Ward 4/7 NPA Meeting
September 22, 2021
7-9 PM
Online via Zoom
In-Person at Miller Center Community Room
130 Gosse Ct.

Ward 4/7 NPA Zoom Link
Join Zoom Meeting:

Zoom: https://us02web.zoom.us/j/85494151752

One tap mobile: US: +13017158592,85494151752# or +13126266799,,85494151752#
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

Webinar ID: 854 9415 1752

6:45 - 7:00 Sign In & **Ground Rules**
Participants are requested to Sign in
with Name, Email & Ward Affiliation

7:00 - 7:15 Announcements & Introductions

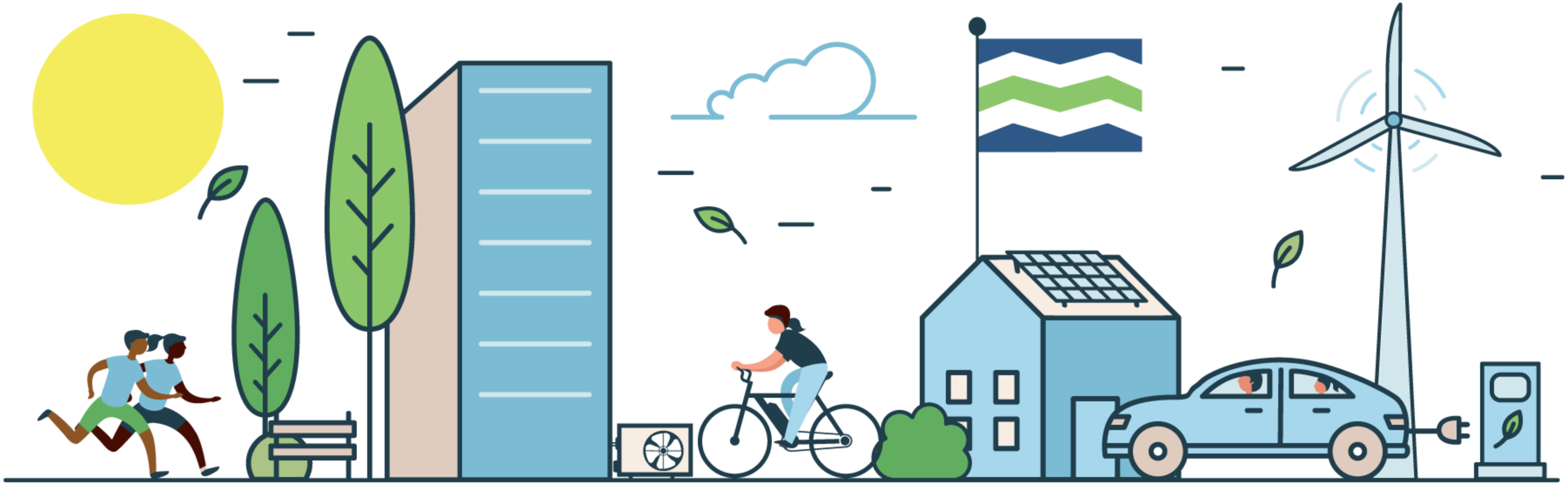
7:15 - 8:00 Elected Officials
City Council, School Board & Legislature

8:00 - 8:30 Burlington Electric Dept. – Net Zero Revenue Bond
Presenter: Darren Springer, General Manager BED

8:30 - 9:00 Question & Answer Session
for BED Bond Proposal & Projects

9:00 Adjourn

Agenda Contingency Note: In the event that the Q&A Session does not utilize the scheduled 30 minutes, the Ward 4/7 representatives to the Ad Hoc Redistricting Committee will initiate the conversation for feedback on considerations for redistricting and configuration of the city council.



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 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

BURLINGTON Electric DEPARTMENT

CITY OF BURLINGTON, VT.

$20 Million Net Zero Energy Revenue Bond Proposal

- **Grid Investments:** reliability and Net Zero Energy system upgrade projects
- **Technology System Investments:** replace 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

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

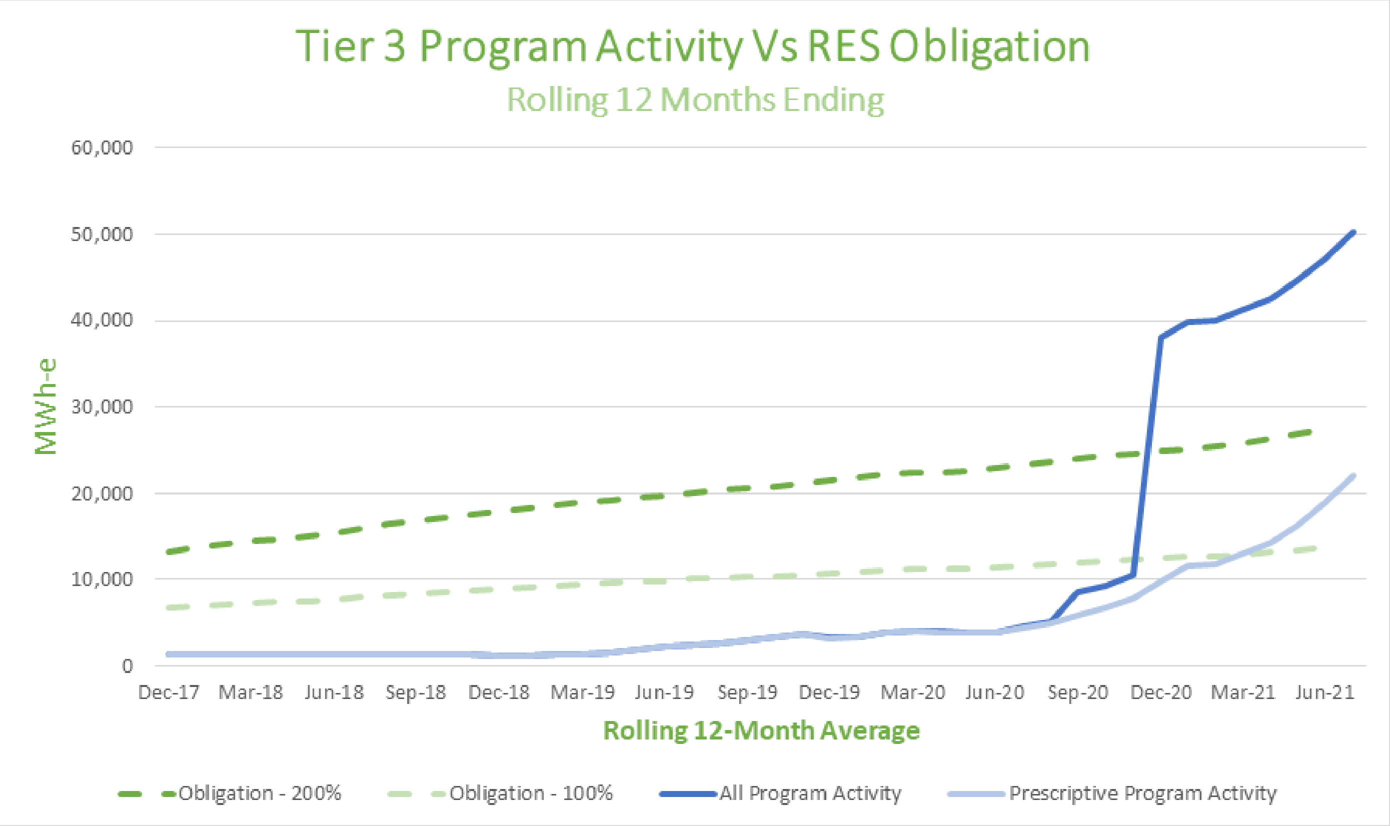
Net Zero Revenue Bond Projects	FY22	FY23	FY24	FY25	Total
Generation	$ 277,604	$ 869,730	$ 375,000	$ 1,320,000	$ 2,842,334
Distribution	$ 1,093,910	$ 3,478,948	$ 6,000,478	$ 3,530,624	$ 14,103,959
General Plant		$ 574,900	$ 150,000		$ 724,900
IT	$ 1,067,874	$ 1,811,556	$ 1,043,308	$ 50,000	$ 3,972,738
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.

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.

NET ZERO ENERGY
BURLINGTON VERMONT



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.

Neighborhood Planning Assembly Minutes

NPA: *(choose one)*	Wards 1 & 8	Wards 2 & 3	**Wards 4 & 7**	Ward 5	Ward 6

Date of Assembly: 9/22/21

Start Time: *(Commence):* 7:00 PM Finish Time: *(Adjourn): 8:56 PM*

Location: Zoom & Community Room, Robert Miller Community & Recreation Center

Note taker: Kirsten Wilson, CEDO

Steering Committee Members in Attendance:
Jeff Clark (Ward 4), Eric Corbman (Ward 4), Olivia Taylor (Ward 7), Jeff Comstock (Ward 7), Matt Hurlburt (Ward 7), Evan Litwiń (Ward 4)

Discussion Topics	Actions Taken / Decisions Made
• 7:00 - 7:15 Announcements & Introductions • 7:15 - 8:00 Elected Officials - City Council, School Board & Legislature • 8:00 - 8:30 Burlington Electric Dept. – Net Zero Revenue Bond Presenter: Darren Springer, General Manager BED • 8:30 - 9:00 Question & Answer Session for BED Bond Proposal & Projects • If time allows: Ad Hoc Redistricting Committee Update	•

Attendance:

Zoom Attendees:

Ann Kiley	Jeff Clark	Olivia Taylor (she/her)	Stephen hamlin ward 7
Eric and Karen Corbman	Lea Terhune	Robert Bristow-Johnson	Sylvia Knight and Robert Wright
Evan Litwin #Ward 4	Matt Hurlburt	Robert Hooper	Town Meeting TV
Howard Hoffman	Monika Ivancic	Sarah Carpenter	

In-Person Attendees:

Darren Springer, BED	Kirsten Wilson, CEDO
Rep. Emma Mulvaney-Stanak	Councilor Mark Barlow
Jeff Comstock	Peter Ireland

Agenda Items and Actions:

Announcements & Introductions

- Jeff Comstock, Wards 4&7 NPA Steering Committee Member and tonight's facilitator, covered the ground rules, including being respectful and raising your hand to be added to the queue to speak.
- Attendees of the meeting then introduced themselves by name, role and ward.

Elected Officials - City Council, School Board & Legislature

- Rep. Emma Mulvaney-Stanak: emulvaneystanak@leg.state.vt.us

    - Representative Mulvaney-Stanak shared an update on a bill that passed in the House that created a study task force on unemployment. The task force is looking for ways to improve the system for Vermonters and will deliver a report on their findings.
    - The Pupil Weighted Factors Study from 2019 now has a task force looking into equitable education funding in the State. Their next hearing is October 20th and members of the public can testify for 2 minutes. Rep. Mulvaney-Stanak will also host an informational session on October 13th for people to learn more.
    - Rep. Mulvaney-Stanak is also hosting a listening session for businesses with Main Street Alliance: on October 4th at 8:30 AM at Santiago's on North Avenue in the Ethan Allen Shopping Plaza. Anyone interested is welcome to attend.
- Rep. Bob Hooper: rhooper@leg.state.vt.us
    - Rep. Hooper shared an update that Gov. Scott extended the Emergency Motel Housing Program by an additional 30 days for Vermonters.
    - Rep. Hooper also shared updates on Redistricting, as well City Charter Changes up for State review. If anyone has thoughts on either subject, please send them to Rep. Hooper.
    - Rep. Hooper noted that some Vermonters are being transferred from Medicare to Medicare Advantage without their knowledge. There will be a webinar tomorrow, September 23rd at 9 PM on the topic. Although people may be automatically transferred, they do have the option to transfer out to the regular Medicare.
- The State Representatives and City Councilors answered questions on procedure for polling place changes, funding for the High School, and funding for waste water treatment upgrades.
- Monika Ivancic, Burlington School Board: mivancic@bsdvt.org
    - School is back in session and there have been minimal class disruptions due to COVID-19.
    - The School Board met on September 14th and narrowed their options for the new High School down to three sites. The three finalists are: South side of Institute Road, North side of Institute Road, and the Gateway Block that is the block bordered by Main St, South Union St, College St and South Winooski Ave and includes Memorial Auditorium.
    - For the weighted criteria used to evaluate the sites and more, please check out BoardDocs for the attachments from the September 14th meeting.
    - Next meeting is October 5th and will discuss the sites more. Won't make decision until November meeting.
    - Monica answered questions on topics including: whether A Building could still be utilized on the Institute Road, what categorical aid is in regards to Act 60, whether current students have been surveyed, PCB risk standards.
    - There is Public Comment at the beginning of the October 5th School Board meeting. Written comments can also be sent to: board@bsdvt.org. It will be the School Board that ultimately makes the decision on the High School.
- Councilor Sarah Carpenter: scarpenter@burlingtonvt.gov
    - Councilor Carpenter shared updates on recent City Council meetings, including the hearing of the Director of Aviation, a BDS resolution, and a brief overview of Census data (the latter of which is available on BoardDocs).
    - Upcoming meetings will include a presentation on September 27th regarding a Bond for Capital Improvements. If the Council approves a special election, it will include the Capital Plan as a ballot item and likely be held in early December.
    - There is a proposal for short-term rentals upcoming, as well as several proposals in the Charter Change committee. The Ad Hoc Redistricting Committee will begin meeting soon.
    - The Parks, Arts, and Culture Committee is looking for input on access to water and the waterfront. Feedback from members of the public can go to the Commissioners.
- Councilor Barlow: mbarlow@burlingtonvt.gov
    - Tax appeal panels are happening weekly now until November.

  - Regarding the infrastructure bond, City Council gave administration more time to work on it because of questions raised at the last City Council meeting.
  - Consolidated waste collection will be on the next City Council agenda on 9/29. The Council is considering whether to consolidate all trash and compost services to be operated by the City. People should share their comments or concerns with the entire City Council on this issue.
- The City Councilors answered a question on the bonding limit for the City.

Burlington Electric Dept. – Net Zero Revenue Bond Presenter: Darren Springer, General Manager BED
- If anyone needs help paying their energy bills, they can visit https://www.burlingtonelectric.com for resources on payment assistance.
- Burlington Electric has proposed a net zero revenue bond for the ballot in December.
- Darren shared background information on Burlington Electric and their current facilities. 100% of power is from renewable generation since 2014. Net zero has been the next goal since 2014.
- This revenue bond would require approval by the majority of voters. It would be repaid by BED revenues, and would not impact property taxes. It also would not affect the City's debt policy or debt ratio.
- Net zero is the most ambitious goal because it means being 100% renewable for electric generation and also for building, thermal, and ground transportation.
- Twenty million dollar revenue bond proposal would go towards grid and infrastructure, liability, net zero energy projects, and maintenance.
- The rest of the presentation slides can be reviewed online here.

Question & Answer Session for BED Bond Proposal & Projects
- Darren answered questions on topics including rate pressure vs. rate increase, biomass and the McNeil plant, a peaking plant, solar, and e-bike incentives.

Ad Hoc Redistricting Committee Update:
- Ad Hoc Committee Member Robert Bristow-Johnson (Ward 7) shared that the Committee will be having their first meeting next Wednesday, September 29th.