

**APPROVED**

**VERMONT PUBLIC POWER SUPPLY AUTHORITY  
MINUTES OF ADVISORY AND RISK MANAGEMENT BOARD COMMITTEE**  
(numbers in bold type correspond with agenda item numbers)

September 20, 2017

- (1) The meeting was called to order at 9:35 a.m. at the office of the Authority, located at 5195 Waterbury-Stowe Road, Waterbury Ctr., Vermont.

Committee Directors present (X indicates present):

X	John Morley III, Orleans	X	Steve Fitzhugh, Northfield (by phone until 9:55)
X	Reginald Beliveau, Swanton, by phone		James Pallotta, Ludlow

Other Directors present:

Bill Humphrey, Lyndonville	
----------------------------	--

Alternates present:

NONE	
------	--

Others present:

Ken Nolan, VPPSA	Crystal Currier, VPPSA	James Gibbons, VPPSA (10:20-11:30)
------------------	------------------------	------------------------------------

- (2) Director Beliveau asked if there were requests for changes and/or modifications to the current agenda. There were none.
- (3) Director Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public presence and therefore no comments were made.
- (4) Director Morley made a motion to accept the minutes of the Committee meeting held on July 19, 2017. The motion was seconded by Director Fitzhugh. Motion approved.
- (5) VPPSA staff presented Power Supply Policy P3 for review and discussion. The General Manager informed the Board that a previous power supply policy was drafted a number of years ago but that policy was not approved by the Board. The proposed policy includes short, intermediate and long-term power supply transactions, planned purchases, power supply coverage ratios, and generating project allocations. The policy addresses how these transactions will be managed and where decision making authority around each category resides. The General Manager went through the policy in detail explaining the various definitions and policy components.

There was a short discussion regarding the language in bullet #2 of Attachment 1 that indicates authorization occur in writing by a “member Director”. It was suggested that this language include Alternate Directors as well.

## APPROVED

(6) VPPSA staff provided an overall Budget Presentation and the FY 18 Operating Budgets for review and discussion. The General Manager went through the budget presentation and explained the development process taken in preparation of the budgets. VPPSA's operational budget was started by a review of the strategic plan and a prioritization of the FY18 projects. The following areas were reviewed and discussed: Staff and member project lists, the changes in the FY18 budget, changes in revenues, changes in specific budget priorities, new projects, and the VPPSA cost by Project/Member.

The Controller provided additional details on the various operating budgets and specifically how those budgets impact each of the VPPSA members. It was noted that the McNeil budget does not include FY18 operating costs since that information has not been received from BED. A brief overview of the Project 10 budget was provided as well.

(7) The General Manager provided an update on the status of several financings that are underway.

- a. Project 10 Bond Refunding – kick-off call this week, moving forward
- b. Highgate Transco Equity Purchase – closing week of 09/25
- c. 2008-2010 Transco Equity Purchase Refinance – in process
- d. 2012-2014 Transco Equity Purchase Refinance – in process

(8) A brief update on the efforts of the Joint Action Agency working group was provided.

(9) Other Business:

The meeting was adjourned at 11:45 a.m.

Respectfully submitted,

*Crystal L Currier*

Crystal Currier, Secretary