



Board of Directors Meeting

February 1, 2023

9:30 a.m.

5195 Waterbury-Stowe Road, Waterbury Center, VT 05677

CALL IN NUMBER: 1-347-991-8065

Meeting ID: 728 462 026

[Click here to join the meeting](#)

Directors

Patricia Richards, Barton	John Dasaro, Enosburg	Mike Sullivan, Hardwick
Vacant, Jacksonville	Erik Bailey, Johnson	Thomas Petraska, Ludlow
Jonathan Elwell, Lyndonville	Scott Johnstone, Morrisville	Steve Fitzhugh, Northfield
John Morley III, Orleans	Bill Sheets, Swanton	

Agenda

Allotted number of minutes set forth in bold type after each item

“” items will have written materials but no presentation unless questions are asked*

1. Call to Order **(9:30)**
2. Consideration of changes/modifications to agenda **(3) (9:31)**
3. Public Comment **(2) (9:34)**

Action Items

4. Minutes of the 1/04/2023 Board of Directors Meeting **(3) (9:36)**
5. Monthly Financial Report for period ending 12/31/2022 (Grace) **(5) (9:39)**
6. P10 Reserve & Contingency Annual True-Up (Grace) **(5) (9:44)**
7. March 2023 Meeting Date Change **(5) (Ken N) (9:49)**

Discussion Items

8. Northview AI Weather Software – Jay Shafer **(30) (9:54)**
9. Power Supply Update (Shawn) **(15) (10:24)**
10. AMI Project (Ken S.) **(10) (10:39)**
11. GIS Project (Alex) **(10) (10:49)**
12. Legislative/Communications Update (Julia) **(10) (10:59)**
13. Regulatory Update (Sarah) **(20) (11:09)**
14. Project 10 Status (Dave G./Ken N.) **(10) (11:29)**
15. GM Items – (Ken N.) **(10) (11:39)**
16. Board Member Updates **(5) (11:49)**

Executive Session

17. None

Other

18. Other Business **(5) (11:54)**

CC:

Chris Recchia, Barton	Vacant, Ludlow
Abbey Miller, Enosburg	Penny Jones, Morrisville
Vacant, Hardwick	Jeff Schulz, Northfield
Vacant, Jacksonville	Marilyn Prue, Orleans
Vacant, Johnson	Lynn Paradis, Swanton
Erica Welton, Lyndonville	



Regular Board of Directors Meeting Minutes

January 4, 2023

Board of Directors:

	Patricia Richards, Barton		Jonathan Elwell, Lyndonville
X	John Dasaro, Enosburg	X	Scott Johnstone, Morrisville
P	Mike Sullivan, Hardwick	X	Stephen Fitzhugh, Northfield
	Vacant, Jacksonville	X	John Morley, Orleans
P	Erik Bailey, Johnson	X	Bill Sheets, Swanton
X	Thomas Petraska, Ludlow		

X indicates attendance in person, P indicates attendance by phone.

Alternates present:

Penny Jones, Morrisville (X)	Lynn Paradis, Swanton (P)
	Chris Recchia, Barton (P)

Others present:

Ken Nolan, VPPSA (X)	Alex Nicholson, VPPSA (P)	Amy Parah, VPPSA (X)
Grace Sawyer, VPPSA (X)	Shawn Enterline, VPPSA (P)	
Sarah Braese, VPPSA (X)	Julia Leopold, VPPSA (X)	Steve Farman, VPPSA (P)
Josh Bancroft, VPPSA (P)	Amanda Simard, VPPSA (P)	Reginald Beliveau, Swanton (X)
	Erica Welton, Lyndonville (P)	

Numbers in bold type correspond with agenda item numbers:

- Chairman Fitzhugh called the meeting to order at 9:30 a.m.
- Chairman Fitzhugh asked if there were requests for changes and/or modifications to the current agenda. There were no changes.
- Chairman Fitzhugh asked if there were public comments and/or individuals who would like to address the Board. There was no public in attendance.
- Director Morley made a motion to accept the minutes of the Board of Directors meeting held on November 2, 2022. The motion was seconded by Director Petraska. Motion approved.

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- 5.** Director Petraska made a motion to approve the Monthly Financial report for the period ending November 30, 2022. The motion was seconded by Director Johnstone.

The Assistant Controller provided a review of the 2022 operational revenue vs expenses and noted that net income is \$2.2 million, and operational revenue exceeds budget by \$235K or 12%. Conferences, travel, and mileage are significantly below budget and anticipate being \$70K under budget at year end. Payroll and overhead continue to be slightly under budget but anticipate ending the year right on budget. Other items of note: We received the VLITE grant of \$81,000 which is included in the RES financial reports but there have not been any expenditures related to this project. RES Tier III REC purchases continue to be under budget by \$49k or 19%. McNeil generation is under budget 18.94% YTD. P10 income is overbudget by \$39K despite the increasing fuel costs.

The motion was approved.

- 6.** The General Manager reviewed the events of the severe Christmas Eve storm. VPPSA has joined the statewide emergency management calls and is anticipating the legislators to have questions regarding the outage and mutual aid during the emergency. The DPS seems to have developed the belief that VPPSA is a conduit for member information. Director Morley does not agree with VPPSA being in the middle of the communication path. Director Recchia believes that the DPS is looking for VPPSA to ensure that the members are keeping the VTOutages site up to date. Director Morley indicated that even if there are no outages during a storm they still go in and enter zero so that the DPS knows it is updated. The General Manager asked the directors if VPPSA should be in the communication chain or do we need to let the DPS know to contact the members individually? It was the consensus that the DPS should contact the members directly, but for VPPSA to continue to be in the Emergency Management calls during normal operating hours. The General Manager asked if members received calls or emails from NEPPA for mutual aid requests? The members did get contacted but were too busy with their own outages. Director Johnstone indicated that Morrisville's customer outages were not bad overall, but the number of events or separate outages were not tracked during the storm. VEC, WEC, and GMP struggled to get customers back online, but VPPSA members seemed to restore service more quickly. The General Manager requested the members provide general information on their outages and mutual aid provided so that we can have a narrative for VPPSA on the storm results. Once AMI is up and running the information will be easier to gather and more accurate. ISO-NE activated its Pay-for-Performance Program for the second time ever and P10 was called to operate.

Ludlow - Friday night: no outages. Provided aid to GMP. Serviced one outage and then additional aid to GMP for 8 days over two events.

Johnson - Had one three-hour outage before the big storm and had no outages during the major storm. Provided mutual aid to Hyde Park for their 4 outage events.

Swanton- All customers were out of service, and most were back within 12 hours. Velco had a bump that took it down and they could not come back up until everything was checked. Aided Enosburg for 3.5 days and asked VEC if they needed aid after they finished helping Enosburg. Swanton lost phone and internet as well.

Morrisville- 75 events and 1200 customers out of power. Finished restoring on Christmas morning and did not provide mutual aid, but the Town Highway crew helped cut trees for part of a day.

Enosburg - 11 events & 68% (1300) of customers affected for 4 days. They contracted with a logger to help with downed trees and Swanton provided mutual aid.

Orleans- had no outages but provided mutual aid for Barton from Friday - Saturday evening. John Morley is helping develop a plan with Steve Cutler on how to reduce outage times.

Northfield - feeder lockout for about 4-5 hours. During the remainder of the storm there were approximately 50 customers out of service. A propane tank took out a pole servicing 26 customers.

Hardwick - 50% of their customers were out from Friday through Sunday evening all was done with internal crews and trimming contractors.



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Lyndonville information to be gathered following the meeting.

7.a Julia Leopold, VPPSA's Director of Public Affairs provided the Legislative update to the Board. The new legislative session starts today, and it may take a little while to get the various committees' setup and going due to the super-majority of the Democrats. Hot topics of discussion expected for the session include the Clean Heat Standard, 100% Renewable Energy Standard, Act 151 fund usage and extending the program, and the Municipal Energy Resiliency Program. Reginald Beliveau asked about the Hydro owners going to the legislature as stakeholders with more clout for some issues. Director Johnstone said that Morrisville is already starting that process and feels that we do need to have an offensive position (instead of defensive or reactive) with this session. Enosburg invited all the Franklin County reps to visit and provide information to the rookies.

7.b Julia Leopold, VPPSA's Director of Public Affairs gave a Communications and advertising campaign update. The current campaign is promoting the availability of VLITE funds. Future planned campaigns include: The Value of Public Power utilizing the tagline "Community is at the heart of X Utility". Director Morley thought that this would be a good campaign to use after recovering from a large storm as a press release touting how much work and how great the utility responded. Director Dasaro reminded everyone to vet any pictures that they use in posts. There was a consensus that this campaign could begin to move forward. In addition, there is a collaborative Heat Pump campaign coming up. Director Johnstone asked about the purpose of the campaign when studies show that these are typically used as an air conditioner and back up heat source. Director Morley brought up the fact that during the recent storm when people lost power, they also lost heat and with the push for EV's customers could also be losing their transportation in these situations. What are the legislators going to do about the RES policy in light of this? A single solution is not going to be the answer, we must continue with diversity. Also, there is tailored Efforts outreach, and press releases related to rate increases. There are a couple of additional campaigns under consideration for the future. Chairman Fitzhugh asked about the regulations regarding the disconnect notices now that the emergency ruling has expired. Sarah Braese indicated that the new filing looks very similar to the filing that was utilized under the emergency rules. Director Morley indicated that he would like to have a standard VPPSA template for the members. Penny Jones asked why it has not reverted to the original rules now that the emergency rule has expired? A standardized template would be helpful. The members need to let Ms. Braese know by Friday if they would like VPPSA to do this on their behalf.

8. Shawn Enterline, VPPSA's Senior Power Analyst provided an overview of the power supply markets, the primary driving factors related to power costs, actual and future energy prices, and the budget vs actual for each member. It was noted that the Stetson Wind contract has been fully executed and began deliveries on January 1st. Shawn Enterline also discussed the impact of the Christmas storm on the energy markets. P10 had a failed start on the 23rd and Dave Gagne stayed after hours to correct the issue so that on the 24th when ISO-NE started the units they both ran and earned the real-time energy price and earned a bonus due to how well the units performed. At this time, it looks like there will be close to an additional \$100,000 in income from P10 for the event. Two things caused the capacity scarcity: 1. Generation was below the Day Ahead committed level and 2. Imports from HQ were below anticipated levels. Also, due to the load loss from outages some members who had bought day ahead energy were able to sell at real time and earn some additional revenue. McNeil should also have a decent month because it operated through the event.

9. The General Manager provided the AMI status update. The Aclara contract is under final review. The General Manager noted that the loan closing is being held pending the first tranche of members signing their AMI contracts with VPPSA. The member contracts are awaiting final review to align with the executed Aclara contract. Bill Ellis has drafted PUC petition and testimony and is awaiting finalizing with the executed contract, financing completion & the DPS grant. VPPSA submitted a proposal to the DPS on November 30th requesting \$5.247 million on behalf of all members and VPPSA is still awaiting a DPS



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response. Ken St. Amour indicated that he would like to schedule the two final member meetings with Northfield and Ludlow to discuss the impact of the project with the local stakeholders.

10. Alex Nicholson, VPPSA's GIS Administrator provided an overall GIS program and project plan update. Alex also provided an update on the status of each member's project and the anticipated roll-out of the web mapping application for each member. The General Manager noted that the Project Plan has been submitted for review. The available GIS information has been utilized in recent grant applications. The question came up to gauge if there were any reservations from the members on allowing mutual access to the GIS data? This would allow members to view each other's data. Internally this would allow a single VPPSA map. Penny Jones brought up the fact they currently share data with Stowe so this could be an issue for other members. However, there could be a restricted access role that allows view only. There was a brief discussion on the pros and cons of allowing access to the data. The discussion will continue offline with the individual members to work through the nuances.

11. The written Regulatory report was provided to the Board. Sarah Braese, VPPSA's Manager of Government and Member Relations, provided a brief update on various topics including the submission of the 2023 Tier III Annual Plan. The new rebate processing platform (P3) was supposed to launch on the 1st but is now anticipated to launch on Friday. The 2022 Tier III obligations appear to have been fully met and the 2021 RES Compliance was approved. The response to case 22-4869-INV regarding EV rates was filed and there has been no comments at this point. The General Manager provided some background and detail on what is going on with the Ryegate Biomass plant. The price was set in the legislation for the power from the plant and the plant installed some emissions control equipment to qualify for out of state RECs. At the beginning of the contract the plant received 90% of the REC's for sale/revenue. With the expiration of the contract coming up the plant owner expressed that it is no longer financially viable and convinced the legislature to extend the contract through 2032. The contract extension was under negotiation when the owner of the plant filed bankruptcy for other plants it owned. This caused some controversy and questioning of the potential impacts on the Ryegate plant. During PUC review of the contract extension ambiguity developed around who receives the RECs going forward and concerns were raised because the vendors providing fuel inventory have not been receiving payment. VPPSA has stepped out of the fight. Ryegate's 3-month extension on the current contract has come to an end and negotiations are still underway for the new contract. Ryegate filed an MOU accepting the contract extension with GMP, VEC, and WEC. Stowe and Hyde Park expressed support for the extension but raised concerns around guarantees that Ryegate operates to avoid capacity market penalties. The members had a brief discussion on both the Ryegate and McNeil generation plants and the viability of them in the future. Sarah Braese continued with regulatory updates. PSD filed comments questioning EVT involvement/engagement in flexible load management (FLM), especially potential overlap with DU work that may warrant a pause on their work in this space.

12. The General Manager provided an overview of the grant efforts that VPPSA has participated in during the last year. Four grants have been awarded in 2022 and another grant had funds allocated in the legislature and is awaiting award. VPPSA was awarded \$1.5 million for construction of a solar project that allows low-income customers to buy into the project for low-rate electricity. VPPSA is working on cyber-security testing utilizing grant funds. VPPSA also submitted a concept paper for an additional grant requesting a minimum of \$60-80 million to support deployment of seven utility scale battery storage locations. The General Manager provided a brief overview of several other grant opportunities in the queue including Grid Resilience, CUD make-ready and Hydro-Dam grants.

13. The General Manager provided a brief update related to Project 10 activities. During the Christmas Eve storm both units had failed starts, but Dave Gagne was able to address the issues and overall, the units operated well. VPPSA was notified that it was selected to complete the NERC self-certification audit in 2023. Ken St. Amour, VPPSA Manager of Technology & Security Services, will be leading the effort with assistance from Utility Services. This could take significant staff resources to



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complete in the first quarter of 2023, with the potential for NERC financial penalties for any deficiencies. Also, power supply only bid the units into the winter reserve market to maximize value and minimize risk. VPPSA continues to cover BED's reserve obligation and receive additional revenues whenever forecasts indicate energy markets will be stable.

14. The General Manager provided a brief update on status of the rate case submittals and IRP's. VPPSA is bringing in an outside contractor to assist with a couple of rate cases to speed things along. RES conversations are heating up on several fronts: The Climate Council continues to debate whether Biomass is a truly renewable resource which has major implications for McNeil; Ryegate is running into issues renewing its statewide contract; REV is running an aggressive campaign to revise the RES statute; and VPPSA has been in active discussions with BED, WEC, and VEC about developing a pro-active bill proposing our own RES revisions. The General Manager plans to have VPPSA call a meeting of MEAV to re-establish a leadership structure and a brief discussion ensued about the benefit of VPPSA playing that role. The staff reorganization is underway and should be complete by the end of January. Director Dasaro asked if VPPSA has heard anything more about the sub-station/infrastructure attacks and a brief discussion ensued.

15. Board Member Updates: None

16. Executive Session: None

17. Other Business: Director Johnstone asked if there was any interest from the new Director in Stowe to join VPPSA again? Ms. Braese has met with Stowe's new Manager and the General Manager intends to follow up. Discussions around renewed VPPSA membership have not begun but the goal is to improve interactions with Stowe management.

Director Morley made a motion to adjourn the meeting. The motion was seconded by Director Petraska. Motion approved.

The meeting was adjourned at 12:54 p.m.

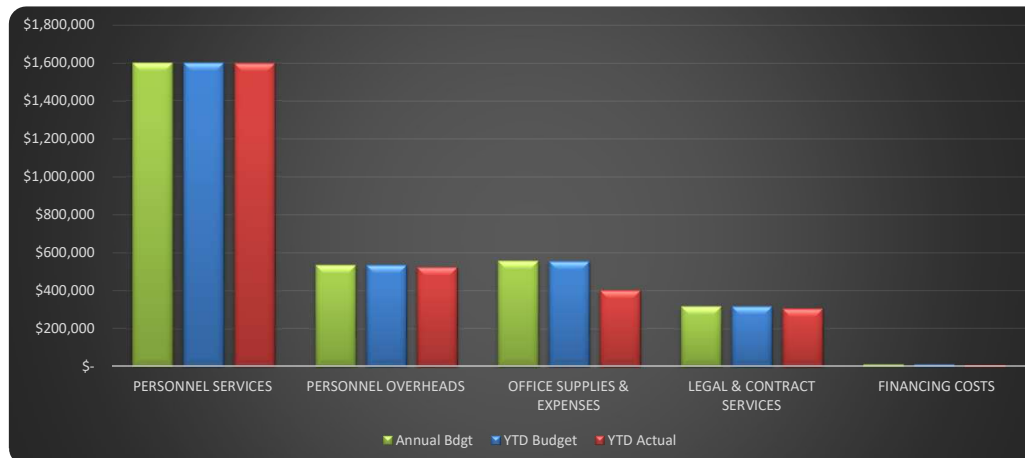
Respectfully submitted,

Grace Sawyer, Assistant Controller

VERMONT PUBLIC POWER SUPPLY AUTHORITY
OPERATIONAL REVENUE & EXPENSE SUMMARY
2022 YTD ACTUAL VS. BUDGET

Reconciliation Month = **December-2022**

		2022 YTD Budget	2022 YTD Actual	Variance Act vs. Bdgt \$	Variance Act vs. Bdgt %	2022 Annual Bdgt	YTD Act % of Annual Bdgt
REVENUES:							
	MCNEIL PROJECT #2	\$ 109,857	\$ 109,857	\$ -	0.0%	\$ 109,857	100%
	HIGHGATE PROJECT #3	\$ -	\$ -	\$ -	0.0%	\$ -	0%
	CENTRAL COMPUTER PRJ #4	\$ 54,929	\$ 54,929	\$ -	0.0%	\$ 54,929	100%
	SWANTON PEAKER PRJ #10	\$ 222,504	\$ 239,322	\$ 16,818	7.6%	\$ 222,504	108%
	RES PROJECT	\$ 54,929	\$ 54,929	\$ -	0.0%	\$ 54,929	100%
	NET METERING PROJECT	\$ 27,464	\$ 27,464	\$ -	0.0%	\$ 27,464	100%
	AMI PROJECT	\$ 54,929	\$ 27,464	\$ (27,464)	-50.0%	\$ 27,464	100%
	GIS/MAPPING PROJECT	\$ 125,288	\$ 125,412	\$ 124	0.1%	\$ 125,288	100%
	MEMBER REVENUES	\$ 1,833,850	\$ 1,853,145	\$ 19,295	1.1%	\$ 1,833,850	101%
	NON-MEMBER REVENUES	\$ 566,916	\$ 515,441	\$ (51,475)	-9.1%	\$ 566,916	91%
	TOTAL REVENUES	\$ 3,050,665	\$ 3,007,963	\$ (42,702)	-1.4%	\$ 3,023,201	99%
BILLABLE EXPENSES:							
	PERSONNEL SERVICES	\$ 1,600,619	\$ 1,596,905	\$ (3,714)	-0.2%	\$ 1,600,619	100%
	PERSONNEL OVERHEADS	\$ 534,416	\$ 523,297	\$ (11,119)	-2.1%	\$ 534,416	98%
	OFFICE SUPPLIES & EXPENSES	\$ 555,869	\$ 403,626	\$ (152,243)	-27.4%	\$ 558,825	72%
	LEGAL & CONTRACT SERVICES	\$ 316,500	\$ 304,461	\$ (12,039)	-3.8%	\$ 316,500	96%
	FINANCING COSTS	\$ 12,841	\$ 7,504	\$ (5,337)	-41.6%	\$ 12,841	58%
	TOTAL BILLABLE EXPENSES	\$ 3,020,245	\$ 2,835,793	\$ (184,452)	-6.1%	\$ 3,023,201	94%
	Net Income(Loss)	\$ 30,420	\$ 172,170	\$ 141,750			



Monthly Financial Report-Variance Analysis
December 31, 2022

NON PROJECT OPERATIONS:

	Actual					Budget	Var (\$)	Var (%)
	Operational (*)	Power Supply	Transco Activities	Other	Total			
Member/NonMember Revenues	\$ 2,063,404	\$ 35,646,621	\$ -	\$ -	\$ 37,710,026			
Other Revenue Sources	\$ 919,118	\$ 3,181,043	\$ 4,079,371	\$ 102,517	\$ 8,282,049			
Total Revenues	\$ 2,982,523	\$ 38,827,664	\$ 4,079,371	\$ 102,517	\$ 45,992,075	\$ 42,315,216	\$ 3,676,859	9%
Operational Expenses	\$ (2,835,793)	\$ (38,843,018)	\$ -	\$ (65,411)	\$ (41,744,222)			
Transco Activities	\$ 24,850	\$ -	\$ (1,696,174)	\$ -	\$ (1,671,323)			
Other Expenses	\$ -	\$ -	\$ -	\$ (17,159)	\$ (17,159)			
Total Expenses	\$ (2,810,943)	\$ (38,843,018)	\$ (1,696,174)	\$ (82,570)	\$ (43,432,704)	\$ (39,841,986)	\$ (3,590,718)	9%
Net Cash Flow	\$ 171,580	\$ (15,353)	\$ 2,383,197	\$ 19,947	\$ 2,559,370			
Transco Principal (VPPSA)	\$ 92,112	\$ -	\$ -	\$ -	\$ 92,112			
Net Income (Loss)	\$ 263,692	\$ (15,353)	\$ 2,383,197	\$ 19,947	\$ 2,651,482	\$ 2,473,230	\$ 86,140	3%
Primary Drivers	PR & OH's under budget 0.69% or (\$15K) OS & E underbudget 19.16% or (\$170K) -website, conf/travel, legal, insurance, interest; offset by insurance & comp equip Standard Offer Revenues underbudget by (\$49K) (*) - Reconciles to Operational Revenue & Expense Summary							

MCNEIL:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 5,051,699	\$ 5,690,857	\$ (639,158)	-11%
Oper Expenses	\$ (5,291,699)	\$ (5,930,857)	\$ 639,158	-11%
Non-Oper Rev/Exp	\$ 16,680	\$ 1,800	\$ 14,880	827%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (223,320)	\$ (238,200)	\$ 14,880	-6%
Primary Drivers	Generation under-budget 16.13% or 8,370,160 kwh less than budget			

CENTRAL COMPUTER:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 149,444	\$ 149,444	\$ (0)	0%
Oper Expenses	\$ (150,365)	\$ (140,387)	\$ (9,978)	7%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (922)	\$ 9,057	\$ (9,979)	0%
Primary Drivers	Net Loss is related to funds collected for server less actual depreciation expense			

PROJECT 10:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 3,196,507	\$ 3,196,506	\$ 0	0%
Oper Expenses	\$ (2,461,952)	\$ (2,394,279)	\$ (67,674)	3%
Non-Oper Rev/Exp	\$ 64,186	\$ 12,000	\$ 52,186	435%
Financing	\$ (531,119)	\$ (531,119)	\$ 0	0%
Net Income (Loss)	\$ 267,622	\$ 283,109	\$ (15,487)	-5%
Primary Drivers	Fuel overbudget \$175K or 130.3% Interest Income overbudget \$52K or 435%; Various expenses are underbudget \$128K			

AMI Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 67,464	\$ 67,464	\$ 0	0%
Oper Expenses	\$ (65,212)	\$ (67,464)	\$ 2,252	-3%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 2,253	\$ -	\$ 2,253	0%
Primary Drivers	Contracted services under budget for the year.			

HIGHGATE:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ -	\$ -	\$ -	0%
Oper Expenses	\$ -	\$ -	\$ -	0%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ -	\$ -	\$ -	0%
Primary Drivers	Sale of Asset finalized in 2017-no activity YTD			

Renewable Energy Standards:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 967,065	\$ 906,065	\$ 61,000	7%
Oper Expenses	\$ (850,586)	\$ (906,065)	\$ 55,479	-6%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ (7,495)	\$ -	\$ (7,495)	0%
Net Income (Loss)	\$ 108,984	\$ 0	\$ 108,984	1089844799%
Primary Drivers	REC Purchases underbudget by 16.7% or \$92K			

Net Metering Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 28,214	\$ 28,214	\$ (0)	0%
Oper Expenses	\$ (27,464)	\$ (28,214)	\$ 750	-3%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 750	\$ -	\$ 750	0%
Primary Drivers	Net income related to mileage expense not realized			

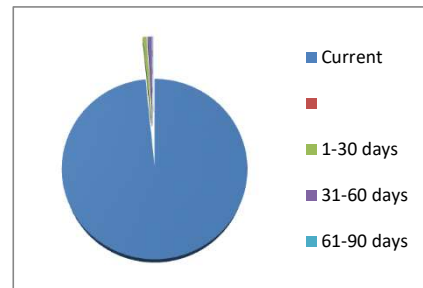
GIS Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 217,259	\$ 217,259	\$ (0)	0%
Oper Expenses	\$ (202,294)	\$ (223,213)	\$ 20,919	-9%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 14,965	\$ (5,953)	\$ 20,919	-351%
Primary Drivers	Contracted services, travel & furniture expenses are under budget for the year.			

Vt. Public Power Supply Authority
Consolidated Balance Sheet
December 31, 2022

	2022	2021
ASSETS		
Electric Utility Plant	50,453,229.17	49,095,578.94
Accumulated Depreciation	(36,749,412.54)	(35,023,733.57)
Utility Plant in Service	13,703,816.63	14,071,845.37
 CWIP-General	0.00	0.00
CWIP-McNeil	481,870.27	55,034.71
CWIP-Highgate	0.00	0.00
CWIP-P10	0.00	0.00
 Net Electric Plant	14,185,686.90	14,126,880.08
 Intangible Plant-Net of Amort.	1,791.90	2,215.45
<u>Current Assets:</u>		
Special Funds	3,222,326.30	3,122,527.07
Cash and Working Funds	2,366,141.02	1,485,584.72
Cash - REC's	0.00	0.00
Cash - Vt. Transco	843,350.06	972,809.78
Cash - VEV Proceeds	0.00	0.00
Special Deposits-Collateral	0.00	0.00
Temporary Investments	3,725,116.42	6,103,691.02
Investment in Associated Co.	265,000.00	265,000.00
Investment in Vt. Transco	33,711,080.00	33,704,100.00
Accounts Receivable	6,664,835.77	5,461,310.47
Amounts Due From Members	(9,615.94)	582,745.61
Notes Receivable	0.00	0.00
Interest/Distributions Receivable	1,053,927.39	1,003,477.17
McNeil Inventory	1,434,547.09	1,192,950.45
P10 Inventory	312,378.57	232,404.81
Meter Inventory	515.00	515.00
Other Current Assets	211,967.95	221,509.46
 Total Current Assets	53,801,569.63	54,348,625.56
<u>Other Assets:</u>		
Deferred Debits-Other Regulatory Assets	25,000.00	25,000.00
Deferred Debits	654,319.37	214,574.61
Derivative Instrument Asset	0.00	0.00
Unamortized Dbt Iss Exp-LetCrd	0.00	0.00
Unamort Debt Issue Exp-McN	0.00	0.00
Unamort Debt Issue Exp-HG	0.00	0.00
Unamortiz Debt Issue Exp-P10	0.00	0.00
 Total Other Assets	679,319.37	239,574.61
 Total Assets	\$ 68,668,367.80	\$ 68,717,295.70

A/R Aging Analysis		
Current	6,558,466	98%
1-30 days	45,905	1%
31-60 days	51,500	1%
61-90 days	8,965	0%
91-120 days		0%
>120 days		0%
Total	\$6,664,836	100%



Vt. Public Power Supply Authority
Consolidated Balance Sheet
December 31, 2022

	2022	2021
LIABILITIES AND CAPITAL		
Unappropriated Retained Earnings	20,524,191.61	19,968,462.29
Unappropriated Earnings-Distributed	(1,193,836.48)	(1,193,836.48)
Appropriated Retained Earnings	19,804,755.09	17,533,625.05
Other Comprehensive Income	(49,302.58)	(5,646.58)
	<hr/>	<hr/>
Total Retained Earnings	39,085,807.64	36,302,604.28
<u>Long-Term Debt:</u>		
LTD-P10 Bonds - Series A	8,960,000.00	10,215,000.00
LTD-P10 Bonds - Series B	515,000.00	590,000.00
LTD-Transco 2011 Consolid Refi	4,524,161.63	5,655,202.05
LTD-Transco 2012-2014 Members	1,582,435.40	1,978,044.16
LTD-Vt Transco "16 Members	470,290.00	680,290.00
LTD-Vt Transco Financing-HG	636,580.08	795,725.08
LTD-Vt Transco '17 Members	789,288.00	986,610.00
LTD-Vt Transco '18 Members	586,070.00	703,284.00
LTD-Vt Transco '18 VPPSA	37,790.00	45,348.00
LTD-Vt Transco '19 Members	261,443.42	304,420.42
LTD-Vt Transco '20 Members	468,198.00	535,082.00
LTD-Vt Transco '21 Members	1,330,828.71	1,481,859.13
LD-2019 Building Upgrades	76,666.69	90,000.02
	<hr/>	<hr/>
Net Long-Term Debt	20,238,751.93	24,060,864.86
Def. Revenues - Members	81,000.00	0.00
Def. Credits-Accrued Vac Liab.	127,342.05	126,991.54
Def Credits-Other Reg Liabilities	25,000.00	25,000.00
	<hr/>	<hr/>
Total Deferred Revenues/Credits	233,342.05	151,991.54
<u>Current Liabilities:</u>		
Accounts Payable	4,430,731.93	3,545,581.30
Amounts due Members	453,176.57	555,054.19
Security Deposits	143,534.97	43,540.00
Short-term Bank Notes Payable	0.00	0.00
Current Maturities on L/T Debt	3,822,112.95	3,743,923.39
Derivative Instrument Liability	0.00	0.00
Accrued Interest	270,839.26	306,071.35
Accrued Taxes Payable	11,515.08	(8,752.52)
Accrued Salaries	0.00	0.00
Accrued Pension Contributions	0.00	0.00
Accrued Payroll Liabilities	2,809.07	4,936.50
Other Misc. Accrued Liabilities	(24,253.65)	11,480.81
	<hr/>	<hr/>
Total Current Liabilities	9,110,466.18	8,201,835.02
	<hr/>	<hr/>
Total Liabilities & Capital	<u>\$ 68,668,367.80</u>	<u>\$ 68,717,295.70</u>

Memorandum

To: VPPSA Board of Directors
From: Grace Sawyer, Controller
Date: February 1, 2023
Subject: **Agenda Item #6**– Project #10 Reserve and Contingency Fund True-Up

The P10 Reserve and Contingency fund ("R & C fund") is maintained in accordance with the Project #10 General Bond Resolution ("GBR") and is established for the purpose of maintaining adequate funds to cover the cost of capital improvements to the P10 Swanton Peaker facility.

Each participant pays into the R & C Fund monthly and the capital costs are trued up at the end of each bond year, which is December 31st. Should the amount paid into the R & C fund exceed the capital costs for the corresponding bond year, the Trustee is required to deposit the excess amount into the Revenue fund. Section 5.6 (iii) of the GBR allows the Board of Directors, by resolution, to apply those funds to any other lawful purpose of the Authority, including deposits in any Fund or Accounts. If the capital costs exceed the amount previously deposited to the R & C fund, the deficiency shall be charged to the project participants and/or charged to the Project reserve fund.

The R & C fund calculation and Resolution 2023-01 (Project #10 2022 Reserve & Contingency True-Up) are attached for the Board's consideration. VPPSA staff recommends the transfer of the current year excess related to the 2022 R&C True-up, be deposited to the Project #10 reserve fund.

Proposed Motion:

Move to approve Resolution 2023-01 (Project #10 2022 Reserve & Contingency Fund True-Up) as presented.

Vermont Public Power Supply Authority

BOARD RESOLUTION 2023-01

Project 10 2022 Reserve & Contingency Fund True-Up

WHEREAS, the Project #10 General Bond Resolution has established a Reserve and Contingency Fund to ensure that adequate funds are available for the payment of capital improvements to the Swanton Peaker Project; and

WHEREAS, the Project #10 Participants ("Participants") pay into the Reserve and Contingency Fund on a monthly basis; and

WHEREAS, the Reserve and Contingency Fund is "trued-up" at the end of each bond year (December 31st) and funds are utilized to pay for capital improvements; and

WHEREAS, Section 5.6 (iii) of the General Bond Resolution allows the Board of Directors of Vermont Public Power Supply Authority ("the Authority"), by Resolution, to apply any excess funds to any other lawful purpose of the Authority, including deposits in any Fund or Accounts; and

WHEREAS, in such case there remains a deficiency to cover current year capital improvements, the Board of Directors may by Resolution collect such deficiency by charging the Project Participants or by transferring the required deficiency from any Reserve Fund specified for such purpose;

NOW, THEREFORE, it is hereby resolved by the Board of Directors of the Authority that any excess remaining after a reserve of \$100,000 is retained, and the capital improvements for the bond year of January 1, 2022, through December 31, 2022, have been duly paid, shall be transferred to the Project #10 Reserve fund.

Adopted by the Board of Directors on the 1st day of February 2023.

ATTESTED: Crystal L Currier
Crystal Currier, Secretary

VERMONT PUBLIC POWER SUPPLY AUTHORITY
P10 RESERVE AND CONTINGENCY FUND - Annual True-Up
FOR DECEMBER 31, 2022

SOURCES:

	Series A	Series B	Total
R & C Fund Balance from prior year	\$ 181,818.08	\$ 9,399.88	\$ 191,217.96
Monthly Fund Deposits	\$ 86,492.93	\$ 4,845.47	\$ 91,338.40
Interest Earned	\$ 1,641.69	\$ 62.29	\$ 1,703.98
Debt Service Reserve Fund Shortfall	\$ (18,656.94)	\$ (3,002.36)	\$ (21,659.30)
Prior Yr Capital Add.-> to P10 Oper	\$ (86,381.08)	\$ (4,836.88)	\$ (91,217.96)
Prior Yr Excess Funds -> to P10 Reserve	\$ -	\$ -	\$ -
R&C Funds Available:	\$ 164,914.68	\$ 6,468.40	\$ 171,383.08

USES:

Capital Improvements:				
Minimum Fund Balance	\$ 100,000.00	\$ 95,437.00	\$ 4,563.00	\$ 100,000.00 (1)
Capital Additions: Jan. 1 - Dec. 31, 2022	\$ 1,333,323.23	\$ 1,262,590.90	\$ 70,732.33	\$ 1,333,323.23 (2)
Fund Requirements:	\$ 1,433,323.23	\$ 1,358,027.90	\$ 75,295.33	\$ 1,433,323.23
Transfer from P10 Reserve	\$ 1,262,590.90	\$ 70,732.33	\$ 1,333,323.23	(4)
Transfer from R&C Fund	\$ -	\$ -	\$ -	
Retain to meet Minimum Fund Balance	\$ 95,437.00	\$ 4,563.00	\$ 100,000.00	
	\$ 1,358,027.90	\$ 75,295.33	\$ 1,433,323.23	
2022 R & C Fund Refund (Charge):	\$ 69,477.68	\$ 1,905.40	\$ 71,383.08	(3)

Refund (Charge) Allocation:

Barton	2.2633%	\$ 1,572.48	\$ -	\$ 1,572.48
Enosburg Falls	4.9247%	\$ 3,421.59	\$ -	\$ 3,421.59
Hardwick	10.1638%	\$ 7,061.59	\$ -	\$ 7,061.59
Jacksonville	2.5148%	\$ 1,747.20	\$ -	\$ 1,747.20
Johnson	7.5443%	\$ 5,241.59	\$ -	\$ 5,241.59
Ludlow	10.4782%	\$ 7,279.99	\$ -	\$ 7,279.99
Lyndonville	20.5372%	\$ 14,268.77	\$ -	\$ 14,268.77
Morrisville	9.4303%	\$ 6,551.99	\$ -	\$ 6,551.99
Northfield	12.5738%	\$ 8,735.98	\$ -	\$ 8,735.98
Orleans	7.4395%	\$ 5,168.79	\$ -	\$ 5,168.79
Swanton	7.6491%	\$ 5,314.39	\$ -	\$ 5,314.39
VEC	4.4810%	\$ 3,113.32	\$ 1,905.40	\$ 5,018.72
		\$ 69,477.68	\$ 1,905.40	\$ 71,383.08

NOTES:

- (1) - Per the P10 General Bond Resolution, the R & C funds are used for capital improvements as needed; however, the fund must maintain a minimum balance of \$100,000.
(2) - Indicates cost of Capital Improvements for 2022
(3) - Excess amount available to transfer to reserve
(4) - Capital improvements paid from reserve

Vermont Public Power Supply Authority

Swanton Peaker Project #10 Summary of Capital Improvements

2018	Transformer Upgrade	\$ 41,428.00
	Total	\$ 41,428.00
2019	Construction of Bathroom Addition	\$ 31,352.00
	Transformer Upgrade	\$ 9,990.00
	Painting CTG Units	\$ 28,930.00
	Total	\$ 70,272.00
2020	Rebuild Walkways-Fuel Area (rebuilt w/Steel)	\$ 38,800.00
	Security Camera Upgrades	\$ 15,537.00
	ISO-NE Router Installation	\$ 7,531.81
	HMI Upgrade	\$ 135,234.03
	Total	\$ 197,102.84
2021	Generator	\$ 151,806.20
	Building Addition	\$ 444,898.86
	Total	\$ 596,705.06
2022	Generator	\$ 1,303,317.03
	Building Addition	\$ 30,006.20
	Total	\$ 1,333,323.23

Memorandum

To: VPPSA Board of Directors
From: Ken Nolan, General Manager
Date: January 27, 2023
Subject: **Agenda Item #7** – March meeting Date

The next regular Board meeting is scheduled for Wednesday March 1, 2023. This year the APPA legislative Rally overlaps with this date (February 27 to March 1).

I am chair of the NEPPA Advisory & Regulatory committee which is responsible for carrying NEPPA's message in Washington D.C. As a result, I normally represent both VPPSA and NEPPA at the Rally meeting with Vermont's Congressional delegation to push VPPSA priorities.

With the turnover in the delegation this year (Welch moving to the Senate and Balint joining the House) it is more important to attend this year than most. Also, NEPPA is planning to host a breakfast for Congressional staff this year, where I will play a lead role as the committee Chair.

This means that I will not be available on March 1st for the Board meeting. After discussing this issue with the Chair and Vice-Chair it was suggested that the Board be asked to move the March meeting to the second Tuesday (March 8th). This has been past practice when conflicts arose. Alternatively, The meeting could proceed with my participation.

Proposed Motion

I move that the VPPSA regular Board of Directors meeting scheduled for March 1, 2023 be rescheduled to March 8, 2023 and that staff take the necessary steps to notify this change in compliance with VPPSA's Bylaws.

Memorandum

To: VPPSA Board of Directors
From: Ken Nolan, General Manager
Date: January 27, 2023
Subject: **Agenda Item #8** – Northview AI Software

VELCO has been looking at ways to obtain improved weather forecasts for some time. Several years ago this resulted in VELCO investing in a joint venture with IBM that eventually became Utopus Insights. That venture attempted to use IBM's proprietary "Watson" computing technology to develop micro-level weather forecasts. Utopus was eventually spun off as a new company by IBM and sold to Vestas, a large European wind manufacturer. VELCO still holds some rights to revenues if the product is ever sold in the U.S.; however, Vestas has chosen to instead imbed the software in its operational center as a service offering. VELCO can no longer utilize the software and the goals of the project were never fully reached – although VELCO did receive several million dollars from the sale.

For the past several years Jay Shafer, a meteorology professor, from Lyndon State College has been working to develop a similar micro-model and has been partnering with VELCO, GMP, and VEC. Jay's company was recently acquired by DisasterTech and his software was repackaged as the Northview AI offering from DisasterTech. Those of you that attend the state emergency management calls have seen some components of this software's output.

VPPSA understood that Jay's work in state was primarily being funded by GMP and VEC with other utilities able to "opt-in". Under that structure staff saw no significant benefit to member participation. When questioned GMP and VEC described the main benefits as knowing storm magnitudes and knowing where in the state preparations should occur to pre-position crews and mutual aid could be called. Those described benefits did not appear to be significant to VPPSA members.

Two items have now changed:

- 1) It became clear at the January VELCO Operating Committee meeting that VELCO would be the contracting entity for the project. VELCO believes there will be transmission benefit; therefore if they are the contracting entity the costs can be rolled in their RNS cost of service

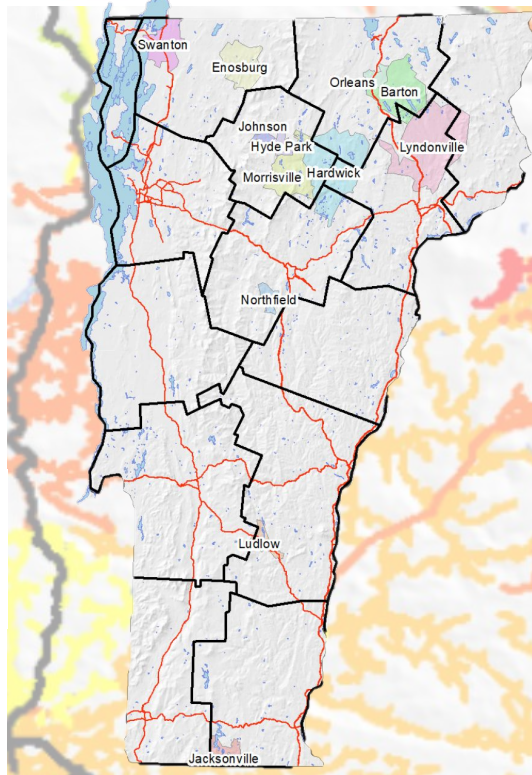
(so all of New England pays a share). This means that all Vermont utilities will share in the cost through your RNS and VTA transmission billings.

- 2) The Christmas Eve storm saw a number of members sharing crews across their combined territories. This raises the question of whether VPPSA members could in fact see some benefit by looking at weather patterns across the combined VPPSA territory instead of each member individually

As VPPSA's Operating Committee representative Steve Fitzhugh asked Jay to give a short presentation to the Board on the software and the proposed project. Following the presentation Staff will be seeking guidance on the position to carry forward to VELCO.



BOD Agenda #8a



NORTHVIEWAI

Extreme weather preparedness: Advancing knowledge for storm preparedness



Dr. Jay Shafer, Chief Science Officer

jason@disastertech.com

For VPPSA - Feb 1, 2023

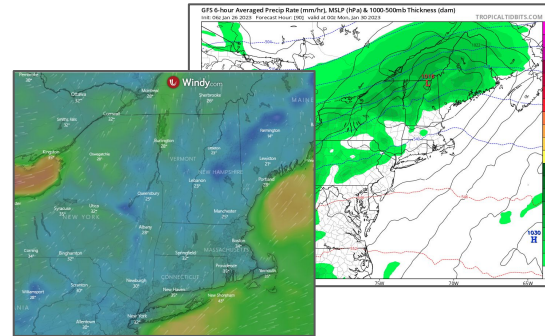
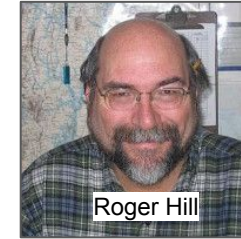
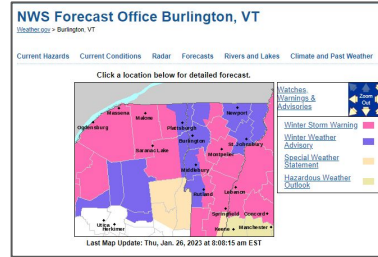


Background

- Dr. Jay Shafer founded Northview Weather in 2018, provided storm predictive services to GMP, VEC, VELCO (icing) 2019-2022 - patented tech for wet snow, ice, wind outage prediction
 - Jay left faculty position at Northern Vermont University in 2022 with acquisition of Northview Weather by Disaster Tech (he lives and works remotely from Danville, VT)
 - Northview Weather's storm predictive tools have been rebranded "Northview AI"
 - Northview AI is one of the three key focus areas for Disaster Tech, the others being on disaster training and exercises (EPIC Ready), and on situational awareness and disaster response coordination (DICE)
-
- The purpose of these materials are to inform VPPSA members of the current capabilities of Northview AI and learn how they may be valuable for their storm preparedness, response, and after-action
 - Software licenses will be available for VPPSA members (with VELCO support)
 - VPPSA members can be active partners in shaping the continued development of these services through feedback on the design, sharing any outage and asset data, or other feedback
 - Northview AI products and services are currently focused on wide-area wet snow, ice, and wind storms up to five days ahead of events (not thunderstorms or flooding hazards)

Where are you in the evolution of understanding weather insights into storm management?

Bob Regan, Esq.



Stone Age

Novice

Intermediate

Advanced

The best practice is to use a blended approach of intermediate and advanced tools, synthesizing multiple information sources and adding your knowledge on system impacts.

Page 20 of 51

Even if you knew the weather forecast perfectly, how well can you relate weather thresholds to impacts on your system?

6000 Acres

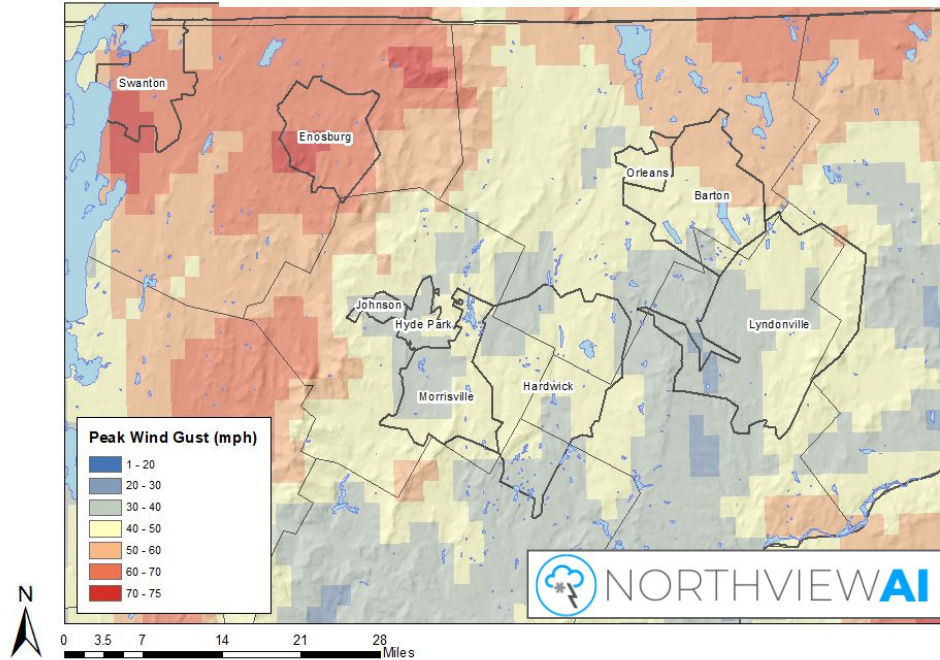


Challenges:

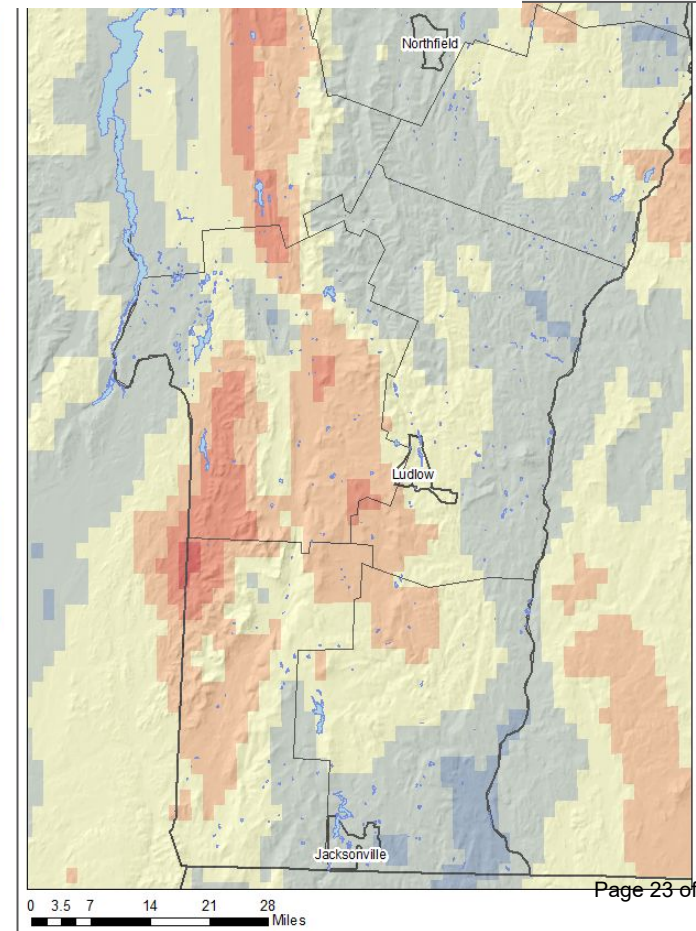
- Risk not fully informed
 - Vegetation management
 - Danger trees
 - Asset information - age, class, conductor type
- Weather and impacts are hyperlocal, especially small-area VPPSA members
 - Mismatch in spatial scale of available weather information and impacts
 - Multi-hazard factors
 - Precursor soil conditions
 - Tree canopy state
 - Wind direction
 - Asynchronous wet snow/ice loading
- Workforce
 - There's often no other course of action other than to have your small workforce on call

Dec 23, 2022 Peak Wind Gust (Observed)

BOD Agenda #8a



Geospatial challenges: this is the state-of-the-art spatial scale we can reliably observe wind information at 2.5 km grid cells (this is why the analysis appears blocky)



Page 23 of 51

Customized Risk Metrics: Northview AI Forecast Two Days Ahead of Winter Storm Elliot

BOD Agenda #8a

Initialized 2022-12-20 07 PM Local (0000 UTC)										
	Tue Dec 20 07 PM - Wed Dec 21 07 PM (Day 1)		Wed Dec 21 07 PM - Thu Dec 22 07 PM (Day 2)		Thu Dec 22 07 PM - Fri Dec 23 07 PM (Day 3)		Fri Dec 23 07 PM - Sat Dec 24 07 PM (Day 4)		Sat Dec 24 07 PM - Sun Dec 25 07 PM (Day 5)	
	10m Wind Speed (mph)	10m Wind Speed Gust (mph)	10m Wind Speed (mph)	10m Wind Speed Gust (mph)	10m Wind Speed (mph)	10m Wind Speed Gust (mph)	10m Wind Speed (mph)	10m Wind Speed Gust (mph)	10m Wind Speed (mph)	10m Wind Speed Gust (mph)
Barton Electric	6	12	12	19	34	59	23	39	16	25
Enosburg Electric	5	15	11	24	26	59	20	37	14	24
Hardwick Electric	4	10	11	19	28	56	20	34	14	22
Hyde Park Electric	2	6	7	18	18	57	15	33	10	23
Jacksonville Electric	2	10	7	17	19	48	17	31	10	22
Johnson Electric	3	6	7	19	18	58	17	34	12	24
Ludlow Electric	5	10	9	20	20	49	17	33	14	24
Lyndonville Electric	6	11	12	19	35	58	28	42	17	24
Morrisville Electric	7	9	17	22	42	56	28	34	18	25
Northfield Electric	3	8	8	18	19	55	15	36	13	24
Orleans Electric	4	8	6	14	19	57	14	32	10	22
Swanton Electric	9	17	9	18	22	54	21	39	14	27

These forecasts show the mean scenario from NOAA's [National Blend Model](#)

Peak sustained wind speed at 10-meter elevation

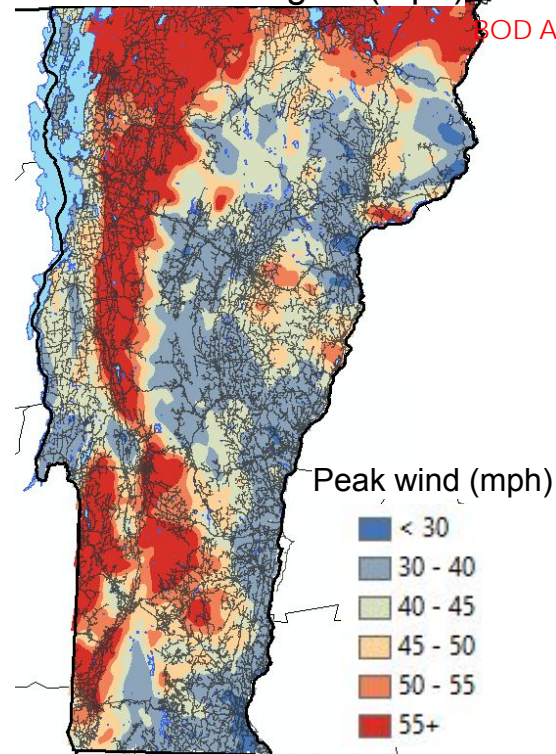
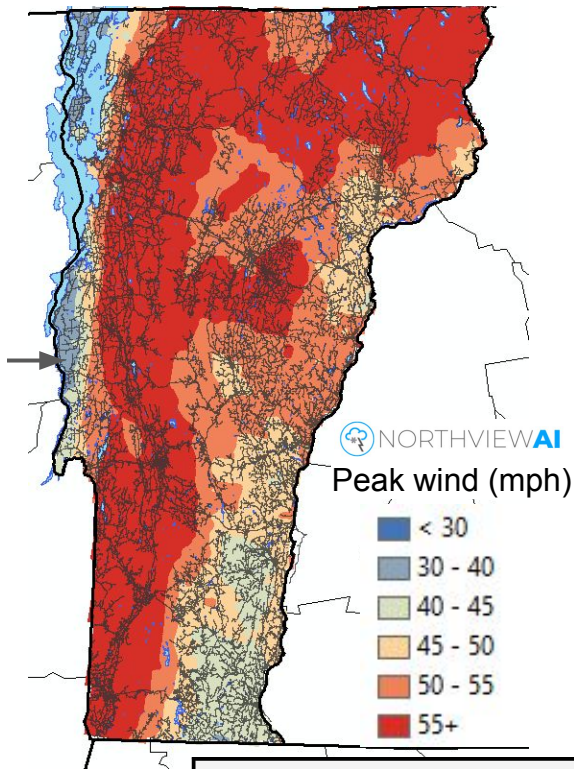
Peak wind gust at 10-meter elevation

Northview AI Ensemble Mean

Observed wind gust (mph)

300D Agenda #8a

Winter Storm Elliot
2-day ahead wind
peak wind (mph)
valid Dec 23, 2022



Demonstrates how outage
prediction models can be
used to inform risks

GMP Wind Outage Prediction for Friday Dec 23, 2022 (Total Events)				
Forecast Run		Dec 20	Dec 21	Dec 22
Scenario	10th Percentile	1,902	1,494	1,450
	25th Percentile	2,164	1,781	1,709
	Mean	2,964	2,072	2,271
	75th Percentile	3,031	2,804	2,789
	90th Percentile	3,047	3,110	2,919

Observed
1,525

Perfect forecast back-cast validation:

1,605 events

(shows that prediction model was
accurate and uncertainty was driven
primarily by forecast variability)

Scenario-Based Prediction: Wet Snow Example for Dec 16-17, 2022 Wet Snowfall

BOD Agenda #8a

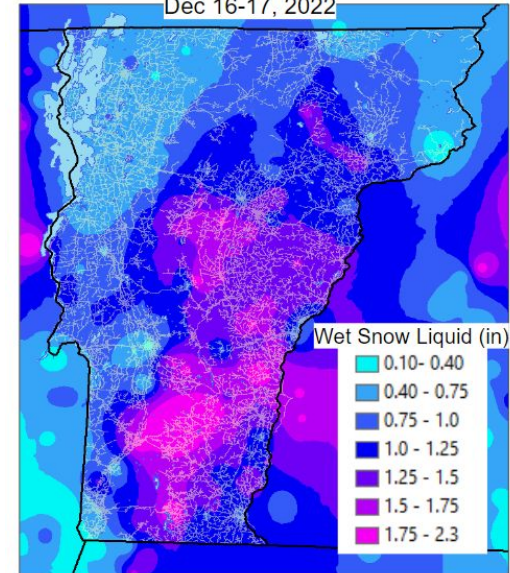
10th Percentile

Initialized 2022-12-13 07 PM Local (0000 UTC)				
	Tue Dec 13 07 PM - Thu Dec 15 07 PM (Days 1-2)	Wed Dec 14 07 PM - Fri Dec 16 07 PM (Days 2-3)	Thu Dec 15 07 PM - Sat Dec 17 07 PM (Days 3-4)	Fri Dec 16 07 PM - Sun Dec 18 07 PM (Days 4-5)
	Total Wet Snow Water (in)	Total Wet Snow Water (in)	Total Wet Snow Water (in)	Total Wet Snow Water (in)
Jacksonville Electric	0.00	0.43	0.67	0.05

Based on work with GMP and VEC, distribution outages start to happen around 0.40" to 0.50" of wet snow liquid equivalent

Observed Wet Snow Liquid

Dec 16-17, 2022



Ensemble Mean

Initialized 2022-12-13 07 PM Local (0000 UTC)				
	Tue Dec 13 07 PM - Thu Dec 15 07 PM (Days 1-2)	Wed Dec 14 07 PM - Fri Dec 16 07 PM (Days 2-3)	Thu Dec 15 07 PM - Sat Dec 17 07 PM (Days 3-4)	Fri Dec 16 07 PM - Sun Dec 18 07 PM (Days 4-5)
	Total Wet Snow Water (in)	Total Wet Snow Water (in)	Total Wet Snow Water (in)	Total Wet Snow Water (in)
Jacksonville Electric	0.02	0.70	1.04	0.37

90th Percentile

Initialized 2022-12-13 07 PM Local (0000 UTC)				
	Tue Dec 13 07 PM - Thu Dec 15 07 PM (Days 1-2)	Wed Dec 14 07 PM - Fri Dec 16 07 PM (Days 2-3)	Thu Dec 15 07 PM - Sat Dec 17 07 PM (Days 3-4)	Fri Dec 16 07 PM - Sun Dec 18 07 PM (Days 4-5)
	Total Wet Snow Water (in)	Total Wet Snow Water (in)	Total Wet Snow Water (in)	Total Wet Snow Water (in)
Jacksonville Electric	0.04	0.97	1.52	0.69

Linking Extreme Hazard Thresholds to Preparedness Actions and System Impacts

This work can help inform critical thresholds for preparedness action, such as the example shown on the right.

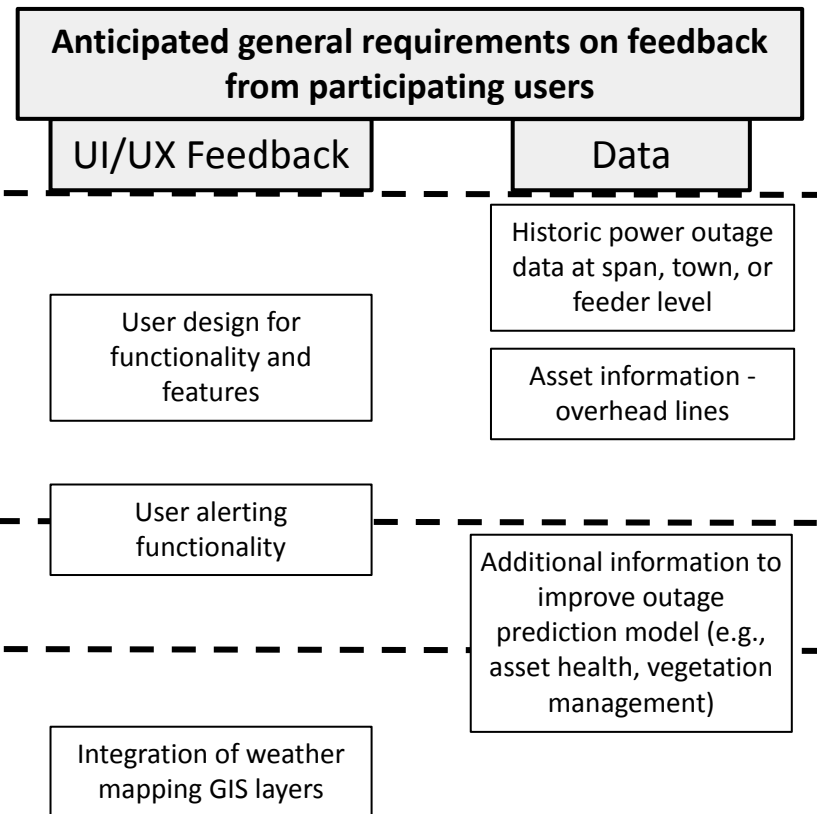
Five storm preparedness levels are likely too many for geographically and resource constrained VPPSA members, but these thresholds could be refined.

Extreme Weather Thresholds and Risk Assessment					
Storm Level	Impact	Storm Preparedness Action	Risk exposure over some critical % coverage of the overall system		
			Peak wind gust	Ice Thickness (1-D Elevated Flat)	Wet Snow Liquid Equivalent
0	None	-	<40 mph	<0.20"	<0.40"
1	Minor		41-50 mph	0.21-0.40"	0.41-0.60"
2	Moderate		51-63 mph	0.41-0.75"	0.60-1.00"
3	High	?	64-73 mph	0.76-1.25"	1.01-1.50"
4	Severe		74-95 mph	1.26-1.99"	1.51-2.50"
5	Extreme		96+ mph	2.00"+	2.51"+

Projection Management Phasing

BOD Agenda #8a

Major Objectives and Waterfall Phasing			
Phase	Line of Effort		
	Data Sources	User Interface / User Experience	Research and Innovation
Phase 1	Add National Blend Model for wind, snow, ice hazards to existing Northview AI	Develop new portal design	Identify participating DUs primary research interests
	Evaluate HRRR model for user requirements	Designated user feedback for product functionality improvements	Test and optimize wind outage prediction model
	Add National Blend Model for rain and extreme temperature hazards to existing Northview AI		
Phase 2	Add HRRR model for convective hazards (organized thunderstorms)	Incorporate NWS watches and warnings	Calibrate appropriate model predictions
		User-based alerting	
Phase 3	Add weather observations of record for historic playback	Dynamic raster interactivity incorporating assets with streamlines	Model performance improvements using machine learning
	Incorporate asset and OMS data	Integration of key insights into GIS applications	Multi-dimensional hazard outage prediction model development



Live Demonstration

<https://portal.northviewweather.com/php/index.php>

Login: VPPSA

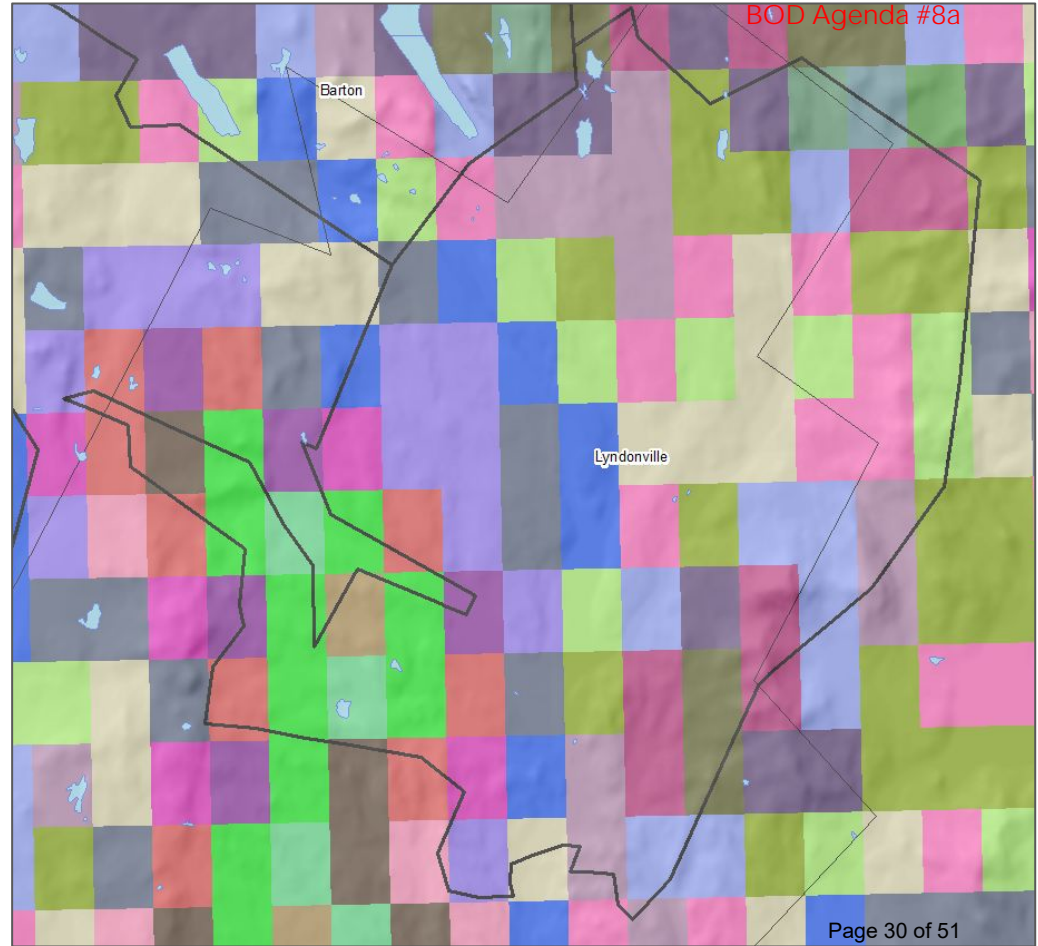
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Feel free to test drive this demo account. We propose to start that VPPSA members share several master accounts. Each account would have immediate access to the products and insights shown with the above demo credentials.

Geospatial documentation:

This is the useful spatial scale (about 2.5 km) grid cell that we will be using for insights and analytics from NOAA's National Blend Model and their observation systems.

Each colored cell represents the size of this for reference with the Lyndonville Electric service area underlaid.





January 2023 Power Supply Update

Power Supply Update

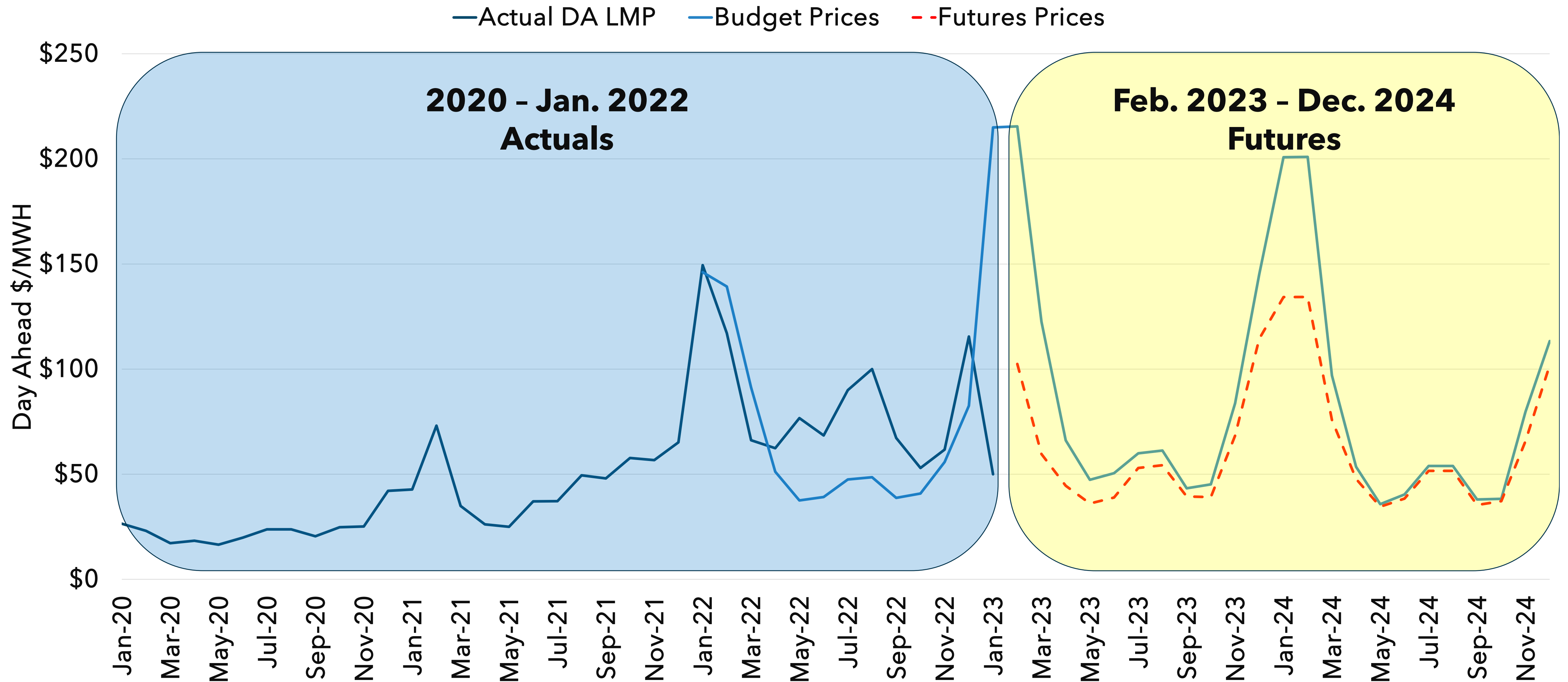
- 1. Natural Gas Price Update**
- 2. Electricity Price Update**
- 3. October YTD Budget to Actuals**

1. Natural Gas Futures Prices



- Europe
 - Gas prices are down 31% from December and 84% from the peak last summer.
 - Storage is at 76% of capacity...very full for mid winter.
- North America
 - Gas prices are down 45% from December and 71% from the peak last summer.
 - Storage is above the 5-year average (warm weather).
- New England
 - Pipeline utilization is running around 80% this week.
 - Spot prices are about \$4/MMBtu.

2. Actual and Future Electricity Prices (7x24)



3. 2022 Year End Power Supply Summary

Member System	Total Load - Including Losses	Hydro Generation	Coverage Ratio
Barton	↑ 7%	↑ 114%	● 106%
Enosburg	↑ 3%	↑ 103%	● 97%
Hardwick	↓ -2%	→ 99%	● 100%
Jacksonville	↑ 9%	↓ 97%	● 93%
Johnson	↓ -1%	→ 100%	● 97%
Ludlow	↓ -2%	→ 99%	● 97%
Lyndonville	↑ 4%	↓ 95%	● 100%
Morrisville	→ -1%	↓ 86%	● 93%
Northfield	↑ 1%	↓ 97%	● 100%
Orleans	↑ 2%	↓ 92%	● 104%
Swanton	→ 0%	↑ 121%	● 128%

Dollar Variance	% Dollar Variance	% Rate Variance
\$169,778	15%	✗ 7%
\$187,231	7%	✗ 4%
\$244,479	6%	✗ 8%
\$105,395	18%	✗ 8%
\$63,318	5%	✗ 6%
\$843,241	14%	✗ 17%
\$402,811	7%	✗ 3%
\$681,046	16%	✗ 17%
-\$124,875	-4%	✓ -1%
-\$17,328	-1%	✓ -4%
-\$497,998	-24%	✓ -24%

- **Loads were high for Barton and Jacksonville.**
- **Hydro was high for Barton and Swanton, and low for Morrisville.**
- **Coverage was low for Jacksonville (high loads) and Morrisville (low hydro).**
- **2/3 of the utilities experienced significant rate pressure due to power supply costs.**

Memorandum

To: VPPSA Board of Directors
From: Ken Nolan, General Manager
Date: January 27, 2023
Subject: **Agenda Item #10** - AMI Status

The AMI project continues forward slowly:

Aclara - Contract is essentially done. Final review remains in Aclara's hands.

Financing - Closing on the loan with Community National bank occurred on January 23rd. The final interest rate was 5.28%. The funds are in escrow pending entering of member contracts and receiving PUC approval to proceed.

Member Contract - Will be sent to members for review/execution shortly. The "final" form was included in the bank loan approvals so any future changes will require bank sign off.

PUC Filing - Bill Ellis has drafted the PUC petition and testimony. Items are waiting to be finalized pending resolution of the Aclara contract, financing, and DPS grant. Testimony continues to be tweaked to address clarifications from member Trustee/Commission discussions.

DPS Grant - VPPSA is still awaiting the DPS issuance of grant awards. In verbal follow up with DPS staff VPPSA was told that our application was "very strong". VPPSA was also asked whether other utilities could be added to our program - we responded "yes" that the contract with Aclara was specifically structured to allow this to happen.

Memorandum

To: VPPSA Board of Directors
From: Alex Nicholson, GIS Administrator
Date: January 26th, 2022
Subject: **Agenda Item #11** - GIS Program Update

1) Implementation of web mapping services for VPPSA members

Efforts to get access to GIS data for all VPPSA members is moving along quickly. Over the past month the following web applications have been completed: Johnson, Hardwick and Swanton with Jacksonville following soon here after and Morrisville later this year marking the end of the phase one GIS application release.

2) GIS assistance for ongoing GIS operations.

Significant efforts have been allocated to assist member staff who are utilizing their new GIS capabilities in order to update and add new data to their GIS programs. Examples of this include Lyndonville updating their data through input of recent installations of poles and line extensions across their region into their ArcGIS Online map.

3) GIS Project Plan "Hydra"

The GIS project plan nicknamed "Hydra" is currently in the review process and should be finalized in the coming months.

4) CUD Data collection Results

Over the past fall updated pole locations were collected for Enosburg with updated pole locations being completed for Swanton. The CUD Northwest Fiberworx coordinated the effort with VPPSA input. Negotiations are currently under way to acquire this data from the Northwest Fiberworx to be implemented into online mapping for Swanton and Enosburg.

5) Data sharing and visibility

Recently VPPSA has been experiencing an increase of requests for member GIS data. This has brought to light some concerns regarding access and use of VPPSA member data by the public and other entities within the industry. In order to address the new requests VPPSA GIS is currently formulating a formal data sharing procedure. With the hope being that protocols created through this process will be applied to most if not all data sharing requests in the future. Not only will this process assist in standardizing and expediting the data sharing process, but it will also assist in maintaining a high level of data integrity, security and quality for VPPSA members.

Memorandum

To: VPPSA Board of Directors
From: Julia Leopold
Date: February 1, 2023
Subject: **Agenda Item #12a** – Legislative Update

After a relatively slow start to the session, the pace is beginning to pick up with new climate and renewable energy bills being introduced. VPPSA and other utilities introduced themselves in House Environment & Energy and VELCO, the DPS, and ISO-NE provided “Electric Grid 101” sessions.

Several bills have been introduced:

H.21 Landlord Notice of Utility Disconnect- This bill proposes to require a utility to notify the owner of a rental property when service to the property has been disconnected, even if the tenant is the ratepayer. This will apply to multiple utility types, including electric, water, and wastewater. Some other DUs support this bill, although we have concerns about administrative burden.

H.56 Ratepayer Protection- This bill has two purposes: 1. Gives the PUC jurisdiction over thermal energy networks and 2. Directs the PUC to change the energy assistance program for low-income customers. We have significant concerns about the second portion of the bill, which prescribes a tiered discount system and has the potential to create significant administrative burden to utilities and cost shifting among utility customers. This sentiment is shared across several utilities.

H.96 Clean Heat Standard- Resurrected from last year, this is the house bill to reduce GHG emissions from the thermal sector. It will regulate Vermont fuel dealers with PUC jurisdiction and require them to acquire clean heat credits.

S.5 Affordable Heat Standard- Senate’s version of the Clean Heat Standard.

The following bills have not been introduced as of this writing, but are imminent:

100% RES- Renewable Energy Vermont introducing their version of the bill. DUs (including VPPSA), REV, VPIRG, and the Chair/Vice Chair of House Environment & Energy are meeting to discuss areas where we can reach consensus on Tues 2/7.

Act 151- BED and Efficiency Vermont will be providing language to Chair Bray (Senate Natural Resources) on Fri 2/3 that supports a 5-year extension to the 2020 pilot that allows \$2 million of EEC funds to be used for GHG reductions in the transportation and thermal sectors. VPPSA has been working closely with Efficiency Vermont to revise the language in the “geographic equity” section to ensure VPPSA members are provided the opportunity to offer specific programs to utility customers. BED is proposing language around flexibility of TEPF fund use. This is expected to be taken up in SNR after S.5.

Memorandum

To: VPPSA Board of Directors
From: Julia Leopold
Date: February 1, 2023
Subject: **Agenda Item #12b** – Communications

Our new Member Communications email list has been very helpful to the VPPSA staff so far. I am considering resurrecting monthly roundups of social media posts for utilities to share, and will use this email list. Thoughts or feedback?

Campaigns Happening Now:

Rebates

Our new online platform has launched! VPPSA is educating utility staff, customers, and dealerships about the new platform and available incentives. Our outreach was featured on Vermont Public, NBC 5, the Times Argus, and more. Bill inserts advertising 2023 rebates and notifying customers of 2021 RES compliance is being shipped to the utilities who requested inserts. We're creating shareable social media posts that will be sent via email.

Tailored Efforts

Tailored Efforts outreach has kicked off. Efficiency Vermont has digital and print advertisements running all year. A bill insert is being developed for March/April that includes a \$200 coupon for efficient appliances.

VLITE Funds

In partnership with Efficiency Vermont, we continue to distribute information via flyers to contractors, email newsletters to contractors, and information to customers eligible for PowerShift.

Rate Increases

VPPSA has emailed templates for an email to C&I customers and a press release to announce rate case filings. I'll be reaching out to you ahead of your planned filings to coordinate further outreach.

Planned Campaigns:

Value of Public Power

"Community is at the heart of {INSERT UTILITY NAME}." VPPSA is developing shareable content to

be used across multiple VPPSA and utility channels. Content will be distributed via email and we plan to launch this month.

Winter Readiness

We are convening meetings by subtransmission and prepping key messages for advanced notification of energy deficiency issues.

Heat Pumps

VPPSA is collaborating with Efficiency Vermont on a heat pump campaign targeting high and mid funnel residential customers. Channels and goals TBD. Expected launch spring 2023.

Under Consideration:

AMI Education

As we begin rolling out AMI, customers will need to know what to expect and how it will (or will not) affect them. VPPSA will coordinate with you on communications prior to AMI rollout.

RES Success

VPPSA is considering a legislative campaign to highlight the successes of the RES and Tier 3. This may be in collaboration with other Vermont DUs.

VPPSA and Members in the News:

Rebates:

<https://www.mynbc5.com/article/vppsa-debuts-new-online-rebate-platform/42542609>

Christmas Storm:

<https://www.wcax.com/2023/01/12/vermont-electric-companies-hoping-receive-fema-funding-after-christmas-storm/>

Rate Increases:

<https://www.wcax.com/2023/01/06/5-vt-utilities-ask-state-regulators-rate-hikes/>
<https://bartonchronicle.com/barton-electric-rates-set-to-skyrocket/>

Renewables:

<https://www.wcax.com/2022/12/19/vermont-hydro-dams-could-help-keep-new-england-safe-coming-winters/>

Memorandum

To: VPPSA Board of Directors
From: Sarah Braese
Date: January 26, 2023
Subject: **Agenda Item #13** – Regulatory Update

Executive Summary

Regulatory orders, initiatives, and directives from December through January continue to be active, particularly during standard year-end compliance reporting and start-up of the legislative biennium. Where no written report was shared in January, the enclosed update attempts to address movement across several initiatives to-date.

Renewable Energy Standard: Tier III

2021 Compliance Year

Case No. 22-0604-INV 2021 RES Compliance – On December 28, 2022 the [Commission issued its Closing Order](#) and approval of VPPSA's 2021 RES Compliance. In accordance with [Commission Rule 4.407](#) 90-day requirement, VPPSA has published appropriate representations of members' generation portfolios on the website and provided members with supporting bill inserts and flyers.

2022 Compliance Year

In accordance with Commission Rule 4.412, VPPSA will begin preparing its initial Tier III Savings Claims report for 2022, which is **due by March 15, 2023**.

Preliminary reports show VPPSA has processed over 700 custom and prescriptive rebate claims, representing nearly 29,500 MWh savings. For reference, VPPSA's 2022 Tier III Compliance Obligation was 14,033 MWh.

2023 Compliance Year

Annual Plan

VPPSA submitted its [2023 Tier III Annual Plan](#) on November 1, 2022. On December 1st the [Department filed its comments](#), with no changes noted for VPPSA.

December 19, 2022 Commission issued a [Procedural Order](#) requesting responses to specific Plans. [VPPSA's response](#) was submitted on Friday, January 20, 2023 with no expected amendments to its previously filed 2023 Annual Plan.

Online Rebate Processing Platform (P3)

On Tuesday, January 17, 2023, VPPSA announced the launch of its new online rebate processing platform, P3. The announcement received state-wide coverage including Channel 5 and air broadcast on Vermont Public.

A Utility Admin training webinar was held Monday, January 23, 2023. Both customers and utility admin users are encouraged to use the system, though VPPSA will continue to accept paper applications for processing.

VT Department of Public Service (PSD)

Clean Energy Policy Review

- January 13, 2023: PSD Releases [Public Engagement Webinar Schedule](#):
 - Webinar 1: Where Does Vermont's Electricity Come From?
 - Tuesday January 31, 12:00 pm-1:30 pm
 - Thursday February 2, 6:00 pm-7:30 pm
 - Webinar 2: Current Renewable Electricity Policies
 - Tuesday February 14, 12:00 pm-1:30 pm
 - Wednesday February 15, 6:00 pm-7:30 pm
 - Webinar 3: Parking Lot Session to Cover Additional Questions
 - Thursday March 9, 12:00 pm-1:30 pm
 - Monday March 13, 6:00 pm-7:30 pm

Federal Energy Regulatory Commission (FERC)/North American Electric Reliability Corporation (NERC)

I include these recent FERC Orders for awareness. At the last two VSPC Quarterly Meetings, the interest in distribution inverter-level settings and overall protection schemes appears to be gaining traction (even outside the scope of bulk electric system resources). VPPSA continues to monitor potential implications and expanded scope that may be perceived from transmission-level ownership and control of distribution-level and owned assets.

Docket No. RD22-4-000 [Item E-1](#) Registration of Inverter-Based Resources (under the bulk electric system)

Docket No. RM22-12-000 [Item E-2](#) Reliability Standards to Address Inverter-Based Resources

As always, if you have any questions or concerns, please let me know.

Respectfully,

Sarah Elise Braese, CAE
 Assistant General Manager
 Regulatory and Power Services
 (802) 595-3146

Relevant Federal Funding Opportunities

Grid Deployment Office, Dept. of Energy - Hydropower Incentive Programs Development

Monitoring for FOA

July 7, 2022 - The DOE issued an [RFI for public input on creating hydropower incentive programs](#) authorized under the Energy Policy Act of 2005. There are two distinct programs identified, one for capital improvements to increase efficiency by at least 3% and one for capital improvements in the areas of grid resiliency, dam safety, or environmental improvements.

On August 30, 2022, VPPSA conducted a verbal response with the US Department of Energy and submitted a joint written response with Utah Associated Municipal Power Systems (UAMPS) on September 6, 2022.

As of January 26, 2023, no updates to report at this time.

Funding Opportunity Announcement (FOA): Dept. of Energy [Grid Resilience and Innovation Partnership Program \(GRIP\)](#)

Monitoring Application Invitation Announcement

Topic Area 1: BIL Section 40101(c) Grid Resilience Grants

VPPSA submitted its Concept Paper on December 15, 2022 and is monitoring announcements/invitations to submit a full application.

Topic Area 2: Section 40107 Smart Grid Grants

Topic Area 3: Section 40103(b) Grid Innovation Program

The Vermont Department of Public Service submitted two Concept Papers on January 13, 2023; one related to the regional NECPC and a second in collaboration with the state's Distribution Utilities related to diverse battery installation deployments related to resiliency.

FY22 Sanders Congressional Directed Spending

Business Energy Repayment Assistance Program (BERAP)

In Negotiation

June 30, 2022 - VPPSA submitted its comprehensive application package to the Dept. of Energy for \$1 million (with \$250,000 R&D match) to create the Business Energy Repayment Assistance Program (BERAP), a pilot program offering low- to no-interest loans to commercial or industrial customers for energy transformation projects (e.g., electrification), utilizing on-bill financing where feasible. The DOE Golden Field Office assigned a project team on September 1, 2022 and VPPSA has been in award negotiations since.

As of January 26, 2023 VPPSA staff continues negotiations to secure and get funding released.

Relevant Department of Public Service Updates

IIJA Formula Funding aka Grid Hardening State/Tribal Formula Grant Program **Open**

Vermont expects to receive \$16 million from section 40101(d) for Preventing Outages and Enhancing the Resilience of the Electric Grid/Hazard Hardening. Vermont's formula grants award \$3.2 million per year over five years (2022 - 2026).

The Department of Public Service requested consensus among distribution utilities around priorities and selection criteria, however there is broad diversity and VPPSA continues to advocate that individual utilities should be encouraged to seek funding for their own priorities as well.

The Department's application has been submitted.

Engagement Plan:

Review of clean and renewable electricity programs and policies

On-Going

Clean Energy Policy Review

- January 13, 2023: PSD Releases [Public Engagement Webinar Schedule](#):
 - Webinar 1: Where Does Vermont's Electricity Come From?
 - Tuesday January 31, 12:00 pm-1:30 pm
 - Thursday February 2, 6:00 pm-7:30 pm
 - Webinar 2: Current Renewable Electricity Policies
 - Tuesday February 14, 12:00 pm-1:30 pm
 - Wednesday February 15, 6:00 pm-7:30 pm
 - Webinar 3: Parking Lot Session to Cover Additional Questions
 - Thursday March 9, 12:00 pm-1:30 pm
 - Monday March 13, 6:00 pm-7:30 pm
- January 15, 2023: Department of Public Service published its [2023 Annual Energy Report](#). This report is prepared and presented to the Vermont General Assembly and provides an update on progress towards reaching the state's energy goals as outlined in the [Comprehensive Energy Plan](#) (released January 14, 2022).

Grants:

Affordable Community Renewable Energy Program (ACRE)

In Negotiation

Department issued a Request for Proposals on July 19, 2022, with initial proposals due August 30th.

VPPSA prepared and submitted an initial proposal to design an ownership share, reduced cost power-purchase agreement program for eligible and subscribed low-income customers across member utility service territories.

VPPSA continues to work with the Department on next steps.

Relevant Vermont PUC Proceedings

Case #17-4999-INV Investigation into PUC Rule 3.300, Disconnection of Residential Electric, Gas and Water Service; PUC Rule 3.200, Ratepayer Deposits for Gas, Electric,

and Water Service; and PUC Rule 3.400, Disconnection of Cable Television Service and Non-Residential Electric, Gas and Water Service

On August 9, 2022, the Commission issued a procedural order requesting additional comments on the Department's draft rule and feedback on any insights from the COVID-19 pandemic. The Department was ordered to file comments by August 31, 2022 and other responses due September 21, 2022.

On September 21, 2022, [VPPSA and BED filed joint comments](#) stressing that many concerns remain unaddressed or unresolved. We have urged the Commission to engage in further workshops. Several other utilities expressed similar concerns. At this point no additional response or procedural order has been issued.

As of January 26, 2023 there are no updates to report within the docket.

Case #19-0855-RULE Proposed revisions to Vermont Public Utility Commission Rule 5.100 (Net-Metering CPG's)

As of October 6th, no additional comments or orders have been filed by the Commission regarding proposed changes to Rule 5.100 governing the construction and operation of net-metering systems. The proposed changes attempt to streamline the process of applying for and receiving a certificate of public good in the net-metering program.

On December 2, 2022, the [Commission filed its draft changes and ordered comments by January 13, 2023](#). Several public and stakeholder comments have been filed, both in favor and against the proposed changes.

Case #20-0203-INV Low-Income Rate Investigation

On June 10, 2022, [VPPSA filed extensive comments](#) urging the Commission to establish a standardized and validated method of calculating eligible residential customers at or below the 185% Federal Poverty Level (FPL). VPPSA also filed a Motion to Alter or Amend, which was [denied by the Commission as premature on June 28, 2022](#). On October 4, 2022, the PUC issued a [procedural order requesting comments on a proposed model](#) to quantify bill and revenue impacts from establishing a low-income rate.

On October 28, 2022 VPPSA filed its [response](#) and [calculations/impacts](#) of the Commission's proposed Model.

As of January 26, 2023 there are no updates to report within the docket.

Case #20-0703-PET Vermont Legal Aid request for moratorium on utility and telecommunications shutoffs during State of Emergency

Tangentially related case [22-2540-RULE](#) Third Revised Emergency Rule 2.600 COVID-19 Emergency Disconnection Rule requiring information on VERAP/VHAP assistance

as part of the disconnection notice. Assuming the emergency rule is not extended, the required disconnection notice forms are due January 23, 2022.

July 26, 2022 - Vermont Legal Aid filed a series of recommendations made by Vermont Legal Aid on administration and processes around disconnection and benefit eligibility. On August 3rd VPPSA signed onto a joint response with other distribution utilities to proactively address some of the questions and concerns around these recommendations.

As of January 26, 2022 there are no updates to report.

Case #20-2369-RULE Proposed Revisions to PUC Rule 2.000

Tangentially related case [22-4288-RULE](#) Emergency Rule 2.500 - COVID-19 Emergency Procedures-Fifth Revised.

On November 23, 2022 the PUC filed its [memorandum of Final Adopted Rule and Rule Forms](#). The **revised Rule 2.000 went into effect on January 18, 2023**, however some of the [Emergency Rule 2.500 rules](#) remain in effect until they expire on March 29, 2023.

Per notice by Holly Anderson on January 25, 2023:

The Commission submitted an updated version of Emergency Rule 2.500 to the Secretary of State to provide clarity about what sections of the emergency rule remain in effect after permanent Commission Rule 2.000 took effect on January 18, 2023. These changes were flagged and discussed when Emergency Rule 2.500 was filed on September 30, 2022. The changes—which are withdrawals of portions of Emergency Rule 2.500—do not alter the effective date or expiration date of the rule. The current version of Emergency Rule 2.500 is set to expire on March 29, 2023.

Case #21-3883-RULE Proposed Rule Concerning Energy Storage

As of December 1, 2022 there are no updates to report. The following is for contextual purposes only:

On June 3, 2021, Act 54 was signed into law [which] grants the Commission authority to “adopt and implement rules that govern the installation and operation of energy storage facilities of all sizes.” In September 2021, the Commission issued a proceeding to develop rules governing the installation and operation of energy storage facilities in Vermont. Multiple stakeholders, including VPPSA submitted their responses. Stakeholders are awaiting a PUC response to the comments and workshops held in December 2021 and January 2022.

While no updates have been filed from the Commission since February 16, 2022, with the enormous focus on battery storage as a matter of resiliency, I expect this case will resurface in the near future.

Case #22-0752-RULE Proposed revisions to Rule 8.313 for Line Extensions and Tariffs for Cable Operators

As of January 9, 2023, the status of this case is now CLOSED.

Case #22-1647-PET Petition of the Vermont Department of Public Service to review the Orders of Appointments for the Energy Efficiency Utilities and the Process and Administration Document

On December 27, 2022, the [Process and Administration of an Energy Efficiency Utility Order of Appointment](#) document was filed.

Case #22-2417-INV Determination of 2023 Energy Efficiency Charge Rates

EVT presented a “Preferred Alternative Methodology” to calculate its 2023 EEC Rates and waive the Rule 5.305 EEC rate calculation methodologies, as well as to defer 50% of the 2023 revenue adjustment to future rate cases “to ensure rates remain relatively stable over the next two rate years.”

On November 8, 2022 the Commission approved EVT’s EEC rates for 2023. EEC language was circulated and should now be in effect for 2023.

Case #22-2954-PET Petition of the Department of Public Service to open a proceeding to initiate EEU Demand Resource Plan proceeding for the 2024-2026 and 2027-2029 performance periods

On December 20, 2022 EEUs filed testimony and exhibits to support proceedings. On January 10, 2023, the [PSD filed its first set of discovery questions for each of the EEUs](#). This update will focus primarily on those related to EVT.

On January 24, 2023, EVT provided responses to those discovery questions, and on Thursday, January 26, 2023, [VPPSA also filed its first set of discovery questions related to EVT’s testimony and proposed scope of work](#) for the 2024-2026 and 2027-2029 performance periods, specifically related to planned FLM investments and equity vs. cost-effectiveness priority spending.

Case #22-4719-INV 2022 updates to Energy Efficiency Utility Triennial Plans for 2021-2023

On December 16, 2022 [transcripts from the EEU Triennial Plan updates were filed](#), indicating a notable shift in the scope and depth of EEU’s engagements with customers, particularly related to Flexible Load Management (FLM). On the same day, the [Department of Public Service filed comments](#) to initiate a more in-depth discovery process related to proposed FLM budget spending and DRP proceeding for the next two performance periods, ultimately resulting in a number of Discovery requests in the related Case #22-2952-PET (see above).

Case #22-2540-RULE Third Revised Emergency Rule 2.600 COVID-19 Emergency Disconnection Rule

Emergency Rule 2.600 expired on December 28, 2022. Per the Rule, Disconnect Notice Forms are required to be filed by January 27, 2023. VPPSA worked closely with and supported several members in the revision and filings of notices via ePUC.

Case #22-4288-RULE Emergency Rule 2.500 - COVID-19 Emergency Procedures - Fifth Revised

Certain elements of the **Emergency Rule will remain in effect until March 29, 2023** (see [Case #20-2369-RULE](#) briefing above).

Case #22-4869-INV PUC 2022 Investigation into EV Rates

On Nov. 15, 2022 the Commission opened its annual investigation and [issues Order](#) to Provide [Annual Update] of Inventories and Comments. On Dec. 12, 2022, [VPPSA filed response](#) on members EV-EVSE Rates and progress.

No additional updates to report at this time.

22-3944-PET VEPP Inc. & Ryegate Power Purchase Agreement

On Oct. 26, 2022, PUC [Authorizes six-month extension](#) of existing PPA. On Nov. 14, 2022 the PUC issues [Order Establishing Schedule](#). The Deadline to file responses was December 22, 2022. VPPSA has continued to monitor but not engage directly in this proceeding.

22-4420-RULE Proposed Revisions to PUC Rule 4.500 on Safety of Hydroelectric Dams

Oct. 12, 2022 the PUC opens rulemaking proceeding to revise Rule 4.500 which governs safety of hydroelectric dams under PUC jurisdiction in Vermont and on November 8th files [proposed rule](#) with ICAR (see [Proposed Rule Redline](#)).

A public hearing was held Jan. 17, 2023 and written comments were due January 24, 2023. VPPSA did not file written comments but continues to monitor the case. GMP, Vermont ANR, and PSD have filed responses, primarily in objection to the inspection schedules.

Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: January 27, 2023
Subject: **Agenda Item #14** - Project 10 Update

Project 10 continues to operate well after the overhaul. Dave continues to find minor issues to be addressed but is working his way through the maintenance list.

Ken St. Amour and Dave having been working through the NERC self-certification audit with final replies due by February 13th. No issues or violation concerns have been identified during documentation prep, but NPCC will undertake its review following submittal. As a reminder, this is an official NERC audit that can bring monetary penalties if the standards are not being met.

Power supply continues to bid the units into the winter reserve and energy markets to maximize value and minimize risk. VPPSA continues to cover BED's reserve obligation and receive additional revenues whenever forecasts indicate energy markets will be stable.

Preliminary review indicates that Project 10 performed well during the Christmas Eve outage and received additional revenues from the Pay For Performance shortage event.

Memorandum

To: VPPSA Board of Directors
From: Ken Nolan, General Manager
Date: December 30, 2022
Subject: **Agenda Item #15** - GM Update

Rate Cases and IRP's

Staff continues to make progress on rate case submittals and IRP submittals. VPPSA has brought in outside support from Utility Financial Services to hopefully move Barton and Jacksonville forward more quickly. Steve will continue to provide weekly schedule updates on status.

RES/Hydro/Biomass

RES is heating up on a number of fronts:

- As Julia reported in the Legislative updates there are several Bills being discussed:
 - o REV is launching its Bill the week of 1/30
 - o VPPSA and the other DU's are discussing a joint RES structure all can support
 - o Representative Sibilia has indicated she may propose a "consensus" Bill based on her conversations with parties
 - o The DPS continues to push for a 2-year holistic review
- The Climate Council continues to debate whether biomass is truly a renewable resource (in their minds). This has major implications for McNeil.
 - o There was a press article on WCAX yesterday highlighting the possibility that biomass becomes considered non-renewable
- House Energy and Natural Resources seems intent on actively discussing the RES Bill and trying to force a compromise among parties

VELCO Public Power Directors

Steve Fitzhugh reported that the VELCO Public Power director election had completed and that the following results occurred:

Sam Anderson - 13 votes

Steve Kaminski - 15 votes

Both met the criteria for nomination so VELCO has been notified of the results and the nominees will be part of the slate of VELCO Directors up for election by the owners in April.

IT Cyber Review

The cyber review of VPPSA and member systems under the Homeland Security grant from 2022 has kicked off. VPPSA is using Hometown Connections (HCI) to undertake the in depth review, with HCI providing identified gaps, solutions, and budgets for correction.

The VPPSA review is underway, and once completed will move to individual members one at a time.