	0	0		0	0	0	
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>		<u>6,754</u>	<u>6,101</u>	<u>(652)</u>	(6)
Net Power Supply Costs	<u>\$3,687</u>	<u>\$3,570</u>	<u>\$118</u>		<u>\$23,687</u>	<u>\$23,561</u>	<u>\$126</u>	
Load (MWh)	27,537	27,140	(397)		255,724	256,501	777	
\$/MWh	\$133.91	\$131.52	(\$2.38)		\$92.63	\$91.86	(\$0.77)	

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 under Budget.
- (5) NYPA Transmission under 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 under Budget.
- (5) NYPA Transmission under Budget.
- (6) REC sales under budget due to lower production in CY25.

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

	(\$000)							
	Current Month			Year-to-Date				
	Budget	Actual	Variance	Budget	Actual	Variance		
FUEL:								
McNeil	855	1,049	(194)	(1)	8,444	6,613	1,831	(1)
Gas Turbine	6	31	(25)	(2)	175	495	(320)	(2)
Total Fuel	<u>862</u>	<u>1,081</u>	<u>(219)</u>		<u>8,620</u>	<u>7,108</u>	<u>1,512</u>	

Current Month:

(1) McNeil production 18% over Budget. Wood Price Per Ton 6% under Budget. (p. 8)

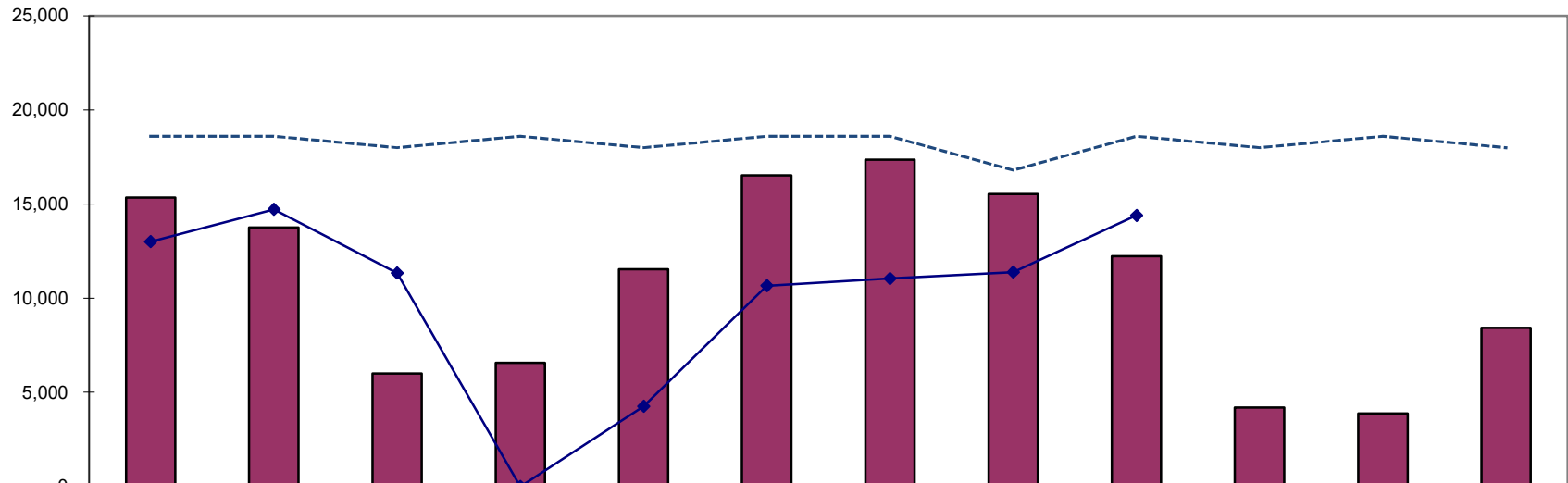
(2) GT production (40 MWh) 159% over Budget. Primarily ran for reserve auditing.

YTD:

(1) McNeil production 21% under Budget. Wood Price Per Ton 6% under Budget. (p. 8)

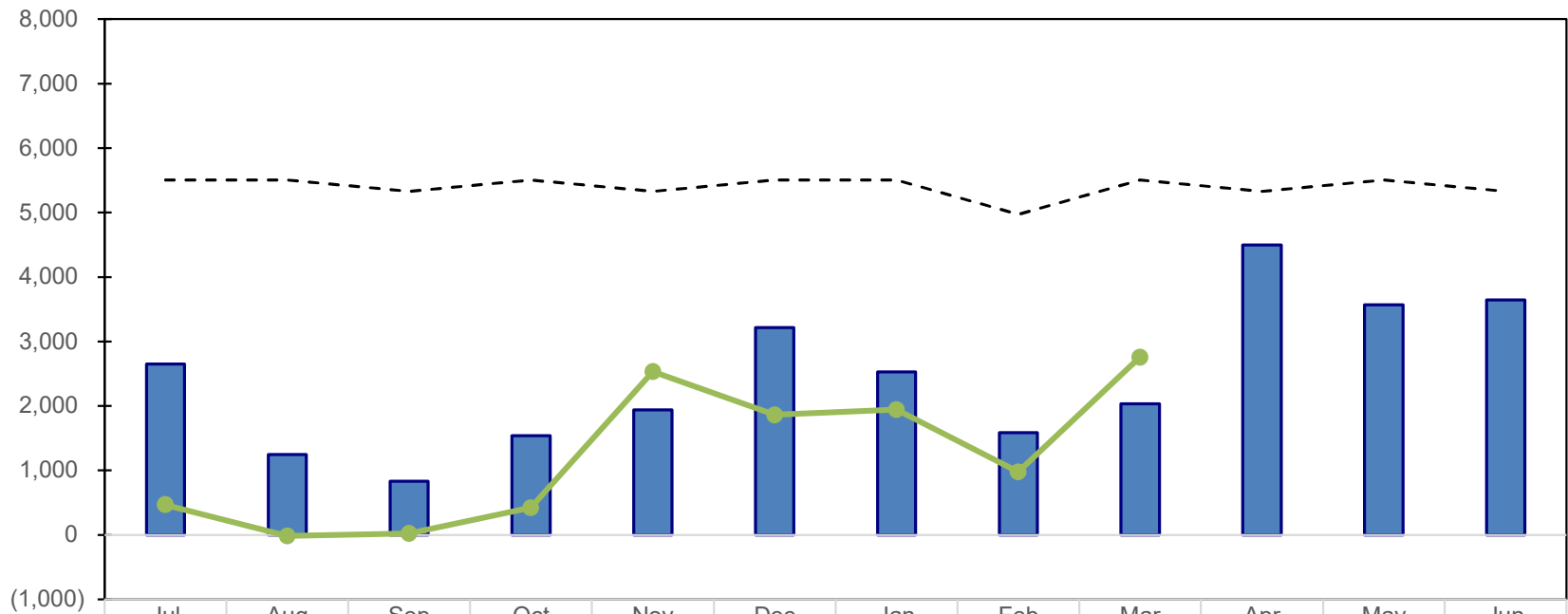
(2) GT production (1,048 MWh) 249% over Budget. Budget includes \$50,000 in July for R99 testing.

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



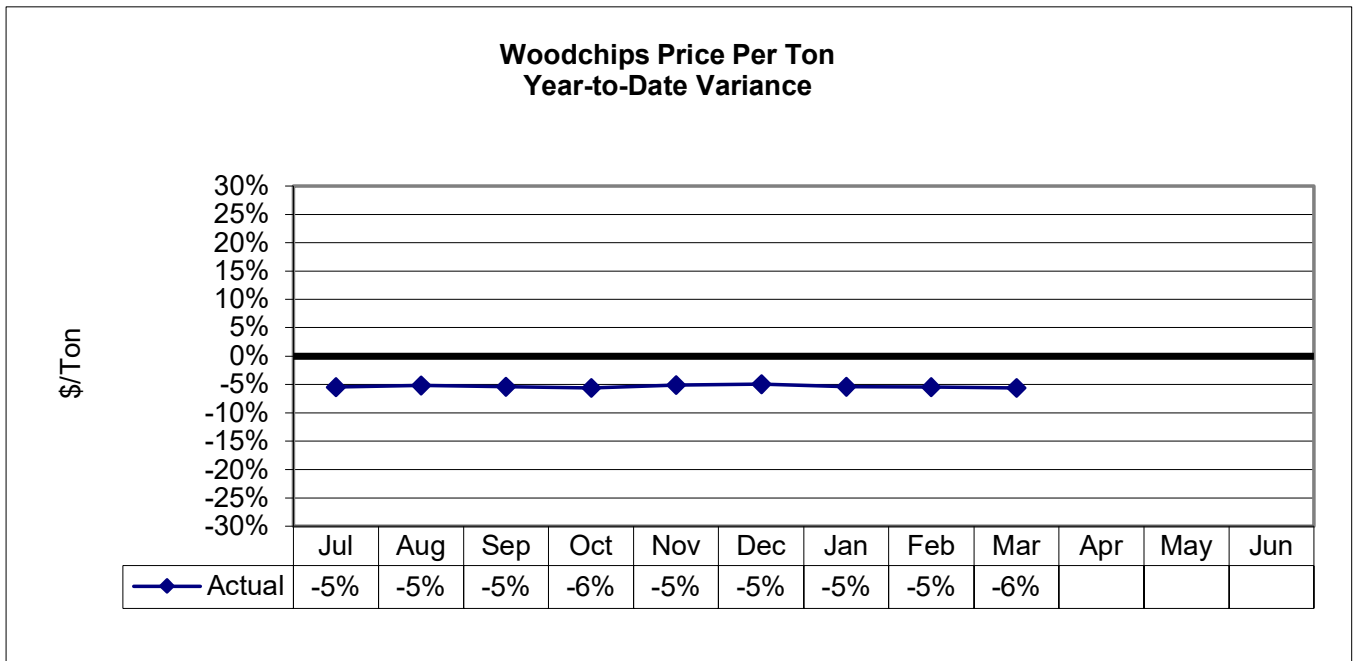
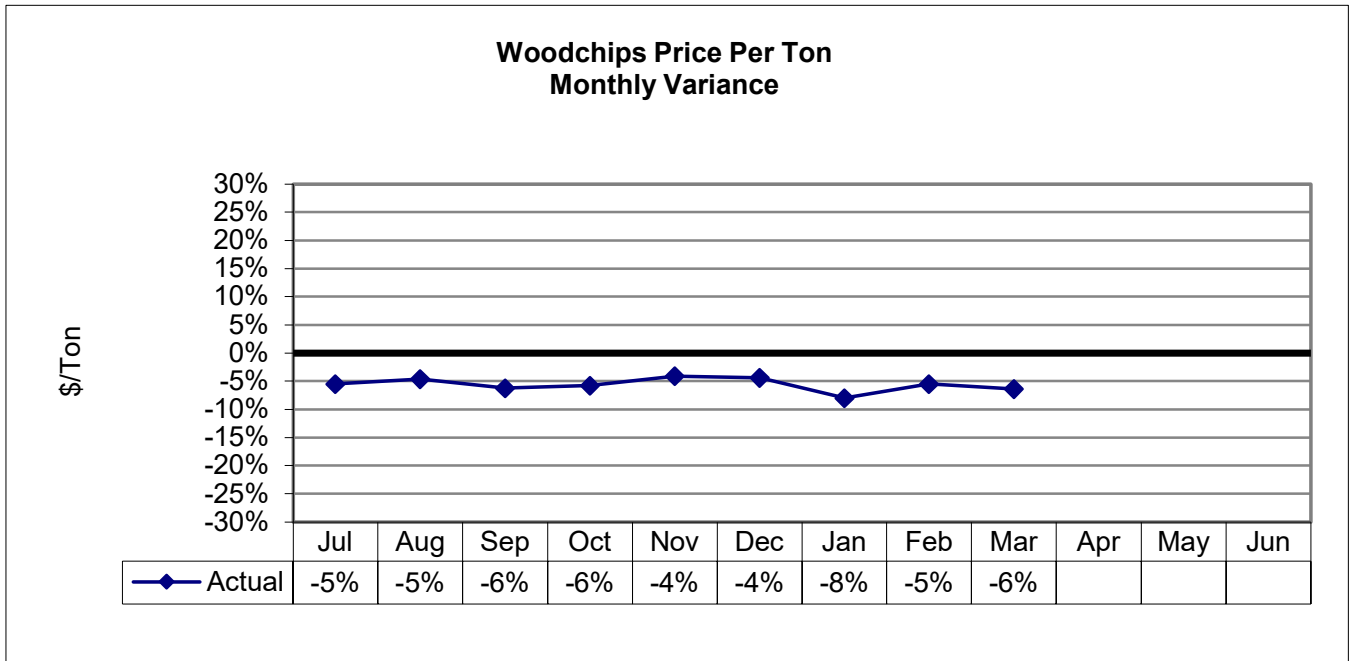
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Budget	15,353	13,749	6,000	6,573	11,538	16,538	17,347	15,544	12,227	4,199	3,875	8,431
Actual	13,005	14,717	11,344	0	4,265	10,671	11,054	11,390	14,402			
Maximum	18,600	18,600	18,000	18,600	18,000	18,600	18,600	16,800	18,600	18,000	18,600	18,000

**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	(13)	23	425	2,536	1,863	1,947	981	2,759			
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
March - FY 2026**

	(\$000)						
	Current Month			Year-to-Date			
	Budget	Actual	Variance	Budget	Actual	Variance	
<u>PURCHASED POWER:</u>							
Non-Energy (capacity)	75	42	33 (1)	743	206	537 (1)	
Energy:							
Georgia Mountain Wind	284	302	(18) (2)	2,553	2,382	171 (2)	
Hancock Wind	354	297	56 (3)	2,325	2,089	236 (3)	
VT Wind	296	229	67 (4)	1,922	1,298	625 (4)	
Brookfield	0	0	0 (5)	0	449	(449) (5)	
Hydro Quebec	341	330	11 (5)	2,849	2,796	53 (6)	
In City Solar Generators	84	68	16 (6)	571	551	20 (6)	
NYPA	7	8	(1) (4)	56	60	(4) (5)	
ISO Exchange	(76)	(331)	254 (7)	(1,008)	2,001	(3,009) (7)	
ISO Exchange Adjustment	43	43	(0) (**)	390	390	(0) (**)	
FirstLight	0	0	0 (8)	1,015	475	539 (8)	
Velco Exchange	0	(1)	1 (8)	0	(8)	8 (8)	
Relevate	0	162	(162) (9)	0	162	(162) (9)	
Total Energy	1,332	1,109	224	10,674	12,646	(1,972)	
Ancillary Charges	(8)	(76)	67 (9)	(1)	(667)	666 (10)	
VT RES Tier 1 Compliance Expense	262	286	(24)	785	752	32	
Renewable Energy Credit Purchase	0	0	0	0	0	0	
Miscellaneous-Other	64	62	2 (11)	553	609	(56) (11)	
Total Purchased Power Expense	1,726	1,423	303	12,753	13,545	(793)	

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) Capacity Obligation under Budget.
- (2) Production 6% over Budget.
- (3) Production 16% under Budget.
- (4) Production 23% under Budget.
- (5) Rate 3% under Budget.
- (6) Production under Budget.
- (7) Production (McNeil (18%) and Winooski One (36%)) over Budget.
- (8) New Contract not in Budget.
- (9) Reserve revenues over Budget.

YTD:

- (1) Includes credit from Pay for Performance events.
- (2) Production 7% under Budget.
- (3) Production 10% under Budget.
- (4) Production 27% under Budget. Financial Settlements under Budget.
- (5) Short-Term purchase not in Budget.
- (6) Rate 2% under Budget.
- (7) Production (McNeil (21%), Winooski One (37%), FirstLight (53%), and Wind (15%)) under Budget.
- (8) Production 53% under Budget.
- (9) New Contract not in Budget.
- (10) Reserve revenues over Budget.
- (11) ISO-NE Misc. over Budget.

Burlington Electric Department					
Operating and Maintenance Expense by Spending Category					
FY 2026 - March YTD					
				%	
	Budget	Actual	Variance	Variance	*
Labor-Regular	6,960,267	7,168,668	(208,401)	3%	a
Labor-Overtime	333,331	467,731	(134,400)	40%	b
Labor-Temporary	19,500	42,610	(23,110)	119%	c
Labor-Overhead	3,003,503	3,066,169	(62,665)	2%	d
Outside Services	2,338,578	2,273,882	64,696	3%	
DSM (rebates & outside services)	1,544,474	1,602,134	(57,660)	4%	e
Materials & Supplies	838,274	590,790	247,484	30%	f
Insurance	562,394	485,202	77,192	14%	
A & G Clearing	(936,834)	(563,828)	(373,005)	40%	g
Other - RES Tier 3 Compliance	780,553	511,650	268,903	34%	
Other	2,171,657	2,483,131	(311,474)	14%	h
Operating & Maintenance Expense	17,615,698	18,128,139	(512,441)	3%	

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

(b) McNeil, \$121,283, Dispatch, \$14,811, and Engineering, \$14,281 higher than planned.

(c) Temporary help at McNeil Plant, in Customer Care and in Finance.

(d) See page 13.

(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 projects.

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

(h) Various areas are higher than budget including Maintenance Contracts (\$123,000), Rentals and Leases (\$57,800), Uncollectible Accounts (\$188,300), and other miscellaneous (\$160,000); offset by areas lower than budget including Education & Training (\$69,400), Transportation Clearing (\$160,500), and Advertising (\$19,000).

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

Labor - Overhead	(000's)			%	
	Budget	Actual	Variance		
Pension	\$1,385	\$1,336	\$49	4%	(a)
Medical Insurance	\$1,826	\$1,763	62	3%	(b)
Social Security Taxes	\$842	787	54	6%	(c)
Workers Compensation Ins.	\$331	331	0	0%	(b)
Dental Insurance	\$73	71	1	2%	(b)
Life Insurance	\$16	14	2	15%	(b)
Childcare Contribution Tax	\$48	42	7	14%	(d)
	\$4,521	\$4,345	\$176	4%	

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. Budget 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.

(c) Function of labor cost.

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

Net Income
FY 2026 - March (\$000)

	Ref	Current Month			Year - To - Date		
		Budget	Actual	Variance	Budget	Actual	Variance
Operating Revenues							
Sales to Customers	p.3	5,143	5,262	119	45,302	46,511	1,209
Other Revenues		341	207	(134) (a)	3,193	2,541	(653) (a)
Power Supply Revenues	p.6	0	0	0	6,754	6,101	(652) (b)
Total Operating Revenues		<u>5,485</u>	<u>5,469</u>	<u>(16)</u>	<u>55,249</u>	<u>55,153</u>	<u>(96)</u>
Operating Expenses							
Fuel	p.6	862	1,081	(219)	8,620	7,108	1,512
Purchased Power	p.6	1,726	1,423	303	12,753	13,545	(793)
Transmission	p.6	1,100	1,066	34	9,069	9,010	59
Operating and Maintenance	p.12	1,894	2,020	(126)	17,616	18,128	(512)
Depreciation & Amortization		495	558	(63)	4,457	4,798	(340)
Revenue Taxes		55	54	1	517	522	(6)
Property Taxes Winooski One		27	25	2 (b)	246	224	22 (c)
Payment In Lieu of Taxes		221	209	12 (c)	1,992	1,866	126 (d)
Total Operating Expenses		<u>6,379</u>	<u>6,435</u>	<u>(56)</u>	<u>55,268</u>	<u>55,200</u>	<u>68</u>
Other Income and Deductions							
Interest/Investment Income		36	59	23	346	501	155
Dividends		375	376	1	3,369	3,368	(1)
Customer Contributions/Grant Proceeds		207	50	(157) (d)	957	1,409	452 (e)
Gain/(Loss) on Disp of Plant		0	0	0	(336)	(48)	288
Other		8	24	17	28	(70)	(99) (f)
Total Other Income & Deductions		<u>626</u>	<u>509</u>	<u>(116)</u>	<u>4,365</u>	<u>5,160</u>	<u>795</u>
Interest Expense		256	333	(77)	2,318	2,357	(39)
Net Income		<u>(526)</u>	<u>(790)</u>	<u>(265)</u>	<u>2,028</u>	<u>2,755</u>	<u>728</u>

Current Month:

- (a) Energy Efficiency Program cost reimbursement was lower than planned, (\$150,000). Timing of \$15,300 Winooski One fish billing, budgeted for \$12,000 in February.
- (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 Great Street-Main Street (\$111,300) and OH/UG billable (\$31,900); grant income for Building GIANTS (\$31,000) and Distributed Energy Resources Management System project (\$33,000). Actual includes \$0 in customer contribution and grant income for Building GIANTS (\$1,400), Distributed Energy Resources Management System (\$4,700), and APPA (\$44,000).

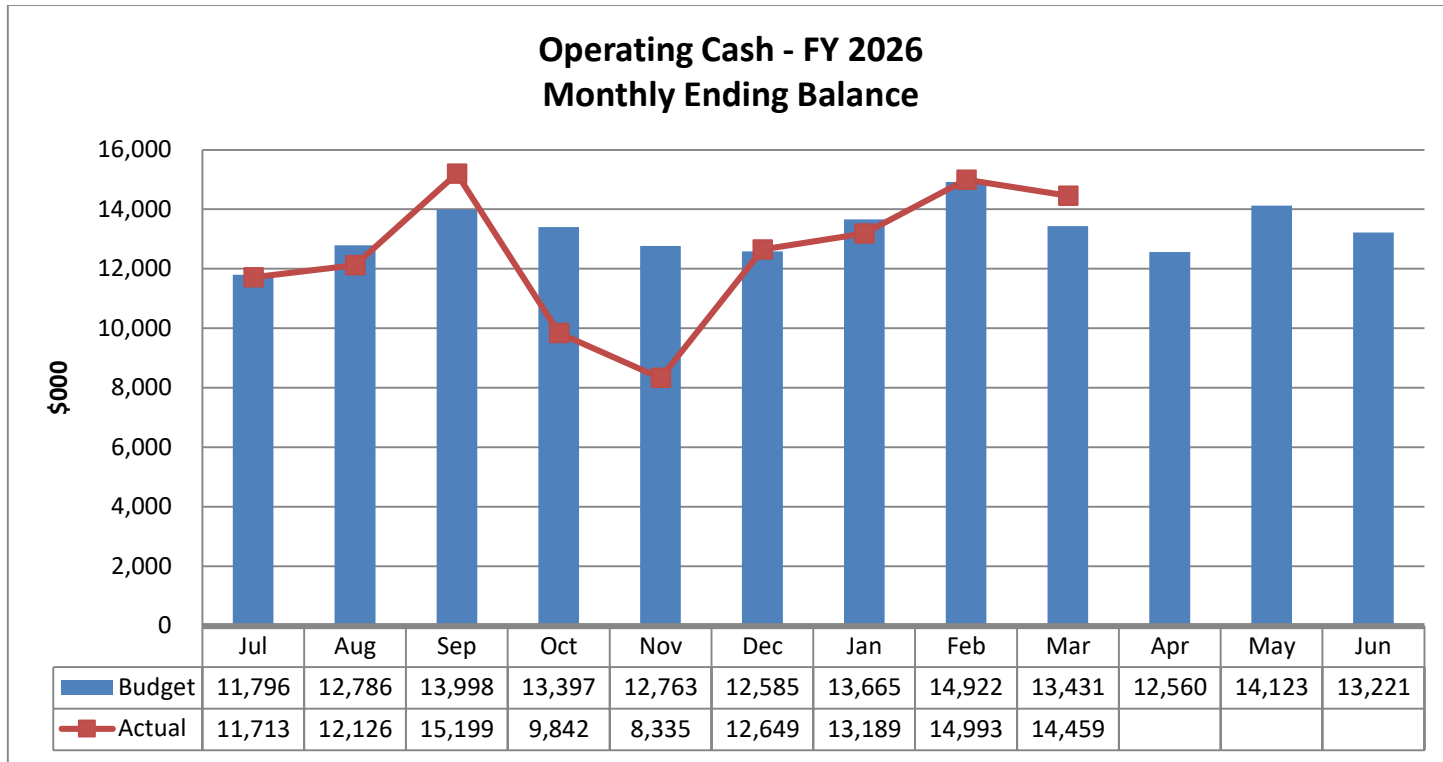
Year - To - Date:

- (a) Energy Efficiency Program cost reimbursement was lower than planned, \$623,800.
- (b) REC sales under budget due to lower McN, wind, and hydro production in CY 2025.
- (c) Actual Winooski One tax bill is lower than budget assumption by \$29,700 for the year.
- (d) Actual Payment in Lieu of Tax (PILOT) is lower than budget assumption by \$162,300 for the year.
- (e) Budget includes customer contributions for Champlain Pkwy (\$238,100), OH/UG billable (\$148,900), and Great Street-Main Street (\$111,300); and grant income for Building GIANTS (\$255,200), and Distributed Energy Resources Management (\$203,700). Actual includes customer contribution for Champlain Parkway (\$186,500), and OH & UG billable (\$384,000); and grant income for Building GIANTS (\$22,400), Distributed Energy Resources Management, and various other grant income (\$588,800).
- (f) Timing of jobbing unfavorable, (\$170,500). Miscellaneous non-operating income favorable, \$79,000.

Capital Projects - FY26	Full Yr Budget	March (\$000)		
		Budget	Actual	Variance
McNeil Plant (BED 50% Share)				
Analyzer Upgrades for Chemical Treatment	9	9		9
Appliances	1	1		1
Ash Silo Pug Mill/Auger Upgrade (312)	13	13	4	9
Augers Replaced	30	15		15
Catalyst Replacement for Nox System (312)	150	150	78	72
CEMS Server Upgrade (312)	15	0	15	-15
Cooling Tower Timber Replacement	84	84	109	-25
Demineralization Resin	20	0		0
Disk Screen	15	15		15
Energy Efficiency Improvements (311)	3	2		2
ESP Mechanical Field Rebuild	300	60	12	48
Farmhouse Improvements (311)	9	0		0
Freight Elevator Geared Equipment and Controls (311)	180	0	0	0
Furniture-Farmhouse (391)	1	1		1
Furniture-McNeil (391)	1	1		1
IT Forward - FIS Replacement (McNeil)	37	19		19
IT Forward - Work & Asset Management (McNeil)	22	11		11
Live Bottom Rebuild	139	139	177	-38
Major Turbine Overhaul	0	0	1	-1
McNeil Relay Engineering Study (315)	134	94	1	92
Network Infrastructure - McNeil Switches	7	7	2	5
Opacity Replacement (312)	20	0	13	-13
Perimeter Fence Upgrade (311)	2	1	3	-1
Portable Radio Upgrade	0	0		0
Reclaimer Rebuild (312)	0	0	12	-12
Replacement Rail Cars (312)	50	50		50
Replacement Scale PC in Swanton	2	2		2
Rigging Equipment (316)	5	4	1	3
Routine Station Improvements 1	187	112	3	109
Routine Station Improvements 2	0	0	8	-8
RSCR Heat Sink Replacement		0		0
Safety Valve Replacements (312)	25	19		19
Shredder Upgrade (312)	100	0		0
Station Tools & Tool Boxes (312)	8	6	5	1
Switchgear & Station Upgrades (315)	2	0	1	-1
Transportation Equipment	0	0	2	-2
Turbine Blade Payment		0	44	-44
Well New (311)	185	185		185
Woodchip Dryer (1 of 3) (312)	626	626	-1	627
McNeil Plant (BED 50% Share) Total	2,380	1,624	488	1,136
Hydro Production Plant	1,926	1,796	1,195	601
Gas Turbine Plant	175	144	33	110
Other				
585 Fleet EV Chargers	115	115	3	112
585 Fleet EV Charging Design Study	25	25		25
Direct Current Fast Chargers (Level 3)	159	40	72	-32
Distributed Energy Resources	34	29		29
Distributed Energy Resources Management System	244	244		244
EV Charger Installations (Level 2)	264	159	11	148
EV Chargers/Staging Plan	0	0	46	-46
P&P R&D	26	23		23
Other Total	868	634	132	502

Capital Projects - FY26	Full Yr Budget	March (\$000)		
		Budget	Actual	Variance
Transmission Plant	222	222	230	-8
Distribution Plant - Aerial				
Bayview St Rcdnt P896-851	0	0	0	0
Crombie St Rebuild	0	0	0	0
Curtis Ave Rebuild	0	0	1	-1
Deforest Road Rebuild	493	493	388	106
Dunder Road Rebuild	0	0	22	-22
Foster St. Secondary Replacement P133-142	0	0	1	-1
Ledge Rd Rebuild	0	0	0	0
NZE Transfer Load Between 1L1 to L14	210	105	33	73
Rebuild 1L4 from Poles P838 to P2795	173	173	38	135
Rebuild Howard Street Pole P655 to P836	41	41	1	41
Rebuild Plattsburgh Ave Poles P3762 to P3752	40	40	20	20
Rebuild St Paul Street Pole P1004 to P1011	27	27	2	25
Rebuild Wells Street Pole P191 to P183	25	25	2	23
Replace Condemned Poles	210	126	115	11
S Cove Rd East Rebuild	0	0	81	-81
South Cove Road West Rebuild	0	0	95	-95
Distribution Plant - Aerial Total	1,220	1,031	798	234
Distribution Plant - Underground				
621/622CB Cap Bank Repair	0	0	30	-30
Battery Street Replacement	0	0	2	-2
Given Transfer Switch	0	0	8	-8
Rebuild UG St. Paul Street (Bank St to Cherry St)	358	358		358
Replace 2L3 from UH303 to 929S	698	698	488	209
Replace UG to UVM Aiken Center	18	18		18
St. Paul St. Rebuild (Bank to)	0	0	1	-1
Distribution Plant - Underground Total	1,073	1,073	529	544
Distribution Plant - Customer Driven/City Projects				
Champlain Parkway (CAFC)	-340	-238	-187	-52
Champlain Parkway-Billable	400	280	114	166
City Place Streetlighting	195	0	41	-41
City Place Streetlighting (CAFC)	-104	0		0
Great Street-Main Street	621	124	491	-366
Great Street-Main Street (CAFC)	-557	-111		-111
Intervale Rd Ut Relocation	0	0	3	
Winooski Bridge Rebuild	34	0	7	-7
Winooski Bridge Rebuild (CAFC)	-34	0		0
Distribution Plant - Customer Driven/City Projects Total	215	55	469	-411
Distribution Plant - Other				
774R Transformer Recloser replace	0	0	4	-4
861S Switch Sensor Install	0	0	15	-15
Communication Equipment Emergency Repair	16	13	9	5
Distribution Transformers-Install	11	8	27	-18
Distribution Transformers-Purchase	1,445	1,445	723	723
Fiber Optical Time Domain Reflectometer Unit (OTDR)	12	12		12
Lake Street Battery Bank Replacement	41	41	24	18
Replace Failed 920S/921S/922S Switch	63	0		0
Replace Fiber Optic Cable East Ave Sub	0	0	18	-18
SCADA ADMS Upgrade (Phases 3/4)	1,204	843	447	396
SCADA Equipment	0	0	1	-1
SCADA Field Equipment Replacement	64	54	37	17
SCADA Servers, PCs and Monitors	0	0	16	-16
SCADA Video Display	0	0	0	0
Upgrade ArcFM to GIS Pro	318	191	2	189
USamp Upgrade	7	7	6	1
Distribution Plant - Other Total	3,181	2,615	1,329	1,287

	Full Yr	March (\$000)		
		Budget	Actual	Variance
Capital Projects - FY26				
Distribution Plant - Blanket - Aerial	105	82	114	-33
Distribution Plant - Blanket - Underground	189	111	-166	277
Distribution Plant - Blanket - Meters	133	109	58	51
Distribution Plant - Blanket - Lighting	217	153	203	-50
Distribution Plant - Blanket - Other				
SCADA Field Equipment	12	10	0	10
Substation Camera Replacement	15	15		15
Substation Maintenance	18	15		15
Tools & Equipment - Distribution/Technicians	40	36	35	1
Distribution Plant - Blanket - Other Total	85	76	35	41
General Plant - Computer Equipment/Software	2,724	2,298	702	1,596
General Plant - Vehicle Replacements	309	309	150	159
General Plant - Buildings & Grounds	179	179	23	156
General Plant - Other				
Office Furniture	0	0	1	-1
General Plant - Other Total	0	0	1	-1
General Plant - Other Equipment				
AED Purchase (5)	11	11		11
Gas Detectors (4)	6	6		6
General Plant - Other Equipment Total	16	16		16
Grand Total	15,218	12,528	6,323	6,208



Notes: Operating Cash = Operating + GOB Funding



To: Burlington Electric Commission

From: Emily Stebbins-Wheelock, CFO and Manager of Strategy & Innovation

Date: May 13, 2026

Re: Agenda items 8-11

8. Line of credit extension (discussion)

The Department intends to extend its \$10 million line of credit with M&T Bank for 2 years. This would extend the line's maturity from June 24, 2027 to June 24, 2028. M&T Bank has offered to extend the line at the same terms and conditions, with the exception of an increase of 2.5 basis points in the unused line fee (from 0.10% to 0.125%). This would increase BED's cost of the line by approximately \$2,500 annually. Per the line of credit agreement, the Chief Administrative Officer may approve the renewal.

9. FY27 general obligation bond borrowing (discussion and vote)

Per City charter, the City may issue up to \$3 million in general obligation bonds annually for electric plant capital improvements, contingent on the Electric Commission approval. Once approved, the proposal goes to the City Council for inclusion in the City's annual general obligation bond issuance, which usually occurs in the fall. The Department has assumed issuance of \$3 million in general obligation bonds in the FY27 budget.

Motion: To recommend to the Board of Finance and the City Council to authorize and direct the Chief Administrative Officer to pledge the credit of the City by issuing general obligation bonds or a bond anticipation note in the amount of \$3,000,000 for the 2027 fiscal year for capital improvements, additions, and replacements for the efficient and economical operation of the electric department.

10. FY27 rate change (discussion and vote)

The Department is proposing a 2.99% across-the-board rate increase as part of the FY27 budget. Staff will present additional information about BED's rates relative to inflation and other utilities and the estimated impact on customer bills at the meeting.

Motion: To recommend that the Board of Finance and the City Council authorize the Department to file an across-the-board rate case with the Vermont Public Utility Commission in the amount of 2.99% on bills rendered on or after September 1, 2026.

Burlington Electric Department
585 Pine Street Burlington, VT 05401
burlingtonelectric.com
Phone (802) 865-7300

11. FY27 budget (discussion and vote)

Your packet includes a detailed FY27 budget presentation. Staff will present a high-level summary of the budget at the meeting.

Motion: To approve the Department's Fiscal Year 2027 Capital and Operating Budgets as presented.



Proposed Budget

Fiscal Year 2027
July 1, 2026 to June 30, 2027

Burlington Electric Commission
May 13, 2026

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Burlington Electric Department
Budget for the Year Ending June 30, 2027

Key Assumptions

Revenues

- Rate increase of 2.99%, effective on bills rendered September 1, 2026
- No increase in kWh sales
- Total sales to customers up \$2.9 million
- Renewable Energy Credit (REC) revenues \$749,000 lower than FY26 primarily due to lower volumes
 - McNeil RECs, \$4.4 million (FY26 - \$4.9 million)
 - Wind RECs, \$2.9 million (FY26 - \$3.5 million)

Expenses

- Wood fuel cost down \$670,000 compared to FY26 due to decreased production; price/ton of \$33.25 (FY26 budgeted avg. was \$33.22)
- Purchased power expenses down \$531,800 compared to FY26; assumes replacement 10-year renewable energy contract starting 7/1/26 at levelized forward energy prices with VT-1 RECs included
 - Includes PUC-approved annual amortization of shortfall between the winter 2022-23 forward vs. actual energy prices of \$4.16 million over eight years
- Transmission costs up \$801,900 compared to FY26; includes impact of FERC ROE order
- Labor assumes COLA, merit increases, and tiering adjustments
- Year-end pension liability adjustment of \$1,000,000

Capital

- Total capital budget of \$10.6 million (net of \$267,500 of anticipated customer contributions):
 - Distribution, \$5.7 million
 - McNeil Plant, \$1.5 million
 - Other generation, \$1.4 million
 - IT software and hardware, \$1.7 million
 - EV charging, \$496,000
 - Other general plant, \$224,000

Cash/Financing

- Beginning cash balance of \$13.4 million
- \$3 million general obligation bond
- \$9.5 million from 2026 revenue bond Construction Fund
- \$834,800 in anticipated grant income
- Projected ending cash balance of \$16.1 million

Net Income & Credit Rating Metrics

- Net operating loss of \$2.3 million
- Net income of \$722,400
- 3.93 Revenue Debt Service Coverage Ratio
Target = >1.25
- 1.14 Adjusted Debt Service Coverage Ratio
Target = 1.5
- 149 Days Cash on Hand, including \$10 million Line of Credit
Target = 90

Burlington Electric Department
Budget for the Year Ending June 30, 2027
Income Statement (000s)

	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
OPERATING REVENUES:					
Sales to Customers	\$50,533	\$54,017	\$57,195	\$58,940	\$61,823
Misc Revenues - Power Supply	7,470	6,778	7,441	9,397	8,648
Misc Revenues - Other	4,934	3,314	3,191	4,331	3,311
Total Operating Revenues	<u>62,937</u>	<u>64,108</u>	<u>67,827</u>	<u>72,668</u>	<u>73,783</u>
OPERATING EXPENSES:					
Fuel	8,416	7,105	7,747	10,165	9,494
Purchased Power	13,585	16,818	18,661	17,432	16,900
Transmission Expense	9,336	9,653	10,458	11,993	12,794
Operation and Maintenance	22,639	23,139	22,534	24,692	26,279
Depreciation & Amortization	6,176	6,398	6,779	5,943	6,516
Gain/Loss on Disp of Plant	116	129	62	346	443
Taxes	3,207	3,396	3,437	3,660	3,643
Total Operating Expenses	<u>63,476</u>	<u>66,638</u>	<u>69,677</u>	<u>74,230</u>	<u>76,071</u>
NET OPERATING INCOME	(538)	(2,530)	(1,850)	(1,562)	(2,288)
OTHER INCOME & DEDUCTIONS:					
Dividends	4,400	4,533	4,505	4,494	4,695
Interest Income	502	812	664	466	920
Grants/Capital Contributions	721	1,283	2,080	1,847	1,102
Other Income, Net	6	497	153	34	52
Total Other Income/Deductions	<u>5,628</u>	<u>7,125</u>	<u>7,402</u>	<u>6,841</u>	<u>6,769</u>
INCOME BEFORE INTEREST EXPENSE	<u>5,089</u>	<u>4,596</u>	<u>5,552</u>	<u>5,279</u>	<u>4,482</u>
INTEREST EXPENSE	3,450	3,345	3,151	3,087	3,759
NET INCOME (LOSS)	<u>\$1,639</u>	<u>\$1,251</u>	<u>\$2,401</u>	<u>\$2,192</u>	<u>\$722</u>

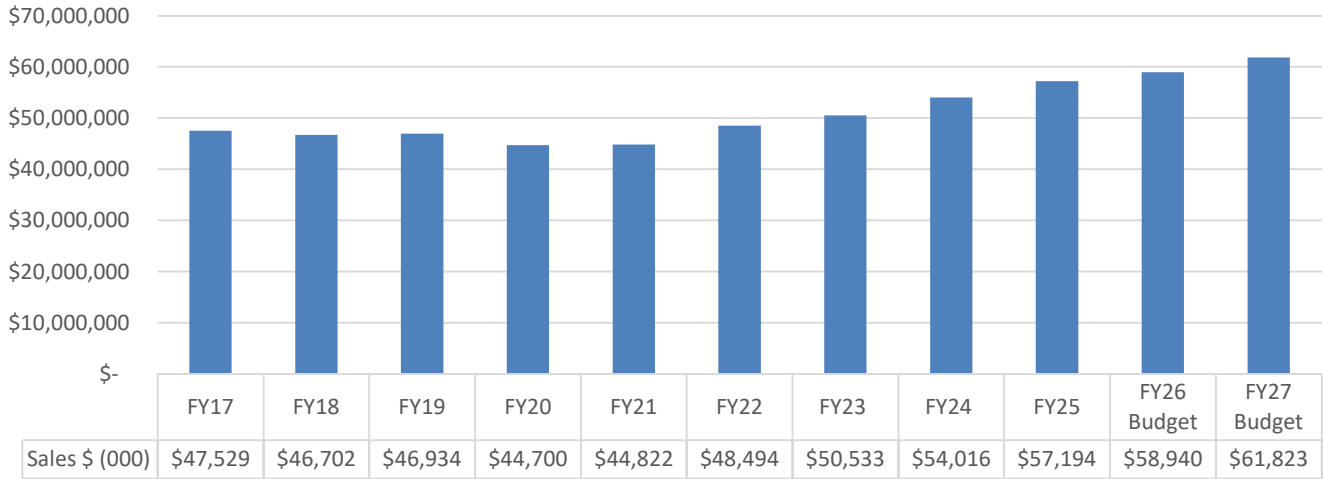
**Burlington Electric Department
Budget for the Year Ending June 30, 2027
Sales to Customers**

(000s)	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
Revenue:					
Residential	\$15,215	\$16,266	\$17,693	\$18,251	\$19,033
Commercial / Industrial	34,505	36,894	38,590	39,743	41,828
Streetlights	683	724	777	805	822
Private Area Lighting	129	132	135	141	140
Total Sales to Customers	\$50,533	\$54,017	\$57,195	\$58,940	\$61,823
KWH:					
Residential	86,758	88,300	91,543	90,707	90,707
Commercial / Industrial	227,500	231,039	228,852	229,339	229,339
Streetlights	2,054	2,057	2,066	2,084	2,004
Private Area Lighting	623	592	602	577	566
Total Sales to Customers - KWH	316,935	321,988	323,062	322,708	322,616
Revenue Per KWH:					
Residential	\$0.18	\$0.18	\$0.19	\$0.20	\$0.21
Commercial / Industrial	0.15	0.16	0.17	0.17	0.18
Streetlights	0.33	0.35	0.38	0.39	0.41
Private Area Lighting	0.21	0.22	0.22	0.24	0.25
Total Sales to Customers - Revenue Per KWH	0.16	0.17	0.18	0.18	0.19

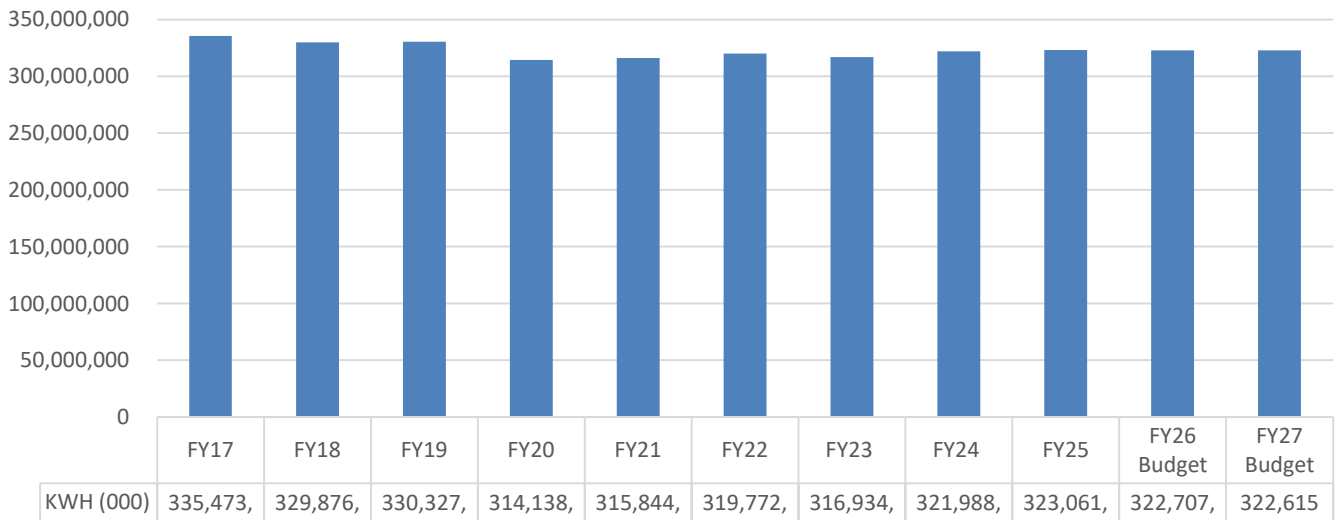
Assumptions:

- "Average" weather conditions based on last 10 years of actuals.
- Rate increase of 2.99%, effective bills rendered September 1, 2026.

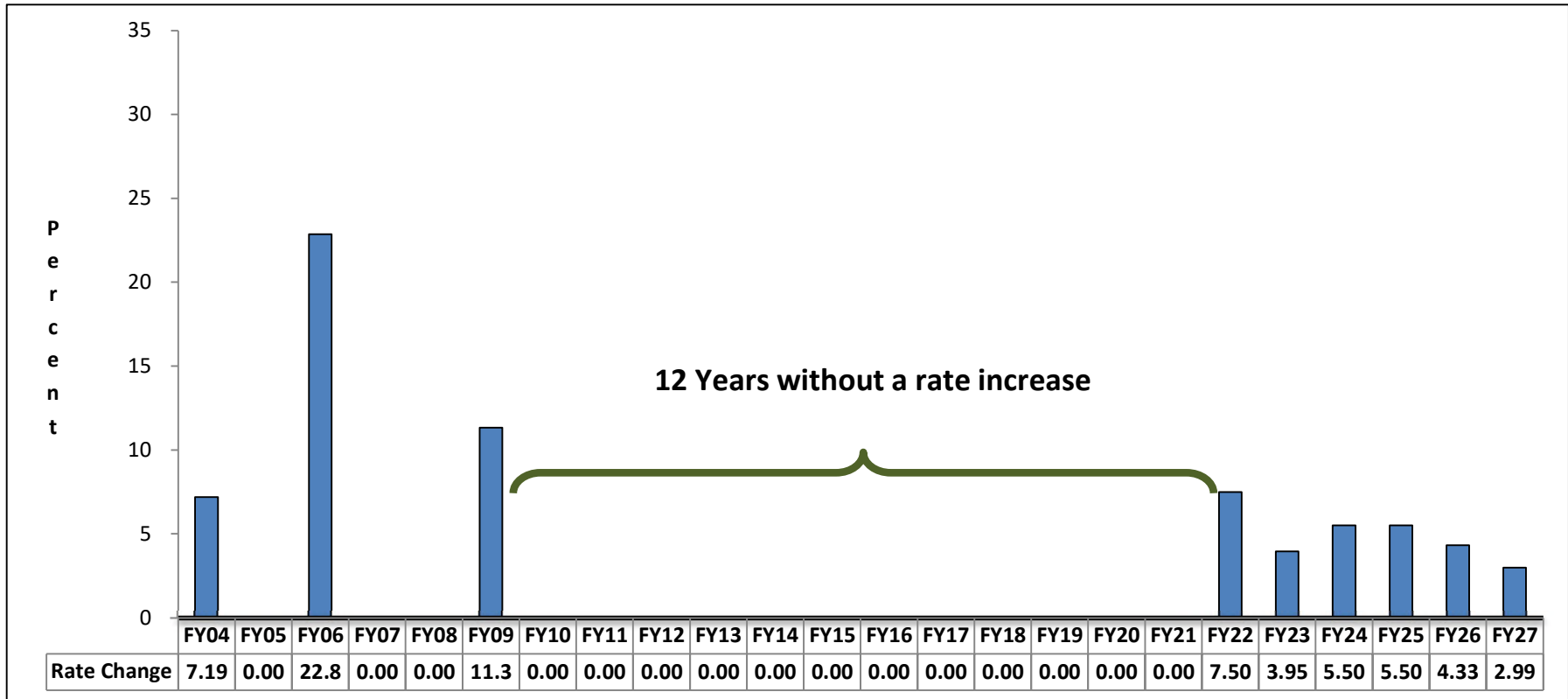
Total Sales to Customers Revenues



Total kWh Sales



**Burlington Electric Department
Rate Filing History**



7.19% January 2004; 22.86% May 2006; 11.33% June 2009; 7.5% August 2021; 3.95% August 2022; 5.5% September 2023; 5.5% September 2024; 4.33% September 2025; 2.99% proposed September 2026.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Miscellaneous Electric Revenues	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
Forfeited Discounts					
Late Payment Fees	\$90,728	\$54,550	\$43,358	\$64,300	\$47,700
Miscellaneous Service Revenues					
Initial Service Fees	181,260	173,085	176,146	179,900	55,900
Reconnection Fees	3,595	4,475	9,735	3,000	6,600
Power Problem Investigation Fees				0	1,200
Solar/Grid Meter Fees	5,100	3,400	1,950	4,400	2,400
Disco/Reco Fees					150,000
Returned Check Fees	1,740	1,860	1,900	1,800	3,900
Temporary Service Fees	535	0	535	1,600	1,800
Meter Removal/Replacement Fees	380	670	475	900	6,600
Total Misc Service Revenues (1)	192,610	183,490	190,741	191,600	228,400
Rent from Electric Property					
Pole Attachments (2)	39,114	69,701	69,608	69,528	72,072
Conduit Rental (3)	26,283	26,283	78,029	78,030	80,760
Total Rent from Electric Property	65,397	95,984	147,637	147,558	152,832

* Note, a three-year average is used for most revenue projections.

(1) Budget is based on 3-year historical average information as available, using updated rates effective 4/1/2026.

(2) Budget is based on current billing. Rates effective as of 10/1/2020.

(3) Budget based on current billing and rates effective 7/1/24 per agreements with VELCO and Burlington Telecom.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Miscellaneous Electric Revenues	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
Electric Revenues - Other					
Miscellaneous (1)	68,687	20,016	109,806	29,400	66,200
EEU Program Cost Reimbursement (2)	4,516,180	2,926,075	2,682,636	3,449,800	2,801,900
Winooski One Hydro - Fish Passage/Water Sales	0	32,708	16,895	12,000	14,500
Water Sales from Sugarbush		706			
Total Electric Revenues - Other	4,584,867	2,979,505	2,809,337	3,491,200	2,882,600
Electric Revenues - Power Supply					
Renewable Energy Credits - McNeil (3)	3,570,994	3,157,978	3,756,750	4,954,277	4,450,685
Renewable Energy Credits - Wind (4)	3,017,739	2,437,682	2,724,148	3,489,594	2,921,970
Renewable Energy Credits - Hydro (5)	696,657	1,007,220	814,697	755,914	1,085,924
Renewable Energy Credits - Solar (6)	184,939	175,382	145,830	197,388	189,635
Total Electric Revenues - Power Supply	7,470,329	6,778,262	7,441,425	9,397,172	8,648,213
Total	\$12,403,931	\$10,091,791	\$10,632,498	\$13,291,830	\$11,959,745

(1) Includes reimbursement for scrap metal.

(2) Energy Efficiency Charge funded for State energy efficiency programs effective January 2003.

(3) FY27 assumes \$36/MWh; FY26 assumed \$39/MWh.

(4) FY27 assumes \$38/MWh; FY26 assumed \$39/MWh.

(5) FY27 assumes \$29/MWh; FY26 assumed \$27/MWh.

(6) FY27 assumes \$38/MWh; FY26 assumed \$39/MWh.

**BURLINGTON ELECTRIC DEPARTMENT
FY 2027 BUDGET
SOURCES OF POWER**

PURCHASED POWER

Source	Contract Expires	Nominal MW (1)	Market MW (2)	MWH	% of Load Served	Type of Generation	Delivery Point	Comments
Vermont Wind	2031	16.000	2.812	26,464	8.0%	wind	Northeast VT	Began operation in October 2011 Contract extended for additional 5 years in 2026
ISO Exchange	n/a	n/a	27.31	(18,177)		exchange	VT Zone	Net purchases from (sales to) ISO-NE
GMC Wind	2037	10.000	1.825	26,281	7.9%	wind	Milton/Georgia	Production began 12/31/12
NYPA - St. Law.	2032	0.059	0.054	338	0.1%	lg hydro	NY-NE Border	Low-cost contract through the Vermont Dpt of Public Svc
NYPA - Niagara	2025	2.558	2.340	14,674	4.4%	lg hydro	NY-NE Border	Low-cost contract through the Vermont Dpt of Public Svc
Relevate	2036	2.780	0.000	11,187	3.4%	hydro	Hub	Purchase of energy & RECs & capacity from Connecticut hydro plant
BED Solar (3)	n/a	3.574	n/a	4,958	1.5%	solar	Burlington	BTV parking garage began production February, 2015 BED roof production began October 2015 South 40 Solar began January 2018
Prospective Contract	2026	5.420	n/a	47,450	14.3%	n/a	Hub	Additional Market priced renewables assumed to bein June 1, 2026
Hancock Wind	2025	13.500	0.000	11,489	3.5%	wind	VT Zone	Partial year (Contract ends December 2026).
Hydro-Québec	2038	9.000	0.000	52,560	15.8%	lg hydro	Highgate	Deliveries commenced November 2015 Entitlement increased to 9 MW in November 2020
HQ Interconnection Credit	n/a	6.346	2.919	0	0.0%	n/a	n/a	

GENERATION

Source	Contract Expires	Nominal MW (1)	Market MW (2)	MWH	% of Total MWh	Type of Generation	Delivery Point	Comments
McNeil Generating Station	N/A	25.000	26.000	125,911	37.8%	wood	McNeil Sub	Projected to continue operation for forecast period
BED Gas Turbine (4)	N/A	25.000	18.183	227	0.1%	oil	Burlington	Projected to continue operation for forecast period
Winooski One Hydro	N/A	7.400	2.890	29,297	8.8%	small hydro	Burlington	Projected to continue operation for forecast period

GRAND TOTAL SOURCES	84.333	350,836	
BUDGET ISO-NE LOAD		327,701	
BUDGET LOAD INCLUDING INTERNAL SOLAR		332,659	105.5%

(1) Nominal MW represents the nameplate of or entitlement to the resource

(2) Market MW represents the average monthly MW for the resource in the Forward Capacity Market (allowing for rating, reliability, partial periods and intermittent resource adjustments).

(3) BED Solar does not have a market capacity rating. It reduces BED's load at peak hours.

(4) GT output will be excess to BED's own needs.

Burlington Electric Department FY27 Budget Net Power Supply – Key Assumptions

OVERALL COMMENTS AND NOTES

The most significant changes between the FY27 budget and the FY26 budget are:

- Changes in transmission charges related to FERC Opinion 594.
- Increase in net Day-Ahead Ancillary Services revenues.
- Start of Relevate contract; end of FirstLight contract.
- Vermont Wind contract extension.

ENERGY MARKETS & RESOURCES

Spot Market Energy Prices

- BED has revised its wholesale energy price projection in all periods covered by the five-year budget to reflect current (higher) market expectations.
- Expected baseload (around-the-clock) power price forecasts:

	<u>FY26 Budget</u>	<u>FY27 Budget</u>
FY27	\$64.73	\$81.23
FY28	\$58.51	\$69.01
FY29	\$55.52	\$64.32
FY30	\$54.52	\$58.96
FY31		\$55.64

Hedge (Planned) Purchases

- Potential renewable replacement contract at 10-year levelized forward energy prices with VT1 RECs was included.
- There are currently no short-term hedge contracts due to planned new purchases removing the need for such transactions.
- Additional hedge purchases can be made if needed.
- Based on McNeil’s assumed operation, existing resources, and already executed contracts, BED expects to have contracted resources to meet the following percentages of BED’s projected loads:

	<u>FY26 Budget</u>	<u>FY27 Budget</u>
FY27	79.3%	105.5%
FY28	73.4%	101.4%
FY29	73.2%	100.8%
FY30	72.5%	99.9%
FY31		99.7%

McNeil Generating Station

- 50% Ownership – 25 MW of 50 MW plant
- McNeil is assumed to operate at a 57% capacity factor for FY27.
- McNeil is projected to provide energy equal to approximately 38% of BED's load in FY27.
- Wood prices are assumed to average \$33.25 per ton in FY27, with +3% escalation per year thereafter.
- McNeil qualifies for the Vermont Tier 1 and Maine Class 1 REC markets in FY27+.
- Residual RECs (RECs not already sold) are priced at \$37.75 for FY27.
- Average ISO-NE payments received for McNeil energy are budgeted to be 17% greater than those paid for load.
- **REC sales are assumed for budget period.**

BED Gas Turbine

- Not a significant energy source. BED's Gas Turbine is expected to provide energy equal to 0.1% of BED's load for FY27 and this energy is expected to be excess to BED's needs assuming expected purchases occur.
- This unit provides significant value in non-energy markets (capacity and Day-Ahead Ancillary Services).
- Average ISO-NE payments received for the Gas Turbine's energy are budgeted to be 10% greater than those paid for load.
- Gas Turbine currently fueled with B20; FY27 budget assumes conversion to R99 renewable fuel. Impacts of conversion to R99 (potential REC value and RGGI savings) are not assumed at this point.

New York Power Authority (NYPA)

- Two contracts (Niagara and St. Lawrence) continue through 2032.
- Niagara is by far the larger resource.
- 66% capacity factor (i.e., no non-firm deliveries) assumed.
- NYPA is expected to provide energy equal to 4.5% of Burlington Electric's load for FY27.

- This resource qualifies for VT Renewable Energy Standard Tier 1.
- Average ISO-NE payments received for the NYPA energy are budgeted to be 9% less than those paid for load.
- BED pays transmission fees to VELCO and NYPA to access this resource.
- **The RECs from this resource will be retained by Burlington Electric for renewability purposes.**

Vermont Wind (Sheffield, VT)

- Vermont Wind became commercial on October 19, 2011. The original contract would have expired October 18, 2021. The contract now expires October 18, 2031.
- BED is entitled to 16 MW (40%) of 40 MW project.
- Vermont Wind is budgeted to operate at a 19% capacity factor for FY27.
- Vermont Wind is expected to provide energy equal to 8.0% of Burlington Electric's load for FY27.
- Vermont Wind qualifies for VT Tier 1 and 4, and CT, MA, ME, and RI Class 1 REC markets.
- Average ISO-NE payments received for Vermont Wind energy are budgeted to be 17% less than those paid for load.
- **REC sales assumed for budget period.**

Relevate

- The Relevate contract is for 100% of the output of the 2.78 MW Wyre Wynd Hydro Station through February 2036.
- Relevate is expected to provide energy equal to 3.4% of Burlington Electric's load for FY27.
- Relevate is budgeted to operate at a 46% capacity factor for FY27.
- This resource qualifies for VT Renewable Energy Standard Tier 1 and CT Class 1 REC Markets.
- Average ISO-NE payments received for the Relevate energy are budgeted to be 4% less than those paid for Load.
- **REC sales assumed for the Budget period.**

Solar Generation

- Currently, BED contracts to purchase 2,968 kW of output from nine solar generators around the city of Burlington.
- The solar generation owned by BED totals 606 kW (499 kW on the airport garage roof and 107 kW at BED's Pine Street offices).
- Solar generation is projected to provide energy equal to 1.5% of Burlington Electric's load for FY27.
- The solar resources are budgeted to operate at a 16% capacity factor (average) for FY27.
- Solar qualifies for all major New England REC markets. In addition, Pine Street Solar, Airport Solar, BHS F-Building, C. P. Smith, and South Forty Solar qualify as Tier 2 and Tier 4 resources in Vermont.
- Average ISO-NE payments received for BED's solar energy are budgeted to be 14% less than those paid for load.
- **REC sales assumed for budget period.**

Georgia Mountain Community Wind (GMCW)

- GMCW began commercial output on December 31, 2012.
- GMCW is budgeted to operate at a 30% capacity factor.
- GMCW is projected to provide energy equal to 7.9% of Burlington Electric's load for FY27.
- GMCW qualifies for VT Tier 1, VT Tier 4, and CT, MA, and RI Class 1 REC markets.
- Average ISO-NE payments received for GMCW energy are budgeted to be 4% less than those paid for load.
- **REC sales assumed for budget period.**

Winooski One Hydro

- BED attained full ownership of the facility beginning September 1, 2014.
- Winooski One is projected to provide energy equal to 8.8% of Burlington Electric's load for FY27.
- Winooski One is budgeted to operate at a 45% capacity factor for FY27.
- Winooski One qualifies to sell Massachusetts Class II (non-waste) RECs and as a VT Tier 1 resource.

- Average ISO-NE payments received for Winooski One energy are budgeted to be 5% less than those paid for load.
- **REC sales assumed for budget period.**

Hydro-Québec

- The 5 MW BED portion of the Hydro-Québec contract began in November 2015. An additional 4MW has been delivered starting in November 2020.
- At 9 MW, Hydro-Québec is expected to provide energy equal to 15.8% of Burlington Electric's load for FY27.
- Hydro Quebec is budgeted to operate at a 67% capacity factor for FY27.
- 99%+ of this resource is expected to qualify for VT Tier 1.
- Average ISO-NE payments received for the Hydro-Québec energy are budgeted to be 5% less than those paid for load.
- **The RECs from this resource will be retained by Burlington Electric for renewability purposes.**

Hancock Wind

- Commercial operations began in December 2016. The contract expires on December 10, 2026.
- BED is entitled to 13.5 MW of the project.
- Capacity factor is budgeted to operate at a 19% FOR FY27 (partial year and lower wind production months).
- Hancock Wind is expected to provide energy equal to 3.5% of Burlington Electric's load for FY27.
- Hancock qualifies for VT Tier 1, VT Tier 4, and CT, MA, ME, and RI Class 1 REC markets.
- Average ISO-NE payments received for Hancock energy are budgeted to be 23% than those paid for load.
- **REC sales assumed for budget period.**

CAPACITY MARKET

Capacity Market Prices

- The projected weighted average capacity rate for each kW-month for the period are:

Fiscal Year	\$/kW-month	Notes
FY27	2.67	Known
FY28	3.58	11 months known & 1 month forecast
FY29	3.64	FY27 forecast
FY29	3.73	FY27 forecast
FY31	3.82	FY27 forecast

- BED is a net purchaser of capacity (i.e., total charges for load exceed resource payments) – see capacity position below.

Projected Capacity Position

BED expects to buy 30-40% of its capacity needs from the ISO-NE market over the next five fiscal years:

	FY27	FY28	FY29	FY30	FY31
McNeil	26.0	26.0	26.0	26.0	26.0
BED Gas Turbine	18.2	18.2	18.2	18.2	18.2
NYPA	2.4	2.4	2.4	2.4	2.4
Vermont Wind	2.8	2.6	2.5	2.5	2.5
GMCW	1.8	1.8	1.8	1.8	1.8
Winooski One	2.9	2.9	2.9	2.9	2.9
HQICC	2.9	3.0	3.0	3.0	3.0
Market Purchase	27.5	28.3	28.3	29.0	30.0
MW REQUIREMENT	84.3	85.2	85.1	85.9	86.5
Hedged	67.4%	66.8%	66.8%	66.2%	65.3%

RENEWABLE ENERGY CREDITS (RECs)

FY27 benefits from a relatively strong REC market. REC revenues are forecasted to remain a significant offset to BED's power costs over the forecast period. Historical and projected values are as follows:

	Avg. \$/REC	Actual Revenues	FY26 Budget	FY27 Budget	Notes
FY08		0			
FY09	23	1,648,484			Partial Year - McNeil Qualified Q4-2008
FY10	23	1,624,454			** See Note Below
FY11	22	3,211,612			McNeil only - VT Wind delayed
FY12	24	3,555,352			REC price falls, VT Wind partial year
FY13	42	7,123,448			Recovery in REC prices - full year VT Wind
FY14	51	11,237,165			Increased REC prices
FY15	46	10,968,226			Winooski One partial year
FY16	49	11,912,108			Winooski One full year
FY17	36	8,766,988			REC Price Drop, Hancock partial year
FY18	35	7,903,446			Hancock full year, No Standard Offer RECs
FY19	29	7,359,815			Full year South Forty; REC price falls
FY20	30	7,524,454			REC price increased
FY21	34	8,051,813			High REC prices
FY22	33	7,895,705			High REC prices
FY23	32	7,470,329			High REC prices
FY24	32	6,778,263			High REC prices with some low production
FY25	34	7,441,375			High REC Prices
FY26	37		9,397,172		FY26 Budget
FY27	37		8,367,521	8,794,735	FY27 Forecast - slightly lower average REC Price
FY28	35		5,875,521	7,515,119	FY27 Forecast – No RECs from a Hancock replacement assumed and lower price
FY29	30		4,353,498	6,433,271	FY27 Forecast – lower price
FY30	27		4,302,080	5,766,236	FY27 Forecast – lower price
FY31	27			5,760,489	FY27 Forecast

** A change from recording REC revenues from when the power is generated to when the REC is delivered caused a one-time loss of REC income (but did not change cash flow). The change is estimated to have resulted in \$1,200,000 of REC revenue that would have been recorded in FY10 on a REC delivery basis being recorded in FY09.

TRANSMISSION

Transmission charges, particularly ISO-NE transmission charges for use of the New England transmission system, continue to be a significant expense (though this is by no means unique to BED).

Past and projected transmission charges in this forecast are:

	<u>ISO-NE</u>	<u>VELCO</u>	<u>GMP</u>	<u>Other</u>	<u>Total</u>	<u>Notes</u>
FY05	\$1,354,865	\$329,616	\$333,696	\$55,606	\$2,073,783	Actual
FY06	\$1,317,881	\$438,484	\$333,696	\$67,746	\$2,157,806	Actual
FY07	\$1,492,208	\$165,659	\$333,696	\$69,383	\$2,060,946	Actual
FY08	\$1,727,499	\$1,138,279	\$259,589	\$68,569	\$3,193,937	Actual
FY09	\$2,513,582	\$584,002	\$329,270	\$49,406	\$3,476,260	Actual
FY10	\$3,220,858	\$838,421	\$277,204	\$58,268	\$4,394,751	Actual
FY11	\$3,584,512	\$108,169	\$1,351	\$54,108	\$3,748,140	Actual
FY12	\$3,341,192	\$1,340,648	\$16,630	\$4,940	\$3,748,140	Actual
FY13	\$3,990,748	\$758,461	\$125,710	\$5,233	\$4,880,153	Actual
FY14	\$4,621,302	\$1,626,381	\$316,841	\$431	\$6,564,955	Actual
FY15	\$4,810,330	\$1,172,223	\$291,645	\$26,052	\$6,300,250	Actual
FY16	\$5,077,900	\$1,042,605	\$301,783	\$246,245	\$6,668,533	Actual
FY17	\$5,328,860	\$1,249,872	\$321,998	\$289,639	\$7,190,369	Actual
FY18	\$5,673,053	\$757,542	\$335,364	\$296,026	\$7,061,985	Actual
FY19	\$5,668,802	\$1,899,717	\$336,125	\$358,390	\$8,263,034	Actual
FY20	\$5,339,679	\$1,840,447	\$338,314	\$370,774	\$7,889,213	Actual
FY21	\$6,299,655	\$983,078	\$361,375	\$378,025	\$8,022,133	Actual
FY22	\$7,003,913	\$1,065,175	\$349,732	\$497,537	\$8,916,356	Actual
FY23	\$7,010,849	\$1,460,591	\$336,512	\$518,139	\$9,326,091	Actual
FY24	\$7,252,076	\$1,694,692	\$412,169	\$283,470	\$9,642,406	Actual
FY25	\$8,075,156	\$1,512,632	\$464,430	\$283,470	\$10,499,472	Actual
FY26	\$8,868,723	\$2,134,314	\$473,240	\$516,327	\$11,992,604	FY26 Budget
FY27	\$8,600,991	\$2,994,806	\$508,989	\$585,372	\$12,701,638	FY27 Budget
FY28	\$8,901,809	\$2,774,989	\$521,713	\$575,952	\$12,785,945	FY27 Forecast
FY29	\$9,588,638	\$2,703,534	\$534,756	\$581,404	\$13,419,813	FY27 Forecast
FY30	\$10,238,540	\$2,562,554	\$548,125	\$584,019	\$13,944,719	FY27 Forecast
FY31	\$10,793,983	\$2,324,676	\$561,828	\$574,380	\$14,266,347	FY27 Forecast

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Production Fuel Expense	Budget FY 23	Budget FY 24	Budget FY 25	Budget FY 26	Budget FY 27
COST OF FUEL (McNeil @ 50%)					
McNeil - Fuel Purchases					
Wood (1)	\$6,658,440	\$6,303,012	\$5,923,702	\$7,049,573	\$6,384,474
Gas for Start-up (2)	81,846	57,756	59,352	59,352	59,352
Gas for NOx Reduction (2)	9,450	2,190	2,250	2,250	0
Oil for Loaders, other (3)	86,544	148,633	92,269	92,269	91,323
Sub-Total	6,836,280	6,511,591	6,077,573	7,203,444	6,535,149
McNeil - Other Costs					
Labor - Yardworkers	290,133	279,758	327,057	354,117	386,933
Labor - Foresters	285,389	313,395	326,217	348,959	305,464
Swanton Yard/NECRR (train deliveries)	1,686,786	1,806,541	1,664,916	1,628,812	1,578,445
Wood Ash Removal	32,250	65,165	66,603	66,603	66,603
Other (4)	375,235	407,120	359,615	368,353	420,973
Total Other Costs	2,669,794	2,871,979	2,744,407	2,766,843	2,758,419
Total McNeil Fuel	9,506,074	9,383,569	8,821,980	9,970,287	9,293,568
Gas Turbine (Oil) (3)	153,748	162,247	146,946	194,276	200,862
Total Production Fuel Expense	\$9,659,822	\$9,545,816	\$8,968,926	\$10,164,563	\$9,494,430
(1) Wood					
# Tons:	198,846	198,847	177,527	200,345	192,014
Average Price/Ton \$:	\$33.49	\$31.70	\$33.37	\$34.69/\$35.76	\$33.25
MWh Production:	106,955	113,254	116,411	131,374	125,911
(2) Gas					
# MCF:	7,501	5,000	5,000	5,000	5,000
Price \$:	\$9.00	\$8.75	\$8.75	\$9.00	\$9.00
(3) Oil (per gallon)	\$3.50	\$3.17	\$3.17	\$3.75	\$3.75
GT MWh Production:	70	284	284	346	227

(4) Includes fuel assessment, oil tank integrity testing, aerial survey, general maintenance, unloading trestle lease, railcar storage, RR switching/repair, and emission fees.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Purchased Power	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
Energy Charges					
Hancock Wind (1)	\$2,939,428	\$2,664,134	\$2,871,919	\$3,037,145	\$1,042,734
Georgia Mountain Wind	3,106,777	3,183,389	3,701,178	3,414,456	3,405,556
Hydro Quebec	3,294,744	3,592,721	3,577,552	3,849,320	4,099,383
VT Wind	1,981,978	2,115,377	2,665,537	2,517,365	2,275,030
Great River Hydro	2,162,389	2,164,831	1,158,900	0	0
In City Solar Generators	875,802	779,347	836,211	839,048	839,048
NYPA	83,627	87,962	86,409	73,916	73,860
First Light Hydro			1,872,352	1,014,656	0
Relevate Hydro					950,771
Prospective renewable energy contract (2)				0	2,964,676
VELCO Exchange	(3,360)	(3,294)	(5,068)	0	0
ISO Exchange	(5,211,966)	(184,198)	(1,528,205)	(542,618)	(1,977,886)
ISO Exchange - Accounting Order (3)	520,279	520,279	520,284	520,279	520,279
Subtotal Energy Charges	9,749,698	14,920,548	15,757,068	14,723,567	14,193,452
Capacity Charges					
ISO Settlement	2,411,945	988,497	342,857	852,407	887,477
NYPA	127,795	127,795	124,781	127,788	127,788
VT Wind	(119,357)	(76,214)	(93,256)	0	0
Hancock Wind (1)		(1,212)	(5,153)	0	0
DERMS					18,412
Subtotal Capacity Charges	2,420,383	1,038,866	369,229	980,195	1,033,676
Net Ancillary Services	188,163	(81,984)	(96,131)	(42,539)	(393,331)
Miscellaneous					
VT RES Tier 1/5 Compliance Expense	629,597	333,178	1,899,519	1,046,147	1,190,797
Miscellaneous-Other (4)	596,859	607,655	730,975	724,658	875,617
Miscellaneous	1,226,456	940,833	2,630,494	1,770,805	2,066,414
	<u>\$13,584,700</u>	<u>\$16,818,263</u>	<u>\$18,660,660</u>	<u>\$17,432,028</u>	<u>\$16,900,211</u>

(1) Contract expires 12/10/26.

(2) Assumed 10-year renewable energy contract including VT-1 RECs beginning 7/1/26.

(3) PUC-approved regulatory accounting treatment to amortize over 8 years the shortfall between the winter 2022-23 forward energy prices and the actual winter 2022-23 energy prices.

(4) Includes day-ahead ancillary services market, ISO-NE dispatch, administration, and misc/other charges.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

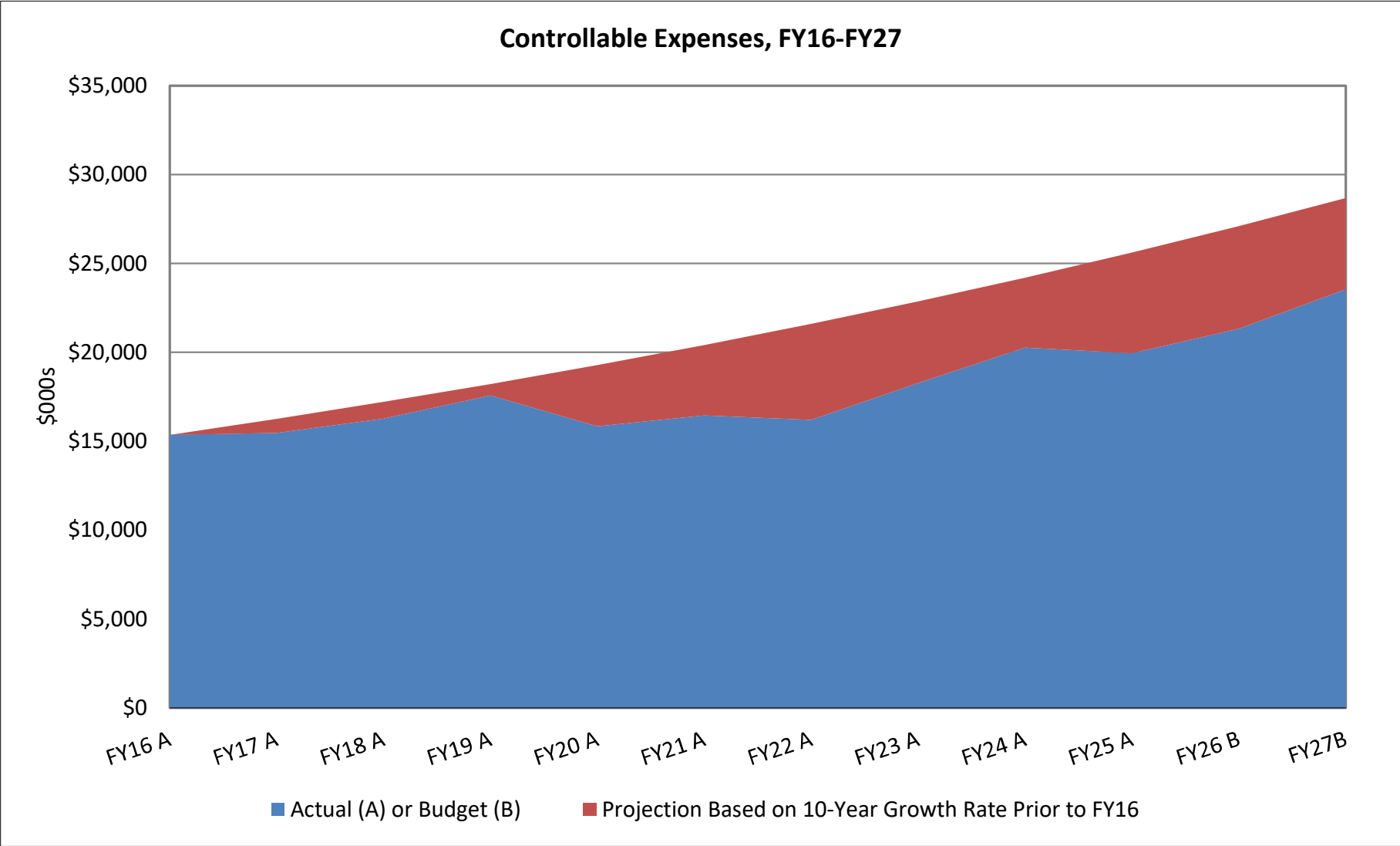
Net Power Supply Costs (000s)	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
<u>Expenses:</u>					
Fuel (p. 19)	\$8,416	\$7,105	\$7,747	\$10,165	\$9,494
Purchased Power (p. 20)	13,585	16,818	18,661	17,432	16,900
Transmission Fees	9,336	9,653	10,458	11,993	12,794
Total Power Supply - Expenses	31,337	33,577	36,865	39,589	39,189
<u>Revenues:</u>					
Renewable Energy Credits - McNeil (1)	3,571	3,158	3,757	4,954	4,451
Renewable Energy Credits - Wind (2)	3,018	2,438	2,724	3,490	2,922
Renewable Energy Credits - Hydro (3)	697	1,007	815	756	1,086
Renewable Energy Credits - Standard Offer/Solar (4)	185	175	146	197	190
Total Power Supply - Revenues	7,470	6,778	7,441	9,397	8,648
Net Power Supply Costs	\$23,866	\$26,798	\$29,424	\$30,192	\$30,541

(1) FY27 assumes \$36/MWh; FY26 assumed \$39/MWh.

(2) FY27 assumes \$38/MWh; FY26 assumed \$39/MWh.

(3) FY27 assumes \$29/MWh; FY26 assumed \$27/MWh.

(4) FY27 assumes \$38/MWh; FY26 assumed \$39/MWh.



Controllable Expenses = Total O&M expense (-)EEC Expense (-) Transmission Exp (-) Tier 3/5 RES Compliance (-)A&G Capitalized.

Continued fiscal discipline since FY16 has moderated annual increases in controllable expenses to 5.22% on average, compared to 5.84% between FY07-FY16.

Burlington Electric Department
Budget for the Year Ending June 30, 2027
Operational Expense

	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27	
Labor Expense						
Labor-Regular	\$8,074,308	\$8,809,252	\$9,040,472	\$9,317,664	\$10,046,189	(1)
Labor-Overtime	486,218	486,928	501,760	437,874	485,499	
Labor-Temporary	77,778	27,624	22,611	19,500	25,600	(2)
Sub-Total Labor	8,638,304	9,323,804	9,564,843	9,775,039	10,557,288	
Labor-Overhead	4,463,776	5,620,423	5,296,521	5,001,980	5,605,507	(3)
Total Labor w/ Overhead	13,102,080	14,944,227	14,861,364	14,777,019	16,162,795	
Non-Labor Expense						
Office Supplies	7,158	5,758	4,343	8,370	12,220	
Materials & Supplies	852,461	724,373	712,814	1,099,073	1,279,159	
Publications	1,552	858	1,709	3,570	3,470	
Training	59,842	47,209	54,673	115,856	110,150	(4)
Education	40,167	28,582	28,514	45,056	19,520	(5)
Business Meetings	6,602	3,746	5,747	9,711	7,023	
Phones	35,650	30,807	29,629	31,578	42,825	
Maintenance Contracts	750,362	682,006	980,152	1,206,637	1,445,001	(6)
Dues and Fees	125,002	104,590	117,726	147,643	147,967	
Advertising	33,270	31,873	33,590	42,820	33,810	
Building Clearing	296,827	259,571	299,842	309,958	328,384	
Transportation Clearing	258,900	257,679	145,202	329,479	314,404	(7)
Admin & General Capitalized	(697,581)	(683,757)	(883,644)	(1,224,640)	(896,580)	(8)
Allocations to McNeil	(20,358)	(19,542)	(16,404)	(19,180)	(22,888)	(9)
Outside Services (p. 24)	4,159,795	2,977,874	2,597,244	3,429,286	3,308,342	
Transmission	9,335,775	9,652,699	10,458,202	11,992,604	12,794,462	
Rentals & Leases	62,475	135,078	105,716	95,596	119,729	
Group Insurance	747,287	807,413	761,988	748,243	769,789	
Printing and Forms	9,298	10,952	11,200	17,353	17,785	
Computer Supplies	21,383	21,102	16,398	23,044	32,614	
Computer Software	1,418	2,333	4,509	4,320	4,128	
Postage	66,223	86,652	91,421	94,336	101,410	
Utilities	182,078	201,699	223,456	240,869	238,775	
DSM Rebates	1,767,430	1,407,170	1,198,106	1,728,627	1,422,483	(10)
Uncollectible Accounts	120,427	325,302	141,818	108,000	300,000	(11)
Claims Settlements	118,982	119,025	120,264	119,261	119,689	
OPEB	(9,021)	(57,542)	(95,826)	0	0	
CO2 Credit GT	13,450	0	0	0	0	
Other - RES Tier 3 & 5 Compliance	554,725	624,423	792,181	1,148,527	826,810	(12)
Other	(28,915)	60,588	190,330	54,797	30,304	(13)
Total Non-Labor Expense	18,872,664	17,848,521	18,130,900	21,910,793	22,910,787	
Total Operational Expense	\$31,974,744	\$32,792,748	\$32,992,264	\$36,687,812	\$39,073,582	
Less EEC Expenses (reimbursed)	(4,516,180)	(2,926,075)	(2,682,636)	(3,456,446)	(2,801,900)	
Less Power Supply - Transmission	(9,335,775)	(9,652,699)	(10,458,202)	(11,992,604)	(12,794,462)	
Less RES Tier 3/5 Compliance	(554,725)	(624,423)	(792,181)	(1,148,527)	(826,810)	
Less Admin & General Capitalized	697,581	683,757	883,644	1,224,640	896,580	
Controllable Cost	\$18,265,645	\$20,273,308	\$19,942,889	\$21,314,876	\$23,546,990	

See notes on page 24

Budget for the Year Ending June 30, 2027
Operational Expense Notes

- (1) **Labor-Regular** – FY27 includes 3.5% cost-of-living adjustment and merit pay assumptions. Also, labor impacted by the amount of capital (vs. expense) work. FY26 assumed 14% of labor allocated to capital projects and FY27 assumes 10%.
- (2) **Labor-Temporary** – FY27 includes temporary Customer Care position. FY26 included temporary McNeil position. FY23 and FY24 included temporary position for System Operations.
- (3) **Labor-Overhead** – Pension and benefits expenses per City of Burlington. FY27 assumes year-end adjustment for pension liability of \$1,000,000.
- (4) **Training** - includes personnel development for all areas of the Department as well as specific safety and skills training.
- (5) **Education** – The Department’s Qualified Degree Program and Apprentice Lineworker Program costs.
- (6) **Maintenance Contracts** – Hardware and software support and maintenance.
- (7) **Transportation Clearing** – Vehicle maintenance and gasoline provided by the Department of Public Works. Impacted by the amount of capital (vs. expense) work and by the amount of work we use contractors for.
- (8) **Admin & General Capitalized** – Contingent on capital projects.
- (9) **Allocations to McNeil** – Certain incidental BED administrative costs are allocated to McNeil joint owners. (Most costs directly charged.)
- (10) **DSM Rebates** – FY27 includes \$2,801,900 in “Other Revenues” to cover these and other costs.
- (11) **Uncollectible Accounts** – Customer accounts written-off for non-collection.
- (12) **Other – RES Tier 3 & Tier 5 Compliance** – Based on annual compliance obligation under VT Renewable Energy Standard and unit cost of inventoried Tier 3 & Tier 5 credits.
- (13) **Other** – FY23 included adjustment for obsolete equipment (\$32,200). FY25 included expenses for Energy Services subgrant activities with Efficiency Vermont through Vermont Department of Public Service.

**Burlington Electric Department
 Budget for the Year Ending June 30, 2027
 Operational Expense**

Outside Services	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
Equipment Maintenance	\$426,210	\$343,034	\$300,779	\$613,773	\$796,688
Legal Services	55,497	67,576	86,338	45,500	25,000
Temporary Help	6,898	14,704	11,091	2,145	4,255 (1)
Technical	699,777	857,479	628,935	1,266,365	1,174,321
City of Burlington	445,325	403,783	412,108	417,626	378,626 (2)
Buildings & Grounds	35,900	30,458	28,660	75,195	78,845
Financial Audit	166,451	166,500	175,000	193,500	203,175 (3)
Financial/Banking	447,931	407,480	204,212	274,700	130,400 (4)
Energy Efficiency Utility	1,745,059	590,884	610,330	320,508	259,500 (5)
Other	130,747	95,976	139,791	219,973	257,533
Total Outside Services	\$4,159,795	\$2,977,874	\$2,597,244	\$3,429,286	\$3,308,342

(1) For McNeil Plant.

(2) Indirect cost allocation for general government, city attorney, human resources, and racial equity, inclusion and belonging.

(3) Beginning in FY26, budget includes Uniform Guidance single audit expenses.

(4) FY23-FY24 included monthly fees for customer eCheck and credit card payments. FY26 includes NZE & Grid Reliability revenue bond issuance costs.

(5) Offsetting revenues are included in "Other Revenues" to cover these and other related costs.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Depreciation & Amortization	Actual FY23	Actual FY24	Actual FY25	Budget FY26	Budget FY27
Depreciation:					
Distribution	\$2,535,278	\$2,298,200	\$2,403,323	\$2,419,400	\$2,627,000
General	328,642	426,373	482,520	324,791	381,891
Transmission	72,754	72,754	72,359	74,100	69,300
Gas Turbine, Wind & Solar	283,281	360,213	373,129	380,100	381,100
McNeil	832,876	866,768	886,508	900,900	940,700
Winooski One Hydro	371,289	256,325	251,015	254,200	257,900
Subtotal	4,424,120	4,280,633	4,468,854	4,353,491	4,657,891
Deferred Depreciation Adjustment (1)	1,167,249	1,277,053	656,704	743,771	847,112
Total Depreciation	5,591,369	5,557,686	5,125,558	5,097,262	5,505,003
Amortization:					
Intangible Assets (Software)	41,190	281,421	261,036	262,500	268,400
Winooski One Hydro (1)	496,910	509,410	521,910	534,410	546,910
Regulatory Asset (2)	46,593	49,039	49,039	49,038	30,985
Regulatory Liability (3)			821,720		164,344
Total Amortization	584,693	839,870	1,653,705	845,948	1,010,639
Total Depreciation & Amortization	\$6,176,062	\$6,397,556	\$6,779,263	\$5,943,210	\$6,515,642
(Gain)/Loss on Disposition of Plant	\$116,431	\$129,310	\$61,736	\$345,940	\$443,350

(1) Sinking fund amortization varies based on bond principal payments.

(1) Plant acquisition adjustment (\$12M) for the life of the bond. This represents market value (paid) over book value.

(2) Uncapitalized labor due to COVID19; per PUC accounting order.

(3) McNeil 2019 Turbine Overhaul included in rates.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027
Taxes**

Taxes (000s)	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
Property Taxes					
Payment in Lieu of Taxes - BED	\$1,347	\$1,441	\$1,586	\$1,700	\$1,708
Payment in Lieu of Taxes - McNeil	787	825	902	956	935
Property Taxes - Winooski One (1)	485	507	309	328	304
Subtotal - Property Taxes	2,619	2,773	2,797	2,983	2,947
PILOT Tax Rates (2)	\$2.11	\$2.21	\$2.42	\$2.56	\$2.51
Revenue Taxes					
Gross Revenue Tax (.525%) (3)	331	336	356	382	387
Gross Receipts Tax (.5%) (4)	248	272	285	295	309
Subtotal - Revenue Taxes	579	608	641	676	696
Over/Under Allocation of Social Security Taxes	9	14	(7)	0	0
Childcare Taxes			5		
Total Taxes	\$3,207	\$3,396	\$3,437	\$3,660	\$3,643

(1) Based on \$15.1M value.

(2) FY27 assumes updated values for City grand list and an estimated increase of 6% .

(3) Tax to finance operations of Public Service Department and Public Utility Commission. Effective for all utilities (electric, phone, gas, water, and cable). Tax applies to total revenues less resales. Increased to .525% effective FY20.

(4) Effective July 1, 1990 for deposit to State of VT "Home Weatherization Assistance Fund." Charged to sellers of heating oil, electricity, gas, and coal (phone, cable, and water excluded). Tax applies to "Sales to Customers" revenue only.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027
Dividend Income**

	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
VT TRANSCO LLC (1)	\$ 4,223,991	\$ 4,233,600	\$ 4,299,758	\$ 4,326,594	\$ 4,526,562
VELCO (2)	165,945	166,089	165,945	166,224	166,224
VELCO VETCO (3)	1,013	1,206	1,257	900	1,200
Other (4)	8,562	132,097	37,975	0	0
Total Dividend Income	<u>\$ 4,399,511</u>	<u>\$ 4,532,992</u>	<u>\$ 4,504,935</u>	<u>\$ 4,493,718</u>	<u>\$ 4,693,986</u>

(1) FY27 includes net settlement credit from equity purchases financed through VPPSA.

(2) Assumes quarterly dividend of \$2.88/share on 14,038 shares of Class B and 392 shares of Class C Common Stock.

(3) VELCO Class C Preferred Stock, dividend \$0.04 on 7,464 shares.

(4) Cash distributed to VT Transco, LLC members related to non-utility operations.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Other Income, Deductions & Capital Contributions	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
Interest Income - Operating					
Checking Accounts	\$156,913	\$267,848	\$314,480	\$223,375	\$207,533
Debt Service Reserve Fund-Zions	49,625	61,382	147,265	\$108,000	\$109,500
Renewal & Replacement Fund-Zions	30,643	55,118	48,620	\$35,700	\$31,914
Investments (Key Bank & Zions)	257,162	408,108	135,733	\$81,483	\$559,559
Customer Loans/Other	7,424	19,329	17,547	\$17,883	\$11,536
Total Interest Income - Operating (1)	501,767	811,785	663,645	466,441	920,042

(1) FY27 assumes slightly lower interest rates, and higher construction fund balance for 2026A Revenue Bond issued in FY26.

Other Income

Miscellaneous Non-Operating Income

CSWD (Waste Wood Yard) (1)	30,000	30,000	30,000	15,000	30,000
City Franchise Fee Admin Billing (2)	17,426	17,754	4,459	5,000	5,000
VELCO Director	19,000	19,000	24,500	30,000	30,000
VPPSA Staff Sharing	1,275		0	0	0
Sub-total Misc. Non-Operating Income	67,701	66,754	58,959	50,000	65,000

Other Deductions (-)

BED Donation - Warmth Program (3)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
BED Donation - Defeat the Peak	(3,000)	(3,000)	(3,000)	(6,000)	(3,000)
Sub-total Other Deductions	(13,000)	(13,000)	(13,000)	(16,000)	(13,000)

Total Other Income, Net

54,701	53,754	45,959	34,000	52,000
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(1) Agreement with Chittenden Solid Waste District. (Annual payments to BED in consideration of BED's operation and maintenance of the site.)

(2) City payment to BED for the cost of processing the franchise fee.

(3) This is BED's donation (in addition to us forwarding customer donations on billing payments).

Capital Contributions/Grants

Customer Contributions (1)	735,644	633,230	316,089	1,247,317	267,491
General Grants	(14,996)	650,061	1,702,930	0	0
U.S. DOE Building GIANTS Grant			15,332	347,669	421,403
VT DPS ESAP DERMS Grant			45,769	251,978	413,355

Total Capital Contributions/Grants

720,648	1,283,291	2,080,119	1,846,964	1,102,250
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(1) FY27 includes Winooski Bridge Rebuild, Cherry Street-Great Streets, & UG OH billable.

Total

\$1,277,116	\$2,148,830	\$2,789,723	\$2,347,405	\$2,074,292
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Burlington Electric Department
Budget for the Year Ending June 30, 2027
Interest Expense

	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY 26	Budget FY 27
General Obligation Bonds (1)	\$1,799,732	\$2,000,998	\$1,900,423	\$1,881,577	\$1,831,046
Revenue Bonds	1,812,616	1,518,279	1,436,314	1,380,039	2,112,046
Total Long Term Debt Interest	3,612,348	3,519,277	3,336,737	3,261,615	3,943,092
Amortization of Debt Discount	114,269	133,942	144,377	150,992	155,616
Amortization of Deferred Debt Costs - Loss	43,415	46,499	42,704	45,313	41,043
Amortization of Deferred Debt Costs - Gain	0	0	0	0	(17,076)
Amortization of Debt Premium	(342,580)	(364,501)	(379,625)	(375,940)	(367,140)
Moran Promissory Note (2)	17,867	7,201	6,030	4,848	3,654
Other Interest (3)	4,977	2,593	1,121	12	0
Total Interest Expense	\$3,450,296	\$3,345,011	\$3,151,344	\$3,086,841	\$3,759,188
Debt Outstanding Long Term - Y/E					
General Obligation Bonds (1)	\$46,985,000	\$45,945,000	\$44,765,000	\$43,320,000	\$41,740,000
Revenue Bonds (4)	\$35,370,000	\$33,435,000	\$31,435,000	\$50,095,000	\$48,634,000

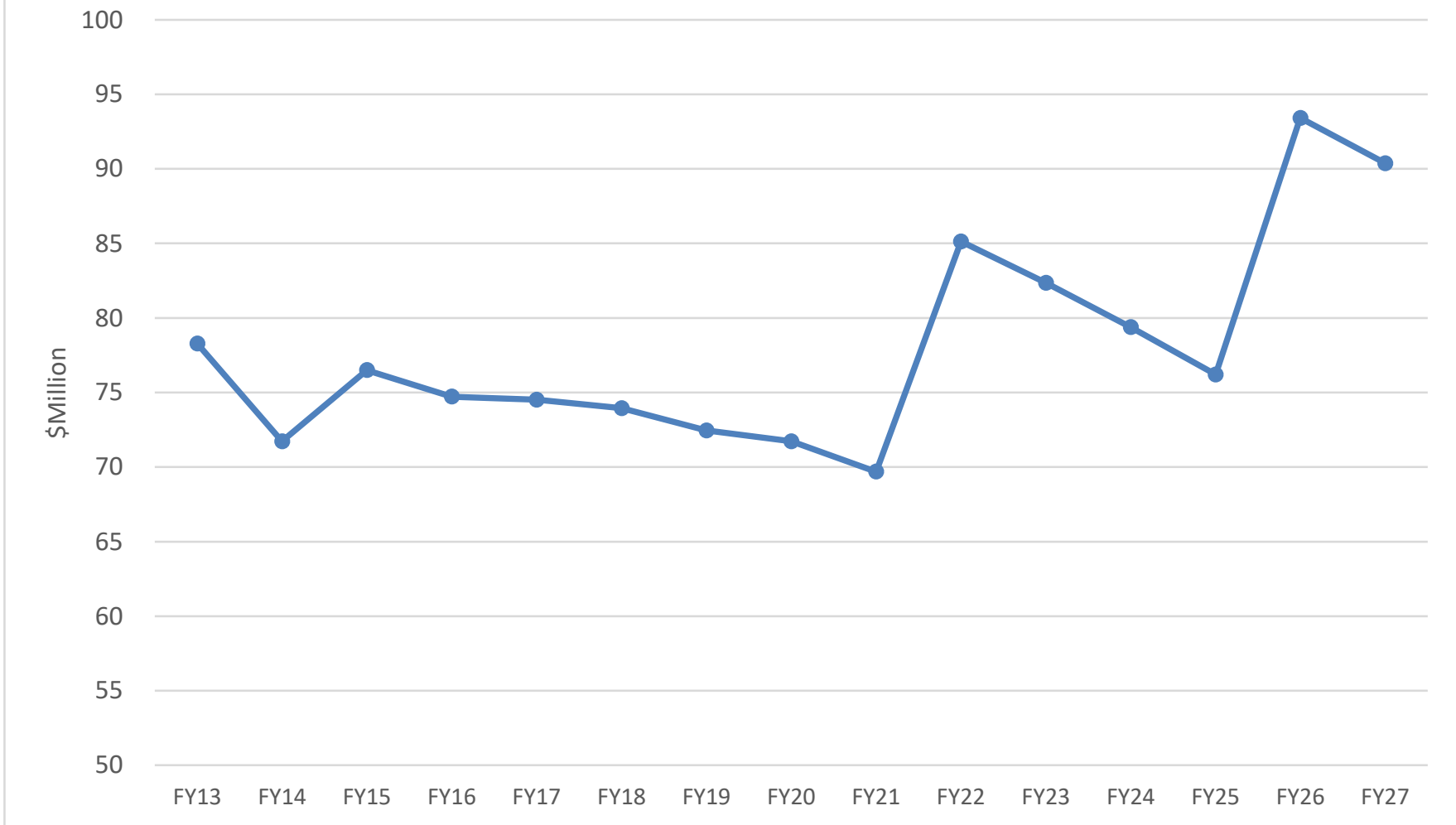
(1) Assumes \$3M annual GO Bond.

(2) Payment to City of Burlington for remediation expense per 2022 MOU, expiring FY30.

(3) Capital Lease from Key Bank for MDMS, expired in FY26.

(4) Issued \$20M Net Zero Energy and Grid Reliability Revenue Bond in FY26.

Burlington Electric Department Outstanding Long-Term Debt



- (1) FY13 forward includes \$3M annual GO bond. (Voters approved March 2012.)
- (2) At the end of FY14 all revenue bonds and GO bonds issued prior to 2004 were paid off.
- (3) FY15 includes \$12M Revenue Bond for Winooski One Hydro.
- (4) FY22 includes \$20M Net Zero Energy Revenue Bond.
- (5) 2014A Revenue Bond matured in FY25.
- (6) FY26 includes issuance of \$20M Net Zero Energy and Grid Reliability Revenue Bond and refunding of 2014A Revenue Bond.

**Burlington Electric Department
Budget - FY2027**

Labor Overhead	Actual FY 23	Actual FY 24	Actual FY 25	Budget FY26	Budget FY27
TOTAL LABOR (1)	\$12,626,149	\$13,027,967	\$13,926,966	\$14,666,800	\$15,008,900
LABOR OVERHEAD					
Medical Insurance (2)	1,437,496	1,772,325	1,930,820	2,434,000	2,683,800
Dental Insurance (2)	74,747	84,306	87,130	96,700	112,000
Life Insurance (2)	19,768	19,684	20,444	21,200	18,700
Social Security Taxes	906,224	943,751	988,101	1,122,000	1,148,200
Workers Compensation Ins. (2)	329,114	323,880	416,504	441,900	623,900
Childcare Contribution Tax (3)			52,350	64,534	66,039
Pension (2)	1,592,317	1,573,738	1,770,402	1,760,100	1,901,200
Amortization of IBEW pension back payment (4)	87,041	87,041	87,041	87,041	0
Sub-total Labor Overhead	4,446,707	4,804,724	5,352,792	6,027,475	6,553,839
Health Care Buyout (5)	13,063	14,389	15,240	13,000	9,250
Total Labor Overhead	\$4,459,770	\$4,819,113	\$5,368,032	\$6,040,475	\$6,563,089
Labor Overhead Rate	35.32%	36.99%	38.54%	41.18%	43.73%
Pension Rate	12.61%	12.08%	12.71%	12.58%	13.29%

(1) Includes Overtime and McNeil @ 100%.

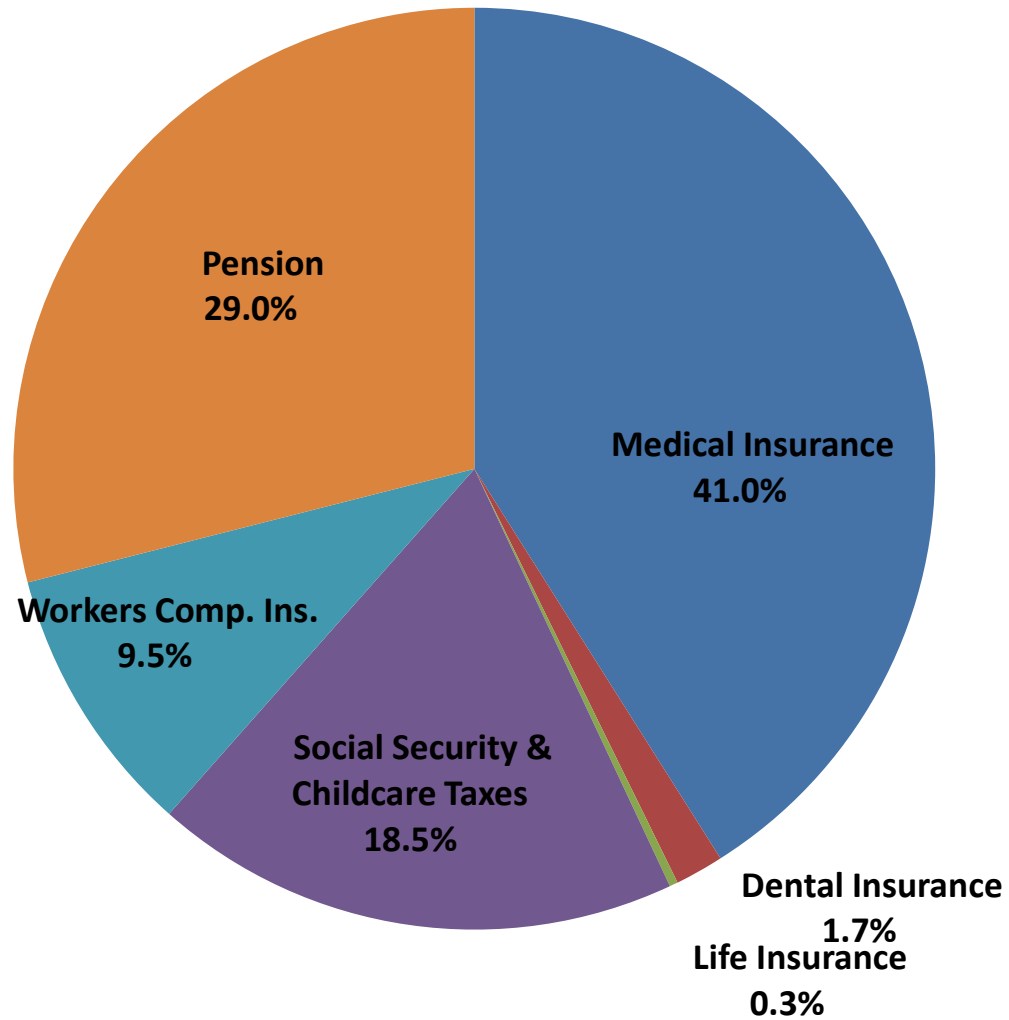
(2) FY27 per City assumptions.

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

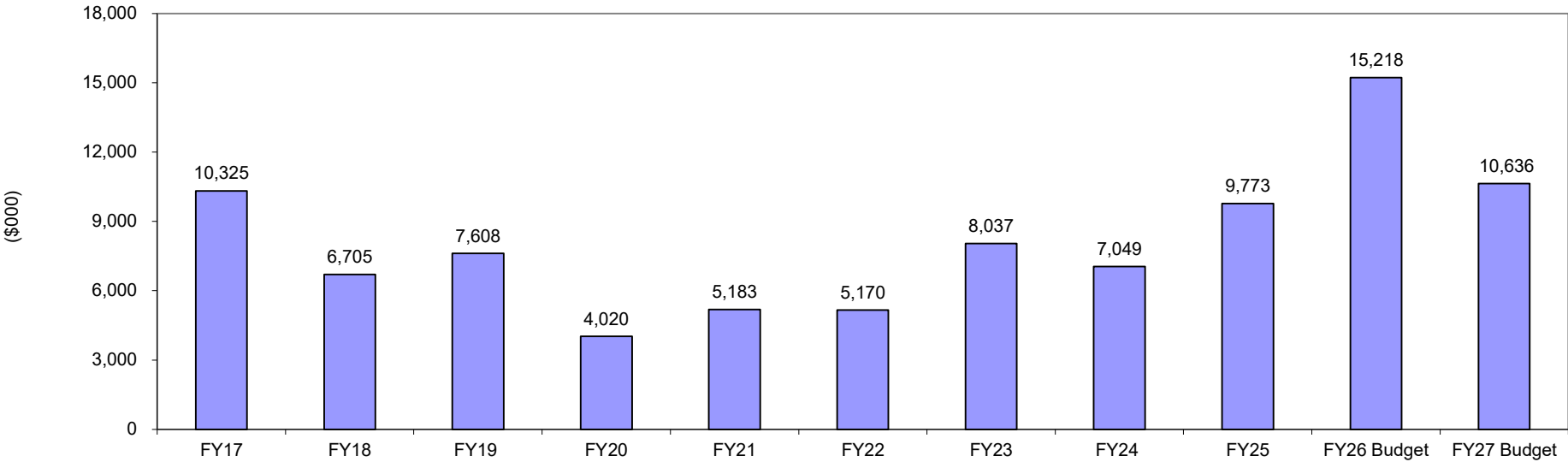
(4) Regulatory accounting treatment approved by PUC. Amortization period ended in FY26.

(5) \$1,000 for non-union employees; \$1,250 for IBEW employees per 2022-2026 contract.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027
\$6,563,089 Labor Overhead**



**Burlington Electric Department
Capital Spending -
Net of Capital Contributions**



Plant Type	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY25	Budget FY 26	Budget FY 27
Production	1,363	778	928	1,156	1,816	936	2,101	1,310	3,053	4,481	2,898
Other				51	53	6	127	260	345	868	134
Distribution	3,390	1,873	2,791	1,670	1,413	3,191	3,774	4,547	4,941	6,419	5,680
Transmission	3,012	3,020	2,696	671	1,074	0	634	0	577	222	0
General	2,560	1,034	1,193	471	827	1,037	1,400	932	857	3,228	1,924
Total	\$10,325	\$6,705	\$7,608	\$4,020	\$5,183	\$5,170	\$8,037	\$7,049	\$9,773	\$15,218	\$10,636

**Burlington Electric Department
Capital Projects - FY2027**

Project Description	Project Total	Customer Contribution/ Grants	Net Cost
McNeil Plant (BED 50% Share)			
Farmhouse Level 2 EVSE	8,936		8,936
Analyzer Upgrades for Chemical Treatment	8,750		8,750
Ash Handling Vehicle	75,000		75,000
AWS Scale Software	7,500		7,500
Boiler Mapping and Tube Replacement	150,045		150,045
Char Ash Conveyor	15,044		15,044
McNeil Controls Server Upgrade	40,037		40,037
ESP Mechanical Field Rebuild	325,074		325,074
Farmhouse Improvements	15,001		15,001
Forestry Vehicle	32,500		32,500
Protection Relays Upgrade	75,092		75,092
Replacement Railcars	25,000		25,000
Rigging Equipment	5,000		5,000
Routine Station Improvements ¹	190,204		190,204
Safety Valve Replacements	17,506		17,506
Station Tools and Toolboxes	7,501		7,501
Stormwater System Upgrades	15,001		15,001
Truck Dumper Repair	16,636		16,636
Tubular Airheater Expansion Joint Replacements	27,545		27,545
Wood Handling Front End Loader	375,000		375,000
Perimeter Fence Upgrades	2,502		2,502
Well #2 Recasing	25,038		25,038
Oracle NetSuite FIS Implementation	43,527		43,527
Work & Asset Management System Implementation	10,480		10,480
Total McNeil Plant	1,513,918	0	1,513,918

(1) (311) Structures-\$80k, (312) Boiler-\$95k, (314) Turbine-\$90k, (315) Accessory Equipment-\$90k (316) Plant Equipment-\$20k (391) Office Equipment-\$5k

Transmission Plant

VT Transco	0		0
Total Transmission Plant	0	0	0

Hydro Production Plant

WIN 1 Trash Rack Repair	50,018		50,018
WIN 1 Routine Station Improvements ¹	62,075		62,075
WIN 1 Rigging Equipment	5,150		5,150
WIN 1 Lavatory Replacement	30,018		30,018
WIN 1 Fish Lift Repair	60,056		60,056
WIN 1 Turbine Overhaul	30,043		30,043
WIN 1 Headgate Seals and Channels	50,055		50,055
WIN 1 FERC Relicensing	640,638		640,638
Total Hydro Production Plant	928,053	0	928,053

(1) (331) Structures-\$17k, (332) Reservoirs, Dam, and Waterway-\$17k, (333) Waterwheel, Turbines, and Generators - \$10k (334) Accessory Electric Equipment - \$8k (335) Misc Power Plant Equipment - \$10k (335)

**Burlington Electric Department
Capital Projects - FY2027**

Project Description	Project Total	Customer Contribution/ Grants	Net Cost
Gas Turbine Plant			
GT Exhaust Stack Replacement	375,597		375,597
GT Outlet Bucket Replacement Phase 2/4	50,011		50,011
GT Routine Station Improvements ¹	16,142		16,142
GT Rigging Equipment	9,011		9,011
GT Exhaust Expansion Joint	5,602		5,602
Total Gas Turbine Plant	456,364	0	456,364

(1) Turbines & Generators-\$6k, Accessory Electrical Equipment-\$5k, Miscellaneous Power Plant Equipment-\$5,000

Other

Battery Operated Cable Reel Mover	21,060		21,060
BED Fleet EV Chargers (5)	60,942		60,942
Distributed Energy Resource Management System Implement	51,975		51,975
Total Other	133,978	0	133,978

Distribution Plant

Aerial

634CB Switched Bank	57,007		57,007
636CB Switched Bank	42,135		42,135
Bayview St Rebuild P896-P851	17,837		17,837
Chase Street Rebuild	156,960		156,960
Crombie Street Rebuild	29,472		29,472
Curtis Avenue Rebuild	42,321		42,321
Front Street Rebuild	109,142		109,142
Shore Road Rebuild P3209 to P3194	27,619		27,619
Oak Drive Rebuild	49,712		49,712
Elmwood Ave Rebuild 143D to 917D	126,437		126,437
Total Aerial	658,642	0	658,642

Underground

Level 2 EV Chargers	181,837		181,837
Level 3 EV Chargers	253,472		253,472
Northshore Drive Rebuild Phase 1	636,156		636,156
Rebuild 2L3 from 927S to Sub #7	179,294		179,294
Rebuild Oakledge Drive	94,378		94,378
Replace #125S/219S/310S Switch	74,264		74,264
Replace UG St. Paul St (Bank to Cherry)	141,410		141,410
Sub #7 Switchgear Replacement	326,514		326,514
Total Underground	1,887,325	0	1,887,325

Other

ArcFM UN Upgrade	458,925		458,925
Distribution Transformer - Engineering	16,886		16,886
Distribution Transformer - Purchase	725,000		725,000
Megger S1-1068 Replacement	8,605		8,605
Pine Street Radio Antenna Replacement	59,700		59,700

**Burlington Electric Department
Capital Projects - FY2027**

Project Description	Project Total	Customer Contribution/ Grants	Net Cost
Queen City Substation SCADA Upgrade	87,737		87,737
Replace Condemned Poles	331,028		331,028
SCADA ADMS Phase IV	603,543		603,543
Siemens NMS System	90,235		90,235
Total Other	2,381,659	0	2,381,659
 <u>Customer Driven/City Projects</u>			
Winooski Bridge Rebuild	35,426		35,426
Winooski Bridge Rebuild (CAFC)	0	(35,426)	(35,426)
Great Streets - Cherry Street	26,732		26,732
Great Streets - Cherry Street (CAFC)	0	(17,474)	(17,474)
Total Customer Driven/City Projects	62,158	(52,900)	9,258
Total Distribution Plant - General	4,989,783	(52,900)	4,936,883
 <u>Distribution Plant - Blanket</u>			
<u>Meters</u>			
Single Phase Meter Purchase	85,000		85,000
Three Phase Meter Installation	16,244		16,244
Three Phase Meter Purchase	10,000		10,000
Single Phase Meter Installation	9,662		9,662
Total Meters	120,906	0	120,906
 <u>Underground</u>			
UG Replacement	77,420		77,420
Replace Utility Holes and Handholes	105,622		105,622
UG Construction - New	19,152		19,152
UG Construction - Billable	144,287		144,287
UG Construction (CAFC)	0	(144,287)	(144,287)
Total Underground	346,481	(144,287)	202,194
 <u>Aerial</u>			
Overhead Replacement	84,643		84,643
Overhead Construction - New	18,950		18,950
Overhead Construction - Billable	70,304		70,304
Overhead Construction (CAFC)	0	(70,304)	(70,304)
Total Aerial	173,897	(70,304)	103,593
 <u>Lighting</u>			
Street Lighting	207,892		207,892
Private Area Lighting	15,558		15,558
Total Lighting	223,450	0	223,450

**Burlington Electric Department
Capital Projects - FY2027**

Project Description	Project Total	Customer Contribution/ Grants	Net Cost
<u>Other</u>			
Substation Maintenance	18,148		18,148
Replace Failed SCADA Field Equipment	12,371		12,371
Communication Equipment Emergency Repair	15,944		15,944
SCADA Field Equipment Replacement	26,396		26,396
Tools & Equipment - Distribution/Technicians	20,000		20,000
Total Other	92,859	0	92,859
Total Distribution Plant - Blanket	957,593	(214,591)	743,002
Total Distribution Plant	5,947,376	(267,491)	5,679,885
<u>General Plant</u>			
<u>Vehicle Replacements</u>			
EV Bucket Truck "Make Ready" Work	76,637		76,637
Forklift EV	147,109		147,109
Total Vehicle Replacements	223,746	0	223,746
<u>Computer Equipment/Software</u>			
AMI Network Switch Replacements	48,537		48,537
AMI/Certicom Server Replacement	60,507		60,507
IT Forward - FIS Implementation (Operating)	399,042		399,042
IT Forward - Integrated Voice Response (IVR) System	16,412		16,412
IT Forward - MDMS Phase 3	62,476		62,476
IT Forward - SpryCIS-CIS Implementation	549,832		549,832
IT Forward - SpryEngage Customer Portal	59,024		59,024
IT Forward - SpryMobile Work Management Implementation	72,248		72,248
IT Forward - Work & Asset Management Implementation (Ope	173,296		173,296
Pine Street Network Switch Replacement	25,620		25,620
PMR Replacement Batteries	14,420		14,420
WinooskiOne Wi-fi Extension Project	22,595		22,595
Tablets for Distribution	24,010		24,010
UPS Replacement Hardware	19,698		19,698
WiFi Access Point Replacement FY27	12,984		12,984
Substation Network Switch Replacement	22,595		22,595
Stockroom Network Switch Replacement	25,620		25,620
Laptop/Desktop Replacements	67,690		67,690
Monitoring and Domain Controller Servers	15,063		15,063
Conference Room Videoconferencing	8,820		8,820
Total Computer Equipment/Software	1,700,487	0	1,700,487
Total General Plant	1,924,233	0	1,924,233
Total Plant	\$10,903,922	(\$267,491)	\$10,636,431

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Debt Coverage (\$000)	FY23	FY24	FY25	Budget FY26	Budget FY27
Total Operating Revenues	62,937	64,108	67,827	72,668	73,783
Total Operating Expenses	61,998	64,322	68,130	73,138	74,771
Less: Depreciation & Amortization (1)	(6,176)	(6,398)	(6,779)	(5,943)	(6,516)
Less: Gain/Loss	(116)	(129)	(62)	(346)	(443)
Less: Payment in Lieu of Taxes	(2,134)	(2,266)	(2,488)	(2,656)	(2,643)
Total Operating Expenses - Adjusted	53,571	55,530	58,801	64,193	65,169
Net Operating Income - Adjusted	9,366	8,579	9,026	8,475	8,614
Total Other Income	5,628	7,125	7,402	6,841	6,769
(Less) Grant/Customer Income	(721)	(1,283)	(2,080)	(1,847)	(1,102)
Net Income Available for Revenue Debt Service	14,273	14,421	14,348	13,469	14,281
Debt Service on Revenue Bonds	3,748	3,518	2,831	2,825	3,633
Revenue Debt Service Coverage Ratio (2)	3.81	4.10	5.07	4.77	3.93
Net Income Available for Other Debt Service	14,273	14,421	14,348	13,469	14,281
Deduct: Payment in Lieu of Taxes	(2,134)	(2,266)	(2,488)	(2,656)	(2,643)
Adjusted Net Income Available for Other Debt Service	12,139	12,155	11,860	10,814	11,638
Debt Service					
Revenue Bonds	3,748	3,518	2,831	2,825	3,633
General Obligation Bonds	5,625	6,181	6,345	6,417	6,488
Other	18	7	6	140	128
Total Debt Service	9,390	9,706	9,183	9,381	10,249
Adjusted Debt Service Coverage Ratio	1.29	1.25	1.29	1.15	1.14

(1) Deduct as non-cash expense.

(2) Revenue bond covenants require a minimum debt service coverage ratio of 1.25.

**Burlington Electric Department
Budget for the Year Ending June 30, 2027
Cash Flow (000s)**

Source	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027	Budget FY 27
BEGINNING BALANCE	\$13,412	\$14,047	\$15,337	\$14,599	\$17,712	\$17,063	\$17,717	\$19,196	\$20,500	\$19,066	\$17,839	\$17,437	\$13,412
SOURCES OF FUNDS:													
Total Operating Revenues	6,524	8,457	5,476	4,944	6,599	5,711	5,867	7,646	5,591	4,770	6,724	5,473	73,783
Other Income													
Dividends	1,084	0	42	1,084	0	42	1,084	0	42	1,084	0	234	4,694
Interest and Other Income	85	88	75	99	80	85	92	67	74	84	66	76	972
Customer Contribution/Grant Income	93	104	159	162	108	108	60	60	64	64	68	52	1,102
Total Other Income	1,262	192	276	1,344	188	235	1,236	128	180	1,232	134	362	6,768
Other Sources of Funds													
GOB Annual/BAN				3,000									3,000
Revenue Bond 2026 - capital	735	1,132	1,088	1,074	807	722	430	469	440	502	471	138	8,009
Revenue Bond 2026 - T3 rebates	74	62	64	58	87	119	103	95	114	136	117	437	1,465
Total Other Sources of Funds	808	1,194	1,151	4,132	895	841	533	564	554	638	588	575	12,474
TOTAL SOURCES OF FUNDS	22,006	23,889	22,240	25,019	25,394	23,850	25,354	27,534	26,825	25,706	25,284	23,847	106,437
USES OF FUNDS:													
Total Operating Expenses	5,642	5,611	5,505	5,214	5,727	4,320	4,530	4,583	5,504	5,322	4,857	5,088	61,905
Tier 1 REC Purchase	0	0	0	0	0	0	0	832	0	0	832	0	1,665
Tier 3 Total-RES Compliance Cash Total	74	62	64	58	87	119	103	95	114	136	117	437	1,465
McNeil Turbine Blade for FY28 overhaul												385	385
Small Dam Procurement FY28 overhaul												150	150
Taxes - Gross	31	765	26	23	759	27	28	101	687	410	99	686	3,643
Net Operations Expenses	5,747	6,438	5,595	5,295	6,573	4,466	4,660	5,612	6,305	5,869	5,905	6,747	69,213
Capital Spending													
BED	746	1,267	1,164	1,155	875	817	527	550	535	817	766	171	9,390
McNeil	502	8	43	17	36	5	125	27	73	337	331	12	1,514
VT Transco, LLC	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Capital Spending	1,249	1,275	1,207	1,172	911	822	652	577	608	1,153	1,097	183	10,904
Debt Service													
G.O. Bonds	536	536	536	536	543	543	543	543	543	543	543	543	6,488
Revenue Bonds	303	303	303	303	303	303	303	303	303	303	303	303	3,633
Other (Lease & Moran Frame)	125	0	0	0	0	0	0	0	0	0	0	0	128
Total Debt Service	964	840	840	840	846	846	846	846	846	846	846	846	10,249
TOTAL USES OF FUNDS	7,960	8,552	7,641	7,307	8,331	6,133	6,158	7,034	7,759	7,868	7,848	7,775	90,366
ENDING BALANCE - OPERATING	\$14,047	\$15,337	\$14,599	\$17,712	\$17,063	\$17,717	\$19,196	\$20,500	\$19,066	\$17,839	\$17,437	\$16,072	\$16,072

**Burlington Electric Department
Budget for the Year Ending June 30, 2027**

Cash Coverage	Actual FY23	Actual FY24	Actual FY25	Budget FY26	Budget FY27
Cash Accounts - Operating	7,978,811	11,568,638	12,497,092	13,221,009	16,071,768
Cash Accounts - McNeil (1)	641,987	571,758	628,972	492,434	614,239
(Plus) Line-of-Credit Available	5,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Unrestricted Cash and Investments	13,620,798	22,140,396	23,126,064	23,713,443	26,686,007
Total Operating Expenses	61,997,702	64,322,454	68,130,038	73,137,531	74,770,706
(less) Depreciation/Amortization Exp	(6,176,061)	(6,397,556)	(6,779,263)	(5,943,210)	(6,515,642)
(less) Gain/Loss	(116,431)	(129,310)	(61,736)	(345,940)	(443,350)
(less) PILOT	(2,133,939)	(2,265,941)	(2,487,854)	(2,655,520)	(2,642,884)
Adjusted Operating Expenses	53,571,271	55,529,647	58,801,185	64,192,861	65,168,830
Days Cash on Hand (with LOC)	93	146	144	135	149

(1) Budget based on 3-year average actual balances.



585 Pine Street • Burlington, VT 05401-4891

May 13, 2026

Ms. Jennifer Sloms
Economic Development Administration
United States Department of Commerce
Philadelphia Regional Office
Robert Nix Federal Building
900 Market Street, Suite 602
Philadelphia, Pennsylvania 19107

RE: Burlington Board of Electric Commissioners Letter of Support for the City of Burlington Vermont Electric Department's Request for EDA Release of Federal Interest in Award # 01-79-14206

Dear Ms. Sloms:

The purpose of this letter is to provide the Burlington Board of Electric Commissioners support for Burlington Electric Department's (BED) request to the Economic Development Administration (EDA) to release its federal interest in BED's Revolving Loan Fund (RLF) award # 01-79-14206.

BED commits to using the RLF for one or more activities that continue to carry out the economic development purposes of Public Works and Economic Development Act (PWEDA). At this time, BED plans to continue operation of the existing RLF program, which supports the economic development purposes of PWEDA. BED's long-standing energy services programs will continue to support business customers with technical assistance and incentives to improve efficiency and help customers to reduce operating expenses. BED will use the RLF funds as described in the terms of the Defederalization Release Agreement.

Sincerely,

Lara Bonn, Chair
On behalf of the Burlington Board of Electric Commissioners