Ward 5 NPA Meeting Agenda
October 21, 2021

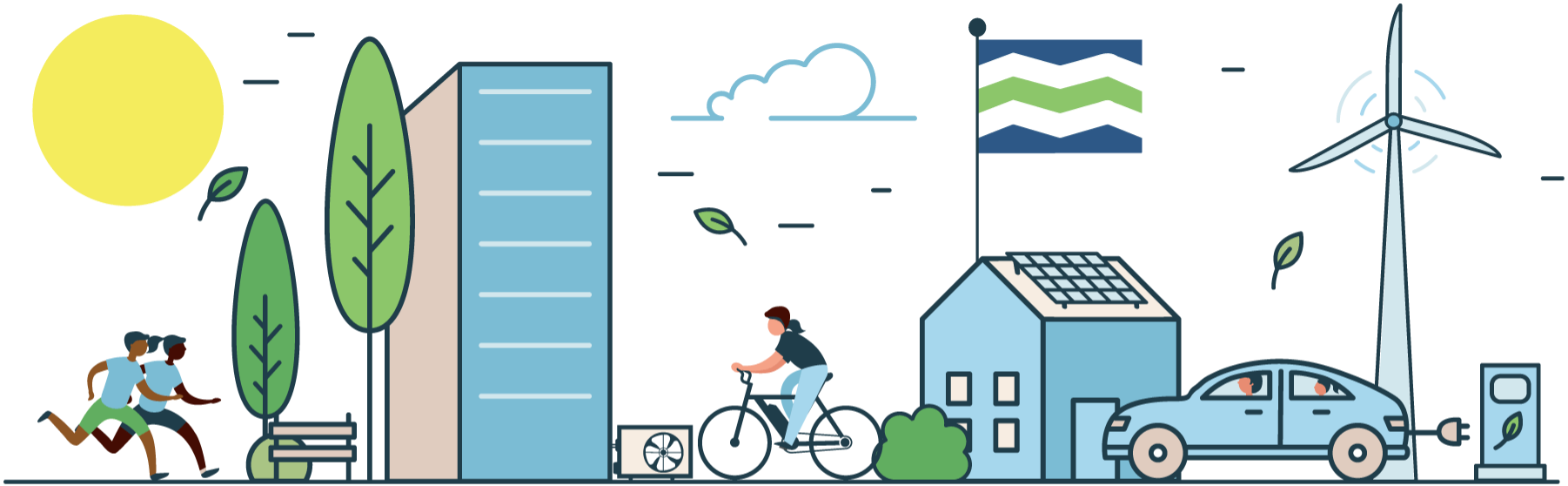
October 21, 6:45-8:30 pm

(Hybrid: Department of Public Works and on Zoom)

6:45 - 7:00 - Public Forum: Voice your concerns, questions, announcements.
7:00 - 7:15 - Planned Improvements for Champlain Street Park (a City Pocket Park located at 187 South Champlain Street) (Max Madalinski)
7:15 – 7:45 – Redistricting in Two Parts: (1) Overview of Legislative Redistricting (Rep. Kesha Ram Hinsdale) (2) Update on Burlington Wards Ad Hoc Committee on Redistricting (Greg Shepler)
7:45 - 8:15 - Net Zero Energy Revenue Bond Proposal, Burlington Electric Department (Darren Springer)
8:15 - 8:30 - Flynn Avenue and the potential to relocate the CSWD Drop Off Center (Chapin Spencer)

Department of Public Works (DPW) is located at 645 Pine Street, Suite A

Zoom Info
https://us02web.zoom.us/j/89574495720
Or One tap mobile :
US: +13017158592,,89574495720# or +13126266799,,89574495720#
Or Telephone:
Dial(for higher quality, dial a number based on your current location):
US: +1 301 715 8592 or +1 312 626 6799 or +1 929 205 6099 or +1 253 215 8782 or +1 346 248 7799 or +1 669 900 6833
Webinar ID: 895 7449 5720



NET ZERO ENERGY

BURLINGTON VERMONT

NET ZERO ENERGY
BURLINGTON VERMONT

About Burlington Electric Department (BED)

- Burlington's municipal electric utility
  - Public Power since 1905
  - 118 employees, including the McNeil Generating Station
  - Third-largest electric utility in Vermont
- 21,000+ customers
  - 17,282 residential, 3,983 commercial and industrial
  - 5,500-6,000 residential accounts turn over each year
- Electricity facts:
  - Summer peak: ~65 MW; Annual energy Use: ~330,000 MWH
  - McNeil is the largest energy producer in Vermont with Vermont Yankee Retirement
  - 100% of power from renewable generation as of 2014
  - No rate increase from 2009-2021; statewide average retail price of electricity increased approximately 21% during that time

BED Revenue Bond Basics

- Authorized under City Charter § 3-421 and General Bond Resolution adopted by Board of Electric Commissioners in 1981
- Requires approval of a majority of Burlington voters
- Payable solely from BED rates and revenues, not City General Fund or property taxes
- An obligation only of BED, not of the City (does not affect City's debt ratio or policy)
- BED has used issued revenue bonds several times since 1981 – for McNeil Generating Station construction, initial Energy Efficiency funding, AMI/Smart Grid infrastructure, purchasing Winooski One hydroelectric facility, and other purposes

NET ZERO ENERGY
BURLINGTON VERMONT

Net Zero Energy Revenue Bond Concept

- **Builds on Prior Energy Efficiency Bond –** BED's $11.3 million revenue bond for energy efficiency in 1990 jumpstarted our energy efficiency investments. Net Zero Energy Revenue Bond continues that foundational investment strategy.
- **Permits Additional Progress Toward Net Zero Energy Goal –** The proposed revenue bond frees up BED's GO Bonds to permit increased investment in customer incentives to accelerate progress toward Burlington 2030 Net Zero Energy goal.
- **Supports Investment in BED Infrastructure –** The Revenue Bond would also fund upgrades, maintenance and continued reliability of BED distribution system and grid, technology systems, and renewable energy plants in a manner that is fiscally responsible for ratepayers. Some of the infrastructure support is needed for upgrades to serve increasing loads from electrification.

Photo credit Drive Electric VT

NET ZERO ENERGY
BURLINGTON VERMONT

$20 Million Net Zero Energy Revenue Bond Proposal

- **Grid Investments:** reliability and Net Zero Energy system upgrade projects
- **Technology System Investments: r**eplace aging software, enable new dynamic rate and load control options
- **Renewable Generation:** maintain existing renewable plants, convert GT to run on biodiesel instead of oil
- **Net Zero Energy Capital Investments:** new EV charging stations, demand response technologies

NET ZERO ENERGY
BURLINGTON VERMONT

BURLINGTON Electric DEPARTMENT

BED Net Zero Energy Revenue Bond Proposal – Funding Breakdown By Category

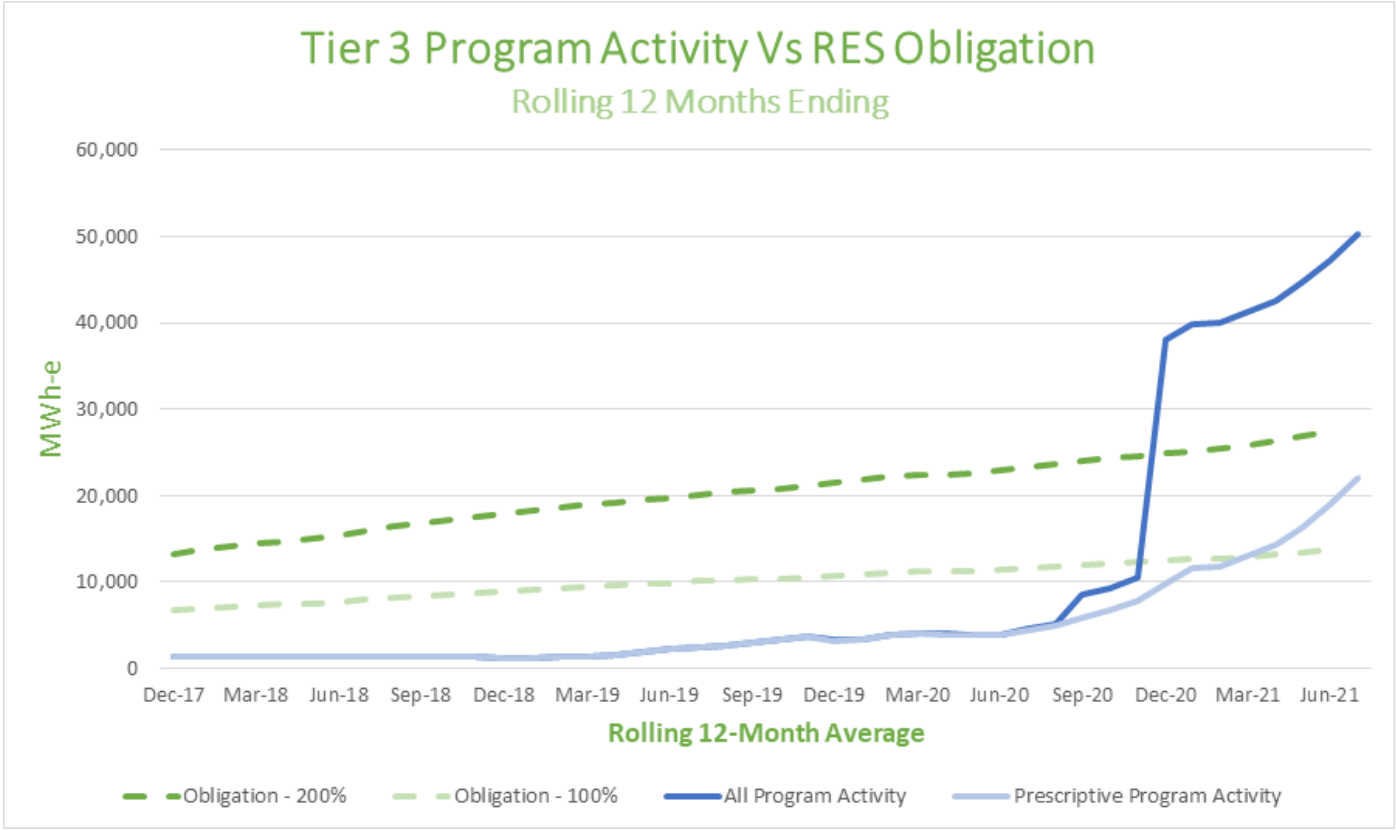
Net Zero Revenue Bond Projects	FY22	FY23	FY24	FY25	Total
Generation	$ 277,604	$ 869,730	$ 375,000	$ 1,320,000	$ 2,842,334
Distribution	$ 1,093,910	$ 3,478,948	$ 6,000,478	$ 3,530,624	$ 14,103,959
General Plant		$ 574,900	$ 150,000		$ 724,900
IT	$ 1,067,874	$ 1,811,556	$ 1,043,308	$ 50,000	$ 3,972,738
Other-Demand Response, Charging Infrastructure	$ 191,756	$ 212,023	$ 250,220	$ 305,757	$ 959,756
Total	**$ 2,631,144**	**$ 6,947,157**	**$ 7,819,006**	**$ 2,603,190**	**$ 20,000,498**

*FY25 projects include full year funding, although the revenue bond would run through only half of FY25, which is why the project category totals for that year, if added up, are double the $2,603,190 figure represented in the FY25 total line.

NET ZERO ENERGY
BURLINGTON VERMONT

Double Strategic Electrification (Tier 3) Incentive Funding FY23-25

- **Continue Green Stimulus –** Per PUC Order BED can keep Green Stimulus level incentives for heat pumps, EVs, through at least end of 2023.
- **Support Faster Progress Toward Net Zero Energy Goal –** Funding for adoption rate double state Renewable Energy Standard compliance level. Incremental GHG reduction beyond business as usual of 47,000 tons lifetime, equivalent to nearly 100,000 barrels of oil consumed.
- **Use a Portion of Existing BED GO-Backed Annual Bonds –** Projected $5.3 million of investment during this three-year period. The projects that these GO bond funds would normally be applied to have been included in the revenue bond proposal.


Tier 3 Program Activity Vs RES Obligation
Rolling 12 Months Ending
60,000
50,000
40,000
30,000
20,000
10,000
0
MWh-e
Dec-17
Mar-18
Jun-18
Sep-18
Dec-18
Mar-19
Jun-19
Sep-19
Dec-19
Mar-20
Jun-20
Sep-20
Dec-20
Mar-21
Jun-21
Rolling 12-Month Average
Obligation - 200%
Obligation - 100%
All Program Activity
Prescriptive Program Activity

FY23 Projected Rate Pressure to Reach 110 Days Cash On Hand

(assuming full funding of capital projects and Net Zero Energy initiatives)

Financing Option	Projected Rate Pressure FY23
Without Revenue Bond	+23.7%
With Revenue Bond	+4.9%

Existing Revenue Bond Debt Service Schedule

In terms of existing revenue bond debt service, BED's 2014B revenue bond, which has had average annual debt service payments of $684,000, will mature in 2025.

Current Ten Year BED Revenue Bond Debt Service *(without new $20 million Net Zero Energy Revenue Bond)*

Fiscal Year	Principal	Interest	Total Payment
2021	$1,745,000	$846,033	$2,591,033
2022	$1,810,000	$784,164	$2,594,164
2023	$1,850,000	$723,984	$2,573,984
2024	$1,935,000	$655,429	$2,590,429
2025	$2,000,000	$575,046	$2,575,046
2026	$1,395,000	$505,926	$1,900,926
2027	$1,445,000	$450,719	$1,895,719
2028	$1,505,000	$394,789	$1,899,789
2029	$1,565,000	$335,354	$1,900,354
2030	$1,620,000	$272,504	$1,892,504
2031	$1,685,000	$205,180	$1,890,180
	$18,555,000	$5,749,128	$24,304,128

Net Zero Energy Revenue Bond Debt Service Schedule

$20 Million Net Zero Energy Revenue Bond Pro Forma Debt Service Schedule for Next Ten Years

Fiscal Year	Principal*	Interest**	Total Payment
2022	$0	$0	$0
2023	$0	$418,333	$418,333
2024	$0	$502,000	$502,000
2025	$0	$502,000	$502,000
2026	$0	$502,000	$502,000
2027	$0	$502,000	$502,000
2028	$1,114,518	$488,013	$1,602,530
2029	$1,142,492	$459,687	$1,602,179
2030	$1,171,169	$430,651	$1,601,819
2031	$1,200,565	$400,886	$1,601,451
5-Year Total	**$4,628,743**	**$4,205,570**	**$8,834,313**

* Principal payments would be deferred for 5 years.

** Assumes interest rate of 2.51%. Actual interest rate to be determined upon bond issuance.

Debt Service Capacity

- **Maturity Savings:** $684,000 of existing Revenue Bond annual debt service will mature starting in 2026. That capacity is available to support principal repayment on Net Zero Energy Revenue Bonds.

- **Strategic Electrification Revenue Return:** BED projects average incremental net revenues of $467,000 FY25-32 from the doubling of customer incentives from FY23-25.

- Total net revenues from strategic electrification projects FY23-25 will support approx. 40% of the combined debt service on the portion of the GO Bonds used for electrification and the Net Zero Energy Revenue Bonds.

NPA WARD 5
NEIGHBORHOOD PLANNING ASSEMBLY

Meeting NOTES
Thursday, 10/21/2021
6:45 – 8:30 PM

I. Participation

a. Steering Committee Attendance & Contact Information: Billy Clark; Joe Dery; Nate Lantieri; Scott Pavek, Andrew Simon; Ben Traverse

b. Total Attendees: 30

II. Meeting Notes

a. 6:45 – 7:00 PM: Public Forum: Your concerns, questions, announcements

   i. Spencer Smith concern expressed regarding the impact of the planned Champlain Connector on green space north of Flynn Ave and on Englesby Brook
   ii. Two Calls to Action from Rep Gabrielle Stebbins:
      1. Opportunity to share your thoughts/desires re: how federal funding should be spent in our community: Thursday, 11/4 from 5:30 – 6:30 PM
      2. Opportunity to visit with Burlington House Dems on 11/15 from 6:15 PM – 7:15 PM
   iii. Terry Rivers expressed expressed surrounding proposed budget for the new Burlington High School.
   iv. Christopher Costello shared his desire to see more permanently affordable housing and an interest in exploring whether the city could sell the Gateway Block to Champlain Housing Trust.

b. 7:00 – 7:15 PM: Planned improvements for Champlain Street Park (a City pock park located at 187 South Chaplain Street) with Max Madalinski, Associate Parks Project Coordinator

   i. Max to action to complete the design survey (link here!) and share their interests in what residents would like to see as the park is renovated.
   ii. Residents commented on need to design a space that reflects community interests and preserves appropriate public behaviors in public spaces.

c. 7:15 – 7:45 PM: Redistricting in Two Parts (1) overview of legislative redistricting (Sen Kesha Ram Hinsdale); (2) Update on Burlington Wards Ad Hoc Committee on Redistricting (Greg

Shepler); (slides linked here) Join the upcoming Ad Hoc Committee on Redistricting Planning Meeting on 10/26 from 5 – 7 PM.

d. 7:45 – 8:15 PM: Net Zero Energy Revenue Bond Proposal, Burlington Electric Department (Darren Springer); Net Zero Energy Roadmap for the City of Burlington

e. 8:15 – 8:30 PM: Flynn Avenue and the potential to relocate the CSWD Drop Off Center (Chapin Spencer); view memorandum here discussing process to explore and preserve the option to relocate the CWSD location to 195-201 Flynn Avenue

SPECIAL MEETING
November 4th @ 7:00 PM @ DPW, 645 Pine Street & via Zoom

NEXT REGULARLY SCHEDULED MEETING
November 18th @ 7:00 PM @ DPW, 645 Pine Street & via Zoom

Visit CEDO website or NPA Ward 5 website for agenda & zoom information and follow on Facebook!