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Vermont Public Power Supply Authority

Regular Board of Directors
Meeting Minutes
August 5, 2026

Board of Directors:

X	Gina Lyon, Barton	X	Jason Lefebvre, Lyndon
X	John Dasaro, Enosburg	X	Scott Johnstone, Morrisville
X	Scott Johnstone, Hardwick	X	Stephen Fitzhugh, Northfield
P	James Weber, Jacksonville	X	John Morley, Orleans
X	Erik Bailey, Johnson	X	Bill Sheets, Swanton
	Chris Recchia, Ludlow	P	James Gibbons, BED
X	Jackie Pratt, Stowe		Sue Trainor, Hyde Park

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

Alternate Directors present:

Penny Jones, Morrisville (P)	Renae DiGregorio, Hardwick (X)
Lynn Paradis, VPPSA (P)	Brett Sanderson, Ludlow (X)
	Amanda Pike, Jacksonville (P)

Others present:

Ken Nolan, VPPSA (X)	Grace Sawyer, VPPSA (X)	Per Satterberg, VPPSA (P)
Maya Karosas, VPPSA (P)	Morgan Williams, VPPSA (X)	Bill Ellis, VPPSA (P)
Steve Farman, VPPSA (X)	John Abbott, VPPSA (P)	Jay Brauch, VPPSA (P)
Amy Parah, VPPSA (X)	Josh Bancroft, VPPSA (P)	Amanda Simard, VPPSA (P)
Ian Burke, VPPSA (P)	Amber O'Neill, VPPSA (P)	Ismael Tejada, VPPSA (P)
Kylie Bray, VPPSA (P)	Jack Vaughan, VPPSA (P)	Adam Jacobs, Guest (X)
Michael Gadway, Guest (P)	Nicole Halm, Guest (P)	Pablo Molina, Guest (P)
Kim Harris, VPPSA (P)	Carolina Vivas, Guest (P)	Matt Socks, Guest (X)
	Florencia Barrios, Guest (P)	

Numbers in bold type correspond with agenda item numbers:

1. Chairman Fitzhugh called the meeting to order at 9:35 a.m.

2. Chairman Fitzhugh asked if there were requests for changes and/or modifications to the current agenda. There were no changes.

3. Chairman Fitzhugh asked if there were public comments and/or individuals who would like to address the Board. There was no public comment.

4. Director Sheets made a motion to accept the minutes of the regular Board of Directors meeting held June 3, 2026. The motion was seconded by Director Lefebvre, motion was approved.

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5. Director Bailey made a motion to accept the minutes of the Special Board of Directors meeting held June 22, 2026. The motion was seconded by Director Lefebvre, motion was approved.

6. Director Morley made a motion to accept the minutes of the Emergency Board of Directors meeting held July 10, 2026. The motion was seconded by Director Lyon, motion was approved. Director Johnstone abstained.

7. Director Lyon made a motion to approve the Monthly Financial reports for the period ending June 30, 2026. The motion was seconded by Director Bailey.

Ms. Sawyer, VPPSA's Assistant GM & CFO, provided a summary of the operational revenue vs expenses for the period ending June 30th, 2026. Ms. Sawyer summarized the budget to actual variance of the various projects. A brief discussion ensued. The motion was approved.

8. Ms. Sawyer, VPPSA's Assistant GM & CFO, presented revisions to Financial Policy F4, Finance Charges and Notification of Overdue Receivables. The updates reflect definitions, communication of overdue status, collection of overdue receivables, and rate calculation. Ms. Sawyer also presented revisions to Capitalization Policy F5, the updates reflect definition of capital assets, capitalization threshold, capitalization costs, depreciation of capitalized assets, asset tracking and disposals. Ms. Sawyer also presented an update on the Member Credit Policy F8, revisions are still in process on the Metrics and Standard Terms. A short discussion ensued.

Director Johnstone made a motion to accept Financial Policy F4 as presented. The motion was seconded by Director Sheets. Discussion ensued. Motion was approved.

Director Johnstone made a motion to accept Capitalization Policy F5 as presented. The motion was seconded by Director Bailey. Discussion ensued. Motion was approved.

9. The General Manager gave an overview of a new Hometown Connections partner, DAPLAN, they provide software for utility financial analysis, dashboards, and near real-time scenario modeling. VPPSA is exploring the platform as a tool for forecasting power costs and other financial metrics. Given VPPSA's focus on five-year financial planning and the DPS municipal assessment's emphasis on improving financial performance metrics, staff felt it was worth having the DAPLAN team present its capabilities to the Board. Ms. Halm, Ms. Barrios and Mr. Molina, presented the key features, proven impact, financial planning & analysis process, use case, and value proposition. Discussion ensued.

10. The General Manager reminded the Board as part of a strategic initiative identified during last year's Board retreat, VPPSA engaged NV5, a consulting firm specializing in energy efficiency program design, to evaluate the costs and benefits of creating a public power-focused EEU. The Board requested information to support a Go/No-Go decision on moving forward. Mr. Jacobs from NV5 presented their findings, discussion ensued. The board requested further information regarding key stakeholders and their likely positions, how VPPSA could mesh EEU and RES Tier III efforts in program design, and a more detailed regulatory/lobbying plan before a decision about investing further resources is made. VPPSA staff will bring this to the next Board meeting for Go/No-Go decision.

Chair Fitzhugh recessed the meeting for lunch at 12:05pm

The meeting was reconvened at 12:34

11. Morgan Williams, VPPSA's Power Analyst, gave an overview of the natural gas price trends, actual and future electricity prices and June CDA variances by member, June and year to date day ahead ancillary prices, year-to-date CDA variances and general updates. Discussion ensued.

12. Steve Farman, VPPSA's Manager of Planning & Support Services provided the Board with a brief review of the Regulatory Landscape. Core areas of the presentation and discussion included but were not limited to recent PUC orders, 25-0467 RES Compliance, 25-1094 RES Tier III Function, 26-1115 Standard Load Calculation Methodology, 24-3351 Long Range Transmission Plan, GRID grant updates, and upcoming meetings. A brief discussion ensued.

13. The General Manager gave an overview of the Legislative landscape. The Board retreat this year identified that submitting a VPPSA bill was a desired strategic action. Potential items for inclusion have been identified, including: Changes to V.S.A. Title 30 §218d(n), Changes to the IRP process, and Modifications to V.S.A. Title 24. The DPS has also expressed intent to submit a Bill that overlaps with several VPPSA priorities. With Ms. Parent now onboard as VPPSA's Manager of External Affairs & Communications, efforts will also begin to get her acquainted with VPPSA's lobbyist and key legislators. A short discussion ensued.

14. Chairman Fitzhugh opened the floor to allow VPPSA representatives from the Vermont System Planning Committee (VSPC) and VELCO Operating Committee updates. Director Johnstone noted there was nothing to share with the Board this month.

15. The General Manager reviewed the building remodel updates. The office renovation project is nearing the final design stage and will focus almost entirely on the building's interior, with no exterior changes except for an expanded parking lot. The renovation will involve a major interior overhaul, including reconfigured office space, a relocated server room, code-compliant bathroom upgrades, improved storage areas, and a larger-feeling board room through the removal of existing cabinetry.

Stewart Construction has been selected through an RFP process and has provided a preliminary construction estimate. Contract execution is expected within the next week, with construction planned to begin in late September or early October. During the renovation, staff are expected to work remotely from approximately October through January, while plans are also being made for moving and disposing of unneeded furniture. Once completed, the renovated office will feature a fully enclosed kitchen, workspace capacity for up to 24 employees, and updated facilities designed to better meet current needs and code requirements.

The General Manager noted that in previous discussion the Board had indicated this was a management decision and he should proceed as needed. Board members were advised that this is the last opportunity to discuss any question or concerns before management proceeded with signing contracts and executing the work. No questions or concerns were expressed.

16. The following are Board member updates: Director Pratt announced a recent cybersecurity tabletop exercise highlighted the value of having a crisis communications plan in place. The group expressed interest in sharing the crisis communications template and approach being developed at

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Stowe, potentially through a future lunch-and-learn session where staff could present lessons learned and provide the template for others to adapt.

Director Dasaro shared the Enosburg meter deployment for water and power is nearly complete and is expected to be fully implemented by the end of the month. The AMI implementation project is also nearing completion and is expected to wrap up soon.

Alternate Director DiGregorio shared that Hardwick is preparing to make an offer on a much-needed new crew garage in East Hardwick, with a tentative closing targeted for October. The new facility will significantly improve working conditions for staff, who are currently operating out of inadequate space. The utility's AMI project has faced challenges, particularly with software development and implementation through UPN. However, progress is being made, and the team is beginning to see the finish line, with testing expected to start soon and broader deployment anticipated within the next few months. Additionally, Hardwick has recently added several new crew members to its team.

Director Johnstone shared that Morrisville has experienced some staff turnover and has been focused heavily on recruitment and hiring efforts. Despite those challenges, significant progress has been made on its software modernization initiative, with contracts now signed and implementation schedules established for finance, CIS, and operations systems. Although the full rollout is expected to take about two years, the team is pleased to have clear timelines in place and to finally be moving forward with the project.

Director Sheets shared that Swanton is holding its second in-person public forum with the Public Utility Commission (PUC) tonight as part of its ongoing regulatory and public engagement efforts. At the same time, work on the new building remains well underway. The project was financed through a bond issued before the rubber dam failure and is now approximately five to six months from completion. Once the building project is finished, the associated costs are expected to create the need for another rate case in the future.

Director Bailey shared that Johnson's AMI hardware infrastructure is largely in place and ready to move forward, but progress has been waiting on the CIS implementation. With El Dorado now actively engaged, the CIS project is expected to move ahead, allowing the AMI initiative to continue progressing. Another key concern is Act 145, particularly its impact on taxation of utility-owned assets within the village. The unexpected costs associated with the legislation have created a significant financial burden, and Johnson is seeking input on potential strategies for addressing or pushing back on those impacts.

Director Lefebvre shared that Lyndon is currently working through its CIS integration project. After an initial kickoff meeting with NISC, implementation timelines were pushed back slightly, and the team is still awaiting a scope of work for Northstar for data-related tasks. However, the project has now officially started, with the first data pulls scheduled to begin next week. A major milestone is the planned NISC financial system go-live in February. While the original target was December, the timeline was extended to avoid implementing the system independently and to ensure adequate

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support during the transition. The move will ultimately replace the current Northstar financial software.

Director Lyon shared that Barton is working with the State of Vermont through the Local Cybersecurity Grant Program to migrate to a .gov domain. The process has been time-consuming and currently involves weekly coordination meetings. An application for the new domain has been submitted and is awaiting approval; once approved, the team will begin the migration process. While the transition is expected to be seamless, there is some cautious optimism until everything is fully implemented and operating as intended. The utility's DCUs are up and pending commission, just waiting on Orleans to get their AMI system comfortably going.

Director Morley shared that Orleans is beginning its AMI water meter deployment, taking a phased approach that includes staff training, a small pilot of about 10 test installations, and gradual expansion. While progress is moving slowly, the project is advancing in the right direction. Additional efforts include voltage conversion and system upgrade work, and Ethan Allen shutdown went well. AMI deployment that will require dedicated crews to handle installations and troubleshoot issues. Most meters are performing well, but approximately seven out of 1,000 installed meters continue to experience communication or functionality problems despite extensive troubleshooting, making meter replacement the likely next step.

Alternate Director Sanderson shared that Ludlow's AMI deployment is nearly complete, with only a handful of industrial meters remaining to be installed and configured. The remaining work primarily involves troubleshooting KYZ pulse connections and resolving integration issues for about six industrial meters. In addition, approximately 30 customers have opted out of AMI and will continue to have their meters read manually. With the AMI rollout largely finished, attention is now shifting to a much-needed SCADA system update. The upgrade is considered a priority because the existing copper communication lines have become increasingly problematic and difficult to maintain.

Director Fitzhugh shared that the Northfield AMI project is in a similar position to many other utilities. The electric meter infrastructure and software are functioning properly but will not be moving the system into production until issues with water meter readings are resolved. The team is actively working through those challenges and hopes to have them addressed within the next few weeks. Beyond AMI, several other projects have recently been completed or are nearing completion. Northfield is also continuing work on battery storage initiatives, including support for the battery storage project located near the substation. Overall, projects are progressing steadily.

17. Other Business: The General Manager let the Board know the PUC resiliency proceeding remains open, with no final decision yet. Director Pratt, Director Johnstone and the General Manager have been talking with the National Lab of the Rockies about some DOE technical assistance to get a municipal cost-benefit analysis. TJ Poor at the DPS mentioned they had submitted a grant to develop a municipal cost-benefit framework without talking to VPPSA and will be receiving $150,000 funding. The General Manager will marry up the two scopes and propose something back to the DPS.

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The General Manager informed the Board that the PUC issued an order on BED's IRP. The General Manager reminded the Board that when BED filed their IRP some interveners were trying to shut down McNeil and the PUC let them intervene causing a litigated IRP. When BED tried to withdraw the IRP approval request, the PUC rejected the request. Of particular concern is the PUC's statement in a recently issued Order that it views the IRP process as a means of reviewing utility management, not just resource planning decisions. This represents a potentially significant shift in regulatory oversight and could expand the scope of PUC review of municipal utilities, VPPSA is looking into methods for a response.

Director Bailey made a motion to adjourn the meeting. The motion was seconded by Director Sanderson. Motion approved.

The meeting was adjourned at 1:35 p.m.

Respectfully submitted,

Amy Parah

Amy Parah, Secretary