



Board of Directors Meeting

9:30 AM, October 2, 2019
5195 Waterbury-Stowe Road, Waterbury Center, Vermont

CALL IN NUMBER: 1-773-231-9226

MEETING ID: 802 244 7678#

Directors

Vacant, Barton	Jonathan Elwell, Enosburg	Mike Sullivan, Hardwick
Carol Robertson, Hyde Park	Pamela Moore, Jacksonville	Meredith Birkett, Johnson
Vacant, Ludlow	Bill Humphrey, Lyndonville	Craig Myotte, Morrisville
Steve Fitzhugh, Northfield	John Morley III, Orleans	Reg Beliveau, Swanton

Agenda

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

1. Call to Order
2. Consideration of changes/modifications to agenda **(3)**
3. Public Comment **(2)**

Action Items

4. Minutes of the Special Board of Directors Meeting - June 18, 2019 **(2)**
5. Minutes of the Regular Board of Directors Meeting - August 7, 2019 **(2)**
6. Minutes of the Special Board of Directors Meeting - September 24, 2019 **(2)**
7. Treasurer's Report through August 31, 2019 **(10)**
8. Resolution 2019-06 - Transco Financing **(5)**
9. P10 Annual True-Up **(5)**
10. McNeil Annual Capital True-Up **(5)**

Discussion Items

11. AMI Project **(30)**
12. 2020 Operating Budgets **(30)**
13. September 24th Workshop Follow up **(30)**

Reports

14. Generation & Assets Committee **(5)**
15. Legislative Committee **(10)**
16. VELCO Board and Operating Committee **(10)**
17. Staff Reports **(10)**

Executive Session

18. None

Other

19. Other Business **(5)**

CC:

Tin Barton-Caplin, Barton	Clayton O. Bailey, Lyndonville
Gary Denton, Enosburg	Penny Jones, Morrisville
Frederika French, Hyde Park	Jeff Schulz, Northfield
Mac Butova, Jacksonville	Marilyn Prue, Orleans
Phil Wilson, Johnson	Lynn Paradis, Swanton
Thomas Petraska, Ludlow	

Vermont **Public Power** Supply Authority

MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING

June 18, 2019

Directors present (X indicates attendance in person, P indicates attendance by phone):

	Vacant, Barton	X	James Pallotta, Ludlow
	Jonathan Elwell, Enosburg	X	Bill Humphrey, Lyndonville
	Mike Sullivan, Hardwick		Craig Myotte, Morrisville
	Carol Robertson, Hyde Park	X	Stephen Fitzhugh, Northfield
	Pamela Moore, Jacksonville		John Morley, Orleans
X	Meredith Birkett, Johnson	X	Reginald Beliveau, Swanton

Alternates present:

Lynn Paradis, Swanton	

Others present:

Ken Nolan, VPPSA	Crystal Currier, VPPSA	Melissa Bailey, VPPSA
Julia Leopold, VPPSA	Amy Parah, VPPSA	Amanda Simard, VPPSA
Steven Farman, VPPSA	Josh Bancroft, VPPSA	Shawn Enterline, VPPSA
Heather D'Arcy, VPPSA	Kim Harris, VPPSA	Ken St. Amour, VPPSA
David Gagne, VPPSA	Tim Blodgett, Hometown Connections, Inc.	

(numbers in bold type correspond with agenda item numbers)

- (1) The meeting was called to order at 9:15 a.m. at the West Hill Bed & Breakfast, located at 1496 W Hill Road, Warren, Vermont.
- (2) Chairman Beliveau asked if there were requests for changes and/or modifications to the current agenda. There were no changes.
- (3) Chairman Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public in attendance.
- (4) Chairman Beliveau requested that individuals introduce themselves to Mr. Blodgett and to the group. The meeting was then turned over to the General Manager.

The General Manager provided a brief introduction and then turned the meeting over to Mr. Blodgett from Hometown Connections, Inc. Mr. Blodgett started with an overview of Hometown Connections, Inc. and then moved into a brief summary of the National challenges/pressures within the industry and related these trends to those at the local level. Some items reviewed include: the regulatory landscape, risk management (cyber-security), tax-exempt



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financing, renewable portfolio standards, changes in power supply, aging infrastructure, the public utility workforce, new technologies, evolving customer expectations, and financial pressures. It is these issues/pressures that need to be understood when looking at the strategic roadmap and moving into the future.

The General Manager provided a brief presentation that looked at the issues, pressures and trends identified by Mr. Blodgett and brought those topics to the State and/or local level. The General Manager encouraged the Board to think about two primary questions -if we were starting VPPSA today what services do you think VPPSA should offer and what skillsets should VPPSA have? As these questions are considered, where should VPPSA be in five years?

Mr. Blodgett explained that a strategic plan is essentially a road map that develops the organization's future. The goal of this meeting was to allow the Board an opportunity to review the vision, mission, and core values; and through discussions, develop the strategic priorities of the organization. The Board brainstormed strategic goals at a high level and identified obstacles that could prevent the organization from meeting those goals. VPPSA's mission, vision and values were reviewed and both the Board and staff provided comments/keywords for potential integration. VPPSA and VPPSA Member's internal Strengths and Weaknesses, and external Opportunities and Threats (SWOTs) were identified and discussed.

During the final phase of the day, the Board prioritized the strategic priorities, as areas for staff focus for the next five years.

The meeting was adjourned at 3:45 p.m.

Respectfully submitted,

Crystal L Currier

Crystal Currier, Secretary



Board of Directors Meeting Minutes

August 7, 2019

Board of Directors:

	Vacant, Barton		Vacant, Ludlow
X	Jonathan Elwell, Enosburg	X	Bill Humphrey, Lyndonville
P	Mike Sullivan, Hardwick		Craig Myotte, Morrisville
P	Carol Robertson, Hyde Park		Stephen Fitzhugh, Northfield
	Pamela Moore, Jacksonville	X	John Morley, Orleans
X	Meredith Birkett, Johnson	X	Reginald Beliveau, Swanton

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

Alternates present:

Lynn Paradis, Swanton	Penny Jones, Morrisville

Others present:

Ken Nolan, VPPSA	Crystal Currier, VPPSA	Amy Parah, VPPSA
Julia Leopold, VPPSA	Brady Lee, Great Blue Research	Michael Vigeant, Great Blue Research
Melissa Bailey, VPPSA		

Numbers in bold type correspond with agenda item numbers:

1. The meeting was called to order at 9:33 a.m. at the office of the Authority, located at 5195 Waterbury-Stowe Road, Waterbury Ctr., Vermont.
2. Chairman Beliveau asked if there were requests for changes and/or modifications to the current agenda. There were no changes.
3. Chairman Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public in attendance. The Directors held a moment of silence for the passing of Director Pallotta.
4. Director Humphrey made a motion to accept the minutes of the Regular Board of Director's meeting held on June 3, 2019. The motion was seconded by Alternate Director Jones. Motion approved.

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5. Alternate Director Jones made a motion to accept the Treasurer's report as of June 30, 2019 as presented. Director Elwell seconded the motion.

VPPSA staff provided a brief update related to the operational budget vs. actual summary of VPPSA's operational costs. The financial results for the period ending June 30, 2019 indicate operational expenses being under-budget by approximately 4.5%. This includes payroll and overheads that are under-budget by 7.5% and office supplies and expenses that are over-budget by approximately 1.8%. Revenues exceed expenses by approximately \$23K for the year (\$21K is related to Trombley Hill Solar with no offsetting expense).

The motion was approved.

6. VPPSA staff informed the Board that over the last few months, VPPSA staff has reviewed the organizational policies for accuracy and completeness. VPPSA staff met as a group and discussed various changes. The updated policies were presented to the Advisory & RMC at their meeting on July 10, 2019 and after discussion, there were no objections to the changes as presented. The policies, both strike-lined and final versions, were provided to the Board. VPPSA staff provided a brief update on the changes that were implemented.

Director Morley made a motion to approve the VPPSA organizational policies as updated and presented. The motion was seconded by Director Humphrey. The motion was approved.

7. The General Manager reminded the Board that the staff has continued to work with EVT and various vendors to understand the condition of the existing HVAC and AC systems within the building. After various discussions with EVT and two different vendors, Vermont Mechanical has provided a proposal to: replace all three A/C units, leave the oil boiler in place as a backup heat source, install an energy recovery ventilator and replace the Board room AC unit. The total cost is approximately \$120K. Vt. Mechanical also provided cost estimates for breaking the project into phases. It is clear that the existing equipment is at end-of-life and staff recommends that the project be completed and done all at one time to avoid future equipment failures and less disruption within the building. The full proposals were provided to the Board for their review.

Director Sullivan made a motion to approve Resolution 2019-05 as presented and to instruct the General Manager to consider other alternatives if they present themselves and are viable. The motion was seconded by Director Humphrey. The motion was approved.

8. The General Manager informed the Board that since the Board/staff retreat held in June, the staff has continued to refine the strategic plan. After reviewing the major areas of focus that the Board identified at the retreat, the staff worked with Tim Blodgett to turn the Board priorities into three specific areas with detailed goals and specific deadlines that can be tracked and measured. A presentation with the goals staff has identified was reviewed with the Board.

The specific language in the mission statement was discussed and further discussion related to the specific priorities within the Policy Leadership and Organizational Excellence goals was held.

Director Birkett made a motion to adopt the 2020 VPPSA Strategic Plan and Goals as presented. The motion was seconded by Director Elwell. The motion was approved.

9. The General Manager reminded the Board that the outcome of the 2017 solar RFP was a partnership with Encore Redevelopment to pursue several solar projects. That effort included development of standard Power Purchase Agreement (PPA) templates. The first of these contracts was executed several months ago related to the ER Lawrence Brook project. The agreements provided to the Board for this meeting are related to "Bone Hill Solar", the second project under

development. It is highly likely that a CPG application will be filed for the project prior to the next Board meeting so staff is seeking Board authority to enter into the Bone Hill Solar PPA with the expectation that this PPA will be paired with a Power Sales Agreement with Northfield for 100% of the project.

Director Humphrey made a motion to authorize the General Manager to take all steps necessary to enter a Power Purchase Agreement for off-take from the Bone Hill Solar project. The motion was seconded by Alternate Director Jones. The motion was approved.

- 10.** The General Manager reminded the Board that VPPSA has been working with Vitol Inc. to put together a lease of public power transmission rights over the Phase I D.C. transmission line running from Quebec to Massachusetts. Many public power entities purchased these rights in the 1980's as a way to bring power from their original HQ VJO contract into New England; however, since that time, the wholesale markets have changed and these "use rights" public power utilities hold over the Phase I lines are not being utilized to transmit energy, although rights holders do get so-called HQICC credits for their ownership. The existing contracts end at the end of October 2020 and follow on agreements are being negotiated to extend ownership and rights for an additional 20 years. VPPSA has been working with BED to develop a lease agreement with Vitol Inc. that would transfer use of the line to Vitol for an agreed upon lease amount while also allowing the existing rights holders to continue to receive the HQICC credits. An outline of the arrangement was discussed. To facilitate the arrangement VPPSA is asking for authority to proceed in execution of the required documents.

Director Humphrey made a motion to authorize the General Manager to take all steps necessary to enter into Transfer Agreements with individual members and other public power utilities in Vermont to aggregate Phase I use rights for joint marketing purposes. The motion was seconded by Alternate Director Jones. The motion was approved.

Director Humphrey made a motion to authorize the General Manager to take all necessary steps to implement the lease of aggregated Phase I rights to Vitol, Inc. The motion was seconded by Alternate Director Jones. The motion was approved.

- 11.** The General Manager provided a brief update with regards to Barton's decision to evaluate options for continuation of the utility. It was noted that a short discussion was held with one of the Barton trustees regarding the status of the utility. Not much new information was received.

A brief update regarding the Village of Ludlow was provided.

A broader conversation regarding other members, individuals retiring or being out of the office for extended periods was discussed. There was specific discussion regarding the lack of expertise in Vermont and finding qualified individuals within the utility industry. Director Morley indicated that utilities need a resource that utilities can access for both recruiting and/or staffing needs. (further discussion moved into next agenda topic)

- 12.** The General Manager reminded the Board that at the June retreat one of the discussion items was a need for VPPSA to provide additional services. That topic was further discussed at the Advisory and RMC meeting in July and several Board members in attendance were questioning whether VPPSA's overall skillset and structure should be changed to accommodate more centralized operations. The services discussed ranged from an extreme where nearly all operations would operate through VPPSA to specific targeted services such as engineering and/or GIS staff expertise, stronger operational management and centralized AMI operations, being operated through VPPSA. Given the struggles some of the members have recently experienced, the General Manager asked the Board if this sentiment is strong enough to warrant having Tim

Blodgett return this fall to facilitate a full-day Board discussion on centralization of targeted functions that the majority of members agree should be considered at VPPSA.

The Board was favorable to the idea and instructed staff to organize the meeting/retreat, preferably for a time in September.

The Board recessed for lunch at 12:00.

The Board reconvened at 12:55 and moved ahead to agenda #20.

- 13.** The General Manager informed the Board that in addition to the organizational policy changes, VPPSA staff has also reviewed the internal operating procedures. The procedures are related to internal operation and do not require Board approval; however, in an effort to ensure the board is aware of the procedures and generally how they are structured, a summary of the procedures and the changes that were made, as well as, the procedures in final form were provided to the Board. The General Manager provided a brief overview of changes.
- 14.** The General Manager provided a brief report on the Generation and Other Assets Committee meeting held on July 10th. Several of the topics discussed at the meeting include: Project 10 controls upgrade and bathroom project, decrease in capacity market revenue, an update on load reducing hydro resources, solar project updates, the results of the recent five-year system power purchase, possible improvements to the purchase approval process and review of the 2018 renewable energy standards requirements.
- 15.** Ms. Bailey provided a brief report of the topics discussed at the Legislative and Regulatory Affairs committee meeting held on July 10th. Those topics include: EV charging study, EEU docket, broadband study, and revisions to the PUC disconnect rule.
- 16.** VELCO: The General Manager provided a very brief report of the VELCO Board activities.

The next operating committee meeting will be hosted by Norwich University.
- 17.** Staff Reports: The General Manager provided a very brief report on other topics of interest.
- 18.** Potential Executive Session: no executive session was necessary.
- 19.** Other Business: There was no other business.
- 20.** The Board was informed that at the Advisory & RMC meeting, the staff shared information related to discussions with Great Blue Research, a HomeTown Connections partner located in Boston, to conduct a survey of VPPSA member customers. The survey would be structured such that we obtained a statistically valid sampling from each member territory as well as for VPPSA as a whole. The three areas of focus would be: 1) a customer satisfaction benchmark that can be compared to other public power entities, 2) a greater insight into the communication paths customers in each member territory prefer and 3) insight into some key upcoming policy decisions and how VPPSA member customer feel about those issues.

Staff sees this as a necessary step to improve outreach on legislative and regulatory issues as well as honing our messaging related to Tier 3 programs and the value of public power. To undertake this effort, Great Blue would need access to customer contact information. When the Advisory & RMC discussed this, some questions surfaced around who Great Blue is, who they worked for and how they would protect data.

Brady Lee and Michael Vigeant from Great Blue Research were present to discuss their company and its products. The focus was on the research need (what the utility needs to know) and the educational research obtained to meet that need. That discussion further evolved into the value and benefits that utilities can generally obtain from the research. The general goals and objectives of the research were reviewed and the group was asked for specific goals that they would like to achieve from the research. Mr. Vigeant explained the research methodologies that are used, the size of the survey, the types of questions they include, the sample size, how they safeguard customer data and the reports available after the study.

The meeting was adjourned at 2:45 p.m.

Respectfully submitted,

Crystal L Currier

Crystal Currier, Secretary



Board of Directors Special Meeting Minutes

September 24, 2019

Board of Directors:

	Vacant, Barton		Vacant, Ludlow
	Jonathan Elwell, Enosburg	X	Bill Humphrey, Lyndonville
	Mike Sullivan, Hardwick		Craig Myotte, Morrisville
	Carol Robertson, Hyde Park	X	Stephen Fitzhugh, Northfield
	Pamela Moore, Jacksonville	X	John Morley, Orleans
	Meredith Birkett, Johnson	X	Reginald Beliveau, Swanton

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

Alternates present:

Lynn Paradis, Swanton	Penny Jones, Morrisville
Tin Barton-Caplin	

Others present:

Ken Nolan, VPPSA	Crystal Currier, VPPSA	Amy Parah, VPPSA
Thomas Petraska, Ludlow	Tim Blodgett, Hometown Connections	

Numbers in bold type correspond with agenda item numbers:

- 1.** The meeting was called to order at 9:20 a.m. at Burlington Electric Department's Spark Space located at 595 Pine Street, Burlington, Vermont.
- 2.** Chairman Beliveau asked if there were requests for changes and/or modifications to the current agenda. There were no changes.
- 3.** Chairman Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public in attendance.
- 4.** Chairman Beliveau requested the group go around the table for introductions. Following introductions, the General Manager started with a brief slideshow that provided a brief overview of the topics to set the context for further discussion.

External pressures – discussions with the state regulators and legislators, as well as customer comments were highlighted. Questions are being raised in various quarters about how to expand municipal services to meet the challenges of the changing utility landscape, and whether VPPSA



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can or should play a greater role in meeting these challenges. It was noted that certain legislators have asked if there are any incentives that could be provided legislatively to promote better coordination among municipal utilities.

Internal Pressures – the General Manager identified several internal challenges faced by member utilities, including difficulty finding qualified staff, pressures on the public power business model, and difficulties with obtaining economies of scale in implementing new technologies. Other concerns that interfere with VPPSA’s ability to provide additional projects and/or services were also highlighted. These include matters such as, the ability to obtain member’s customer information, member participation related to VPPSA staff requests and the lack of specialized staff that can support specific new services.

APPA Survey – APPA produces an annual survey of services that are provided by Joint Action Agencies around the country. The General Manager reviewed the top services that are provided by Joint Action Agencies and those services that are offered by VPPSA were highlighted.

The Boundaries – Discussions with legal counsel have indicated that VPPSA has a broad range of capabilities. VPPSA can own assets and it can provide services to members (including the operation of a utility and ancillary services); however, VPPSA cannot sell energy to retail customers within Vermont. A brief review of the current services that VPPSA offers was provided.

Specific Thoughts - Specific projects that have been requested by the VPPSA members include: mapping (mPower), AMI, central net metering calculations, engineering support and temporary staffing. Specific staff projects that have been considered include: expanded central billing, central purchases/loans, expanded IT/Cyber support and RES Tier III projects.

The General Manager indicated that questions for today’s discussion include: 1) how far does VPPSA go before the members are uncomfortable, 2) are there specific new programs where centralization through VPPSA is desired, 3) what ways should VPPSA help to address the identified internal pressures, and 4) should public power react to the external pressures and if so, what is VPPSA’s role?

The Board discussed a number of topics including: the value of public power, economies of scale, operations management, local control, the aging workforce and the ability to obtain quality employees. Mr Blodgett brought the discussion back to two basic questions: 1) from a Joint Action Agency’s prospective, what are the economies of scale (the number of members that must participate in any given activity) and 2) what are the top priorities that VPPSA should focus on?

Mr. Blodgett provided an example of the Missouri River Energy Services model and how they consolidate services for their members. After further discussion, the top priorities that were identified include: mapping services (mPower), technical services in general, IT management, effective management, trained office staff, EV’s, net metering calculations, GIS/billing, IT/cyber security, and AMI. After further refinement, the list was narrowed down to GIS/mapping, AMI, engineering, and effective management.

Mr. Blodgett asked the General Manager what would be needed to functionally implement the activities that were identified. It was noted that several of the activities have been started (AMI, mapping) and some are new (engineering and effective management). There was a brief discussion as to the effect to the budget if VPPSA were to implement all four of the top activities. The Board was supportive of the activities and encouraged the General Manager to move forward by including what is needed in the budget draft. It was noted that as the VPPSA budget is developed, these items will be considered and integrated into the current draft budget that will be presented to the Board Committees in November.

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The meeting was adjourned at 2:40 p.m.

Respectfully submitted,

Crystal L Currier

Crystal Currier, Secretary

Vermont **Public Power** Supply Authority



Monthly Financial Report August 31, 2019

(Unaudited)




VPPSA MONTHLY FINANCIAL REPORT TABLE OF CONTENTS

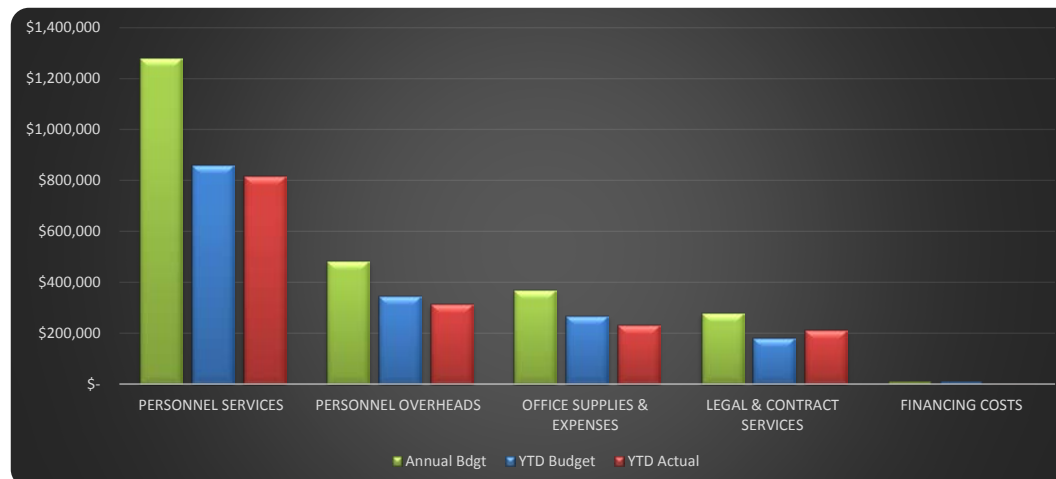
Operational Revenue & Expense Summary	FS	1
Variance Analysis	FS	2
Project Summary Balance Sheet	FS	3 - 5
Project Summary Income Statements	FS	6 - 8
VPPSA Consolidated Balance Sheet (with Prior Year Comparison)	FS	9 - 10
Non-Project Operations Income Statement (with Budget Comparison)	FS	11 - 12
McNeil Operations Income Statement (with Budget Comparison)	FS	13 - 14
Highgate Operations Income Statement (with Budget Comparison)	FS	15
Central Computer Operations Income Statement (with Budget Comparison)	FS	16
Project 10 Operations Income Statement (with Budget Comparison)	FS	17 - 19
Renewable Energy Standards Project (with Budget Comparison)	FS	20-21
Net Metering Project (with Budget Comparison)	FS	22-23

VERMONT PUBLIC POWER SUPPLY AUTHORITY
OPERATIONAL REVENUE & EXPENSE SUMMARY
2019 YTD ACTUAL VS. BUDGET

Reconciliation Month **August-2019**

		2019	2019	Variance	Variance	2019	YTD Act %
		YTD Budget	YTD Actual	Act vs. Bdgt	Act vs. Bdgt	Annual Bdgt	of Annual
				\$	%		Bdgt
REVENUES:							
	MCNEIL PROJECT #2	\$ 61,661	\$ 61,661	\$ (0)	0.0%	\$ 92,491	67%
	HIGHGATE PROJECT #3	\$ -	\$ -	\$ -	0.0%	\$ -	0%
	CENTRAL COMPUTER PRJ #4	\$ 30,830	\$ 30,830	\$ -	0.0%	\$ 46,246	67%
	SWANTON PEAKER PRJ #10	\$ 133,326	\$ 128,408	\$ (4,918)	-3.7%	\$ 195,076	66%
	RES PROJECT	\$ 30,830	\$ 30,830	\$ 0	0.0%	\$ 46,246	67%
	NET METERING PROJECT	\$ 46,246	\$ 46,246	\$ (0)	0.0%	\$ 69,368	67%
	MEMBER REVENUES	\$ 1,159,833	\$ 1,159,833	\$ (0)	0.0%	\$ 1,739,749	67%
	NON-MEMBER REVENUES	\$ 125,457	\$ 167,718	\$ 42,261	33.7%	\$ 225,688	74%
	TOTAL REVENUES	\$ 1,588,183	\$ 1,625,525	\$ 37,342	2.4%	\$ 2,414,863	67%
BILLABLE EXPENSES:							
	PERSONNEL SERVICES	\$ 858,421	\$ 816,684	\$ (41,737)	-4.9%	\$ 1,279,811	64%
	PERSONNEL OVERHEADS	\$ 344,481	\$ 315,011	\$ (29,470)	-8.6%	\$ 484,100	65%
	OFFICE SUPPLIES & EXPENSES	\$ 268,213	\$ 232,995	\$ (35,218)	-13.1%	\$ 367,453	63%
	LEGAL & CONTRACT SERVICES	\$ 181,333	\$ 210,858	\$ 29,525	16.3%	\$ 277,000	76%
	FINANCING COSTS	\$ 6,500	\$ 603	\$ (5,897)	-90.7%	\$ 6,500	9%
	TOTAL BILLABLE EXPENSES	\$ 1,658,948	\$ 1,576,150	\$ (82,799)	-5.0%	\$ 2,414,863	65%
	Net Income(Loss)	\$ (70,765)	\$ 49,376	\$ 120,141			

-  between 64% and 69%
 greater than 69%
 less than 64%



Monthly Financial Report-Variance Analysis
August 31, 2019

NON PROJECT OPERATIONS:

	Actual					Budget	Var (\$)	Var (%)
	Operational (*)	Power Supply	Transco Activities	Other	Total			
Member/NonMember Revenues	\$ 1,242,423	\$ 20,300,003	\$ -		\$ 21,542,427			
Other Revenue Sources	\$ 426,866	\$ 1,690,036	\$ 2,553,323	\$ 36,018	\$ 4,706,244			
Total Revenues	\$ 1,669,290	\$ 21,990,040	\$ 2,553,323	\$ 36,018	\$ 26,248,670	\$ 27,040,787	\$ (792,117)	-3%
Operational Expenses	\$ (1,597,561)	\$ (21,775,360)	\$ -	\$ (9,509)	\$ (23,382,431)			
Transco Activities	\$ (22,353)	\$ -	\$ (1,606,772)	\$ -	\$ (1,629,125)			
Other Expenses	\$ -	\$ -	\$ -	\$ (25,043)	\$ (25,043)			
Total Expenses	\$ (1,619,914)	\$ (21,775,360)	\$ (1,606,772)	\$ (34,552)	\$ (25,036,599)	\$ (25,937,174)	\$ 900,575	-3%
Net Cash Flow	\$ 49,376	\$ 214,679	\$ 946,550	\$ 1,466	\$ 1,212,071			
Transco Principal (VPPSA)	\$ 69,084	\$ -	\$ -	\$ -	\$ 69,084			
Net Income (Loss)	\$ 118,460	\$ 214,679	\$ 946,550	\$ 1,466	\$ 1,281,155	\$ 1,103,613	\$ 108,458	10%
Primary Drivers	PR & OH's underbudget 59% or (\$71K) OS & E under-budget 2.5% or (\$12K) - conf/travel, legal, grounds, website, insurance, LOC interest; dues, outside svcs, comp hard/soft maintenance Net Excess (Deficit) Collected to Cover Costs: \$49,376 (*) - Reconciles to Operational Revenue & Expense Summary							

MCNEIL:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 3,137,362	\$ 3,700,328	\$ (562,966)	-15%
Oper Expenses	\$ (3,474,379)	\$ (4,037,345)	\$ 562,966	-14%
Non-Oper Rev/Exp	\$ 30,976	\$ 20,000	\$ 10,976	55%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (306,041)	\$ (317,017)	\$ 10,976	-3%
Primary Drivers	Expenses overall under-bdgt (\$562,966) or 14% Wood Fuel under-bdgt (\$391,042) or 20% Generation 14.7% under-budget, (4,762,958 kwh less than budget) Interest Income 55% or \$10,973 over-budget			

HIGHGATE:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ -	\$ -	\$ -	0%
Oper Expenses	\$ (1,675)	\$ -	\$ (1,675)	0%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (1,675)	\$ -	\$ (1,675)	0%
Primary Drivers	Sale of Asset finalized in 2017-Minimal activity in 2019 (lingering Legal costs)			

CENTRAL COMPUTER:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 80,878	\$ 80,878	\$ 0	0%
Oper Expenses	\$ (80,878)	\$ (80,878)	\$ 0	0%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 0	\$ -	\$ 0	0%
Primary Drivers	On-Budget			

Renewable Energy Standards:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 179,334	\$ 179,334	\$ (0)	0%
Oper Expenses	\$ (130,303)	\$ (179,334)	\$ 49,031	-27%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 49,031	\$ 0	\$ 49,031	122577025%
Primary Drivers	Budgeted Expenses - Annualized (Less Rebates than bdt'd) additional 2018 REC purchases Broker Fees on REC purchases			

PROJECT 10:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 2,143,743	\$ 2,169,749	\$ (26,007)	-1%
Oper Expenses	\$ (1,247,282)	\$ (1,352,512)	\$ 105,230	-8%
Non-Oper Rev/Exp	\$ 82,075	\$ 32,000	\$ 50,075	156%
Financing	\$ (283,299)	\$ (196,753)	\$ (86,547)	44%
Net Income (Loss)	\$ 695,236	\$ 652,484	\$ 42,752	7%
Primary Drivers	Labor & OH - Underbdgt (\$4,918) or 7% Outside Labor - Overbdgt \$6,646 or 47% Fuel Expense - Underbdgt (\$38,538) or 58% Materials - Underbdgt (2,210) or 43% Minimal electric, training, RME			

Net Metering Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 46,246	\$ 46,246	\$ (0)	0%
Oper Expenses	\$ (46,642)	\$ (46,246)	\$ (396)	1%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (396)	\$ 0	\$ (396)	-495275%
Primary Drivers	Mileage Expense not budgeted			

Vermont Public Power Supply Authority
Project Summary Balance Sheet
August 31, 2019

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	Total
ASSETS								
Fixed Assets								
Production Plant								
Land & Land Rights	0.00	79,273.96	0.00	0.00	0.00	0.00	0.00	79,273.96
Structures & Improvements	0.00	4,899,772.82	0.00	0.00	3,600,854.92	0.00	0.00	8,500,627.74
Equipment	0.00	17,307,617.12	0.00	0.00	18,676,931.84	0.00	0.00	35,984,548.96
Total Production Plant	0.00	22,286,663.90	0.00	0.00	22,277,786.76	0.00	0.00	44,564,450.66
Transmission Plant								
Land & Land Rights	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Structures & Improvements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equipment	0.00	0.00	0.00	0.00	1,457,299.54	0.00	0.00	1,457,299.54
Total Transmission Plant	0.00	0.00	0.00	0.00	1,457,299.54	0.00	0.00	1,457,299.54
Regional Transmission & Market Plant								
Computer Hardware/Software	0.00	0.00	0.00	0.00	138,367.70	0.00	0.00	138,367.70
Communication Equipment	0.00	0.00	0.00	0.00	19,074.23	0.00	0.00	19,074.23
Total Regional Transm & Mkt Plant	0.00	0.00	0.00	0.00	157,441.93	0.00	0.00	157,441.93
General Plant								
Land & Land Rights	141,098.99	0.00	0.00	0.00	0.00	0.00	0.00	141,098.99
Structures & Improvements	711,298.55	0.00	0.00	0.00	562.11	0.00	0.00	711,860.66
Meters	91,454.48	0.00	0.00	0.00	0.00	0.00	0.00	91,454.48
Equipment	483,192.59	122,767.04	0.00	0.00	5,561.44	0.00	0.00	611,521.07
Total General Plant	1,427,044.61	122,767.04	0.00	0.00	6,123.55	0.00	0.00	1,555,935.20
Total Fixed Assets	1,427,044.61	22,409,430.94	0.00	0.00	23,898,651.78	0.00	0.00	47,735,127.33
CWIP	0.00	110,378.47	0.00	0.00	41,236.04	0.00	0.00	151,614.51
Intangible Plant-Net of Amort.	0.00	977.88	0.00	0.00	0.00	0.00	0.00	977.88
Accumulated Depreciation	(1,085,755.56)	(20,121,625.90)	0.00	0.00	(10,364,716.47)	0.00	0.00	(31,572,097.93)
Net Utility Plant In Service	341,289.05	2,399,161.39	0.00	0.00	13,575,171.35	0.00	0.00	16,315,621.79

Vermont Public Power Supply Authority
Project Summary Balance Sheet
August 31, 2019

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	Total
Investments:								
Bond Fund Investments	0.00	0.00	0.00	0.00	2,525,847.57	0.00	0.00	2,525,847.57
Vt. Transco Investments	41,888,780.00	0.00	0.00	0.00	0.00	0.00	0.00	41,888,780.00
Other Investments	265,000.00	0.00	0.00	0.00	0.00	0.00	0.00	265,000.00
Total Investments	42,153,780.00	0.00	0.00	0.00	2,525,847.57	0.00	0.00	44,679,627.57
Current Assets:								
Project Revenue Funds	0.00	(79,264.83)	(1,674.63)	0.00	433,518.01	0.00	0.00	352,578.55
Project Construction Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and Working Funds	3,511,301.93	0.00	0.00	(16,910.95)	0.00	99,922.86	1,569.23	3,595,883.07
Cash-Special Deposits-PEX	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash - VEV Proceeds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Temporary Investments	430,700.07	1,901,898.75	0.00	0.00	3,742,568.97	0.00	0.00	6,075,167.79
Accounts Receivable	4,072,571.30	1,051,091.19	0.00	10,109.81	0.00	2,278.09	0.00	5,136,050.39
Amounts Due From Members	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Notes Receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest/Distributions Receivable	0.37	0.00	0.00	0.00	0.00	0.00	0.00	0.37
Inventory	515.00	900,363.00	0.00	0.00	242,597.98	0.00	0.00	1,143,475.98
Prepayments	9,072.52	0.00	0.00	0.00	152,667.51	0.00	0.00	161,740.03
Total Current Assets	8,024,161.19	3,774,088.11	(1,674.63)	(6,801.14)	4,571,352.47	102,200.95	1,569.23	16,464,896.18
Other Assets:								
Deferred Debits	14,123.67	268,302.60	0.00	6,803.13	0.00	540.00	0.00	289,769.40
Derivative Instrument Asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
UnAmortized Debt Issue Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Assets	14,123.67	268,302.60	0.00	6,803.13	0.00	540.00	0.00	289,769.40
Total Assets	\$ 50,533,353.91	6,441,552.10	(1,674.63)	1.99	20,672,371.39	102,740.95	1,569.23	77,749,914.94

Vermont Public Power Supply Authority
Project Summary Balance Sheet
August 31, 2019

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	Total
LIABILITIES AND CAPITAL								
Current Liabilities:								
Accounts Payable	2,335,551.54	376,997.63	0.00	0.00	59,499.19	1,500.00	88.74	2,773,637.10
Security Deposits	1,576.75	0.00	0.00	0.00	0.00	0.00	0.00	1,576.75
Amounts due Members	376,835.92	0.00	0.00	0.00	0.00	0.00	0.00	376,835.92
Short-term Bank Notes Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Maturities on L/T Debt	9,633,062.68	0.00	0.00	0.00	0.00	0.00	0.00	9,633,062.68
Derivative Instrument Liability	59,769.84	0.00	0.00	0.00	0.00	0.00	0.00	59,769.84
Accrued Interest	0.00	0.00	0.00	0.00	109,575.96	0.00	0.00	109,575.96
Accrued Taxes Payable	(5,467.06)	(27,177.58)	0.00	0.00	0.00	0.00	0.00	(32,644.64)
Accrued Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accrued Pension Contributions	3,906.14	0.00	0.00	0.00	0.00	0.00	0.00	3,906.14
Accrued Payroll Liabilities	3,137.44	0.00	0.00	0.00	0.00	0.00	0.00	3,137.44
Other Misc. Accrued Liabilities	9,775.60	0.00	0.00	0.00	0.00	0.00	0.00	9,775.60
Total Current Liabilities	12,418,148.85	349,820.05	0.00	0.00	169,075.15	1,500.00	88.74	12,938,632.79
Long-Term Debt:								
LTD-Bonds	0.00	0.00	0.00	0.00	14,450,000.00	0.00	0.00	14,450,000.00
LTD-Other-HG	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LTD-Other-P10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LTD-Transco-Members	16,225,007.75	0.00	0.00	0.00	0.00	0.00	0.00	16,225,007.75
LTD-Transco-HG	1,273,160.08	0.00	0.00	0.00	0.00	0.00	0.00	1,273,160.08
LTD-Transco-VEC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LTD-Transco-LCSF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LTD-Transco-LED	2,194,000.00	0.00	0.00	0.00	0.00	0.00	0.00	2,194,000.00
Unamortized Bond Premium	0.00	0.00	0.00	0.00	(0.05)	0.00	0.00	(0.05)
Unamortized Loss of Reaq. Debt	0.00	0.00	0.00	0.00	(0.04)	0.00	0.00	(0.04)
Net Long-Term Debt	19,692,167.83	0.00	0.00	0.00	14,449,999.91	0.00	0.00	34,142,167.74
Other Liabilities								
Deferred Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Def. Revenues - Members	0.00	0.00	0.00	0.00	0.00	52,209.93	1,876.65	54,086.58
Deferred Vacation Wages	83,666.21	0.00	0.00	0.00	0.00	0.00	0.00	83,666.21
Deferred Contract Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Deferred Credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Deferred Credits	83,666.21	0.00	0.00	0.00	0.00	52,209.93	1,876.65	137,752.79
Interfund-Project Allocations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Equity								
Unappropriated Retained Earnings	6,329,212.77	6,091,732.06	1,192,161.85	2.00	6,039,489.30	49,031.02	(396.16)	19,701,232.84
Unappropriated Earnings-Distributed	0.00	0.00	(1,193,836.48)	0.00	0.00	0.00	0.00	(1,193,836.48)
Appropriated Retained Earnings	12,069,928.07	0.00	0.00	0.00	0.00	0.00	0.00	12,069,928.07
Other Comprehensive Income	(59,769.84)	0.00	0.00	0.00	13,807.03	0.00	0.00	(45,962.81)
Total Retained Earnings	18,339,371.00	6,091,732.06	(1,674.63)	2.00	6,053,296.33	49,031.02	(396.16)	30,531,361.62
Total Liabilities & Capital	\$ 50,533,353.89	6,441,552.11	(1,674.63)	2.00	20,672,371.39	102,740.95	1,569.23	77,749,914.94

Vermont Public Power Supply Authority
Project Summary Income Statement
August 31, 2019

	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	NetMet	Total
REVENUES & OTHER INCOME								
Sales for ReSale	20,525,184.41	3,137,362.20	0.00	0.00	2,143,742.76	0.00	0.00	25,806,289.37
Service Revenues	0.00	0.00	0.00	80,878.48	0.00	179,333.76	46,245.52	306,457.76
CDA & Affiliate Revenues	1,242,423.41	0.00	0.00	0.00	0.00	0.00	0.00	1,242,423.41
Project Revenues	297,974.73	0.00	0.00	0.00	0.00	0.00	0.00	297,974.73
REC Revenues	1,690,036.48	0.00	0.00	0.00	0.00	0.00	0.00	1,690,036.48
VELCO Directorship	9,500.00	0.00	0.00	0.00	0.00	0.00	0.00	9,500.00
Misc. Revenues	25,191.97	0.00	0.00	0.00	0.00	0.00	0.00	25,191.97
Total Operating Revenues	23,790,311.00	3,137,362.20	0.00	80,878.48	2,143,742.76	179,333.76	46,245.52	29,377,873.72
EXPENSES								
POWER PRODUCTION								
STEAM POWER PRODUCTION								
Operations	0.00	2,047,618.34	0.00	0.00	0.00	0.00	0.00	2,047,618.34
Maintenance	0.00	705,586.95	0.00	0.00	0.00	0.00	0.00	705,586.95
Total Steam Power Production	0.00	2,753,205.29	0.00	0.00	0.00	0.00	0.00	2,753,205.29
OTHER POWER PRODUCTION								
Operations	0.00	0.00	0.00	0.00	149,406.90	0.00	0.00	149,406.90
Maintenance	0.00	0.00	0.00	0.00	45,014.10	0.00	0.00	45,014.10
Total Other Power Production	0.00	0.00	0.00	0.00	194,421.00	0.00	0.00	194,421.00
TRANSMISSION								
Operations	7,929,845.06	4,806.36	0.00	0.00	0.00	0.00	0.00	7,934,651.42
Maintenance	0.00	0.00	0.00	0.00	9,740.00	0.00	0.00	9,740.00
Total Transmission Expense	7,929,845.06	4,806.36	0.00	0.00	9,740.00	0.00	0.00	7,944,391.42
OTHER POWER SUPPLY								
Purchase Power	13,970,651.77	0.00	0.00	0.00	0.00	0.00	0.00	13,970,651.77
System Control & Load Dispatch	0.00	4,193.36	0.00	0.00	6,201.99	0.00	0.00	10,395.35
REC Purchases	1,594.80	0.00	0.00	0.00	0.00	77,162.52	0.00	78,757.32
Total Other PS Expense	13,972,246.57	4,193.36	0.00	0.00	6,201.99	77,162.52	0.00	14,059,804.44

Vermont Public Power Supply Authority
Project Summary Income Statement
August 31, 2019

	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	NetMet	Total
REGIONAL MARKET EXPENSES								
RME-Market Monitor/Compl-Gen	0.00	0.00	0.00	0.00	1,075.88	0.00	0.00	1,075.88
RME-Market Monitor/Compl-L&O	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Reg. Market Expense	0.00	0.00	0.00	0.00	1,075.88	0.00	0.00	1,075.88
CUSTOMER SVS & INFORMATION ADV								
Cust Assistance Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cust Svs & Info Adv	300.00	9,785.96	0.00	0.00	0.00	2,733.75	0.00	12,819.71
Total Cust Svs & Info Adv.	300.00	9,785.96	0.00	0.00	0.00	2,733.75	0.00	12,819.71
SALES EXPENSE								
Sales Expense	4,250.00	0.00	0.00	0.00	0.00	14,947.40	0.00	19,197.40
Total Sales Expense	4,250.00	0.00	0.00	0.00	0.00	14,947.40	0.00	19,197.40
ADMINISTRATIVE & GENERAL								
Operations	1,583,591.71	196,975.83	1,674.85	80,878.32	277,627.83	35,459.24	46,641.66	2,222,849.44
Maintenance	0.00	359.37	0.00	0.00	0.00	0.00	0.00	359.37
Total A&G Expense	1,583,591.71	197,335.20	1,674.85	80,878.32	277,627.83	35,459.24	46,641.66	2,223,208.81
OTHER								
Taxes- In Lieu of Property Taxes	9,533.36	168,036.00	0.00	0.00	0.00	0.00	0.00	177,569.36
Depreciation Expense	28,576.64	337,016.64	0.00	0.00	758,215.52	0.00	0.00	1,123,808.80
Amortization Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expense	38,110.00	505,052.64	0.00	0.00	758,215.52	0.00	0.00	1,301,378.16
Total Operating Expenses	23,528,343.34	3,474,378.81	1,674.85	80,878.32	1,247,282.22	130,302.91	46,641.66	28,509,502.11
Net OPERATING Earnings(Loss)	\$ 261,967.66	(\$ 337,016.61)	(1,674.85)	0.16	896,460.54	49,030.85	(396.14)	868,371.61

Vermont Public Power Supply Authority
Project Summary Income Statement
August 31, 2019

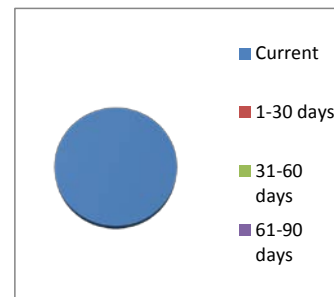
	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	NetMet	Total
NON-OPERATING (INCOME) EXPENSES								
OTHER NON-OPERATING (INCOME) EXPENSES								
Interest/Finance Chg Income	(26,509.04)	(30,972.70)	0.00	0.00	(82,074.73)	0.00	0.00	(139,556.47)
TRANSCO Distribution/Income	(2,619,724.35)	0.00	0.00	0.00	0.00	0.00	0.00	(2,619,724.35)
Transco "Net Settlement" Expense	778,238.23	0.00	0.00	0.00	0.00	0.00	0.00	778,238.23
Misc. Non-Operating Inc-Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Non-Operating Income	(9,509.21)	(2.85)	0.00	0.00	0.00	0.00	0.00	(9,512.06)
Misc. Non-Operating Exp-DOE Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Non-Operating Expenses	9,509.21	0.00	0.00	0.00	0.00	0.00	0.00	9,509.21
Total Other Non-Operating (Inc) Exp	(1,867,995.16)	(30,975.55)	0.00	0.00	(82,074.73)	0.00	0.00	(1,981,045.44)
FINANCING COSTS								
Interest on LTD-Bonds	0.00	0.00	0.00	0.00	455,688.50	0.00	0.00	455,688.50
Interest on LTD-Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest on Transco Debt	842,402.69	0.00	0.00	0.00	0.00	0.00	0.00	842,402.69
Interest on Short-term Debt	602.74	0.00	0.00	0.00	0.00	0.00	0.00	602.74
Financing Costs on LTD-Swp Rel.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortization of DIE-Letter of Crdt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortization of Debt Issue Exp.	5,801.95	0.00	0.00	0.00	0.00	0.00	0.00	5,801.95
Amortization of Loss on Reaq.Debt.	0.00	0.00	0.00	0.00	433,436.36	0.00	0.00	433,436.36
Amortization of Bond Premium	0.00	0.00	0.00	0.00	(605,825.57)	0.00	0.00	(605,825.57)
Net Financing Expenses	848,807.38	0.00	0.00	0.00	283,299.29	0.00	0.00	1,132,106.67
Total Non-Operating (Inc) Exp	(1,019,187.78)	(30,975.55)	0.00	0.00	201,224.56	0.00	0.00	(848,938.77)
TOTAL Net Earnings(Loss)	\$ 1,281,155.44	(\$ 306,041.06)	(1,674.85)	0.16	695,235.98	49,030.85	(396.14)	1,717,310.38

Vt. Public Power Supply Authority
Consolidated Balance Sheet
August 31, 2019

	2019	2018
ASSETS		
Electric Utility Plant	47,735,127.33	47,450,752.84
Accumulated Depreciation	(31,572,097.93)	(29,969,404.27)
Utility Plant in Service	16,163,029.40	17,481,348.57
 CWIP-McNeil	110,378.47	153,312.12
CWIP-Highgate	0.00	0.00
CWIP-P10	41,236.04	0.00
 Net Electric Plant	16,314,643.91	17,634,660.69
 Intangible Plant-Net of Amort.	977.88	40.49
<u>Current Assets:</u>		
Special Funds	2,878,426.12	3,060,997.34
Cash and Working Funds	2,454,839.24	2,557,763.99
Cash - REC's	0.00	0.00
Cash - Vt. Transco	1,141,043.83	1,259,911.34
Cash - VEV Proceeds	0.00	50,664.06
Special Deposits-Collateral	0.00	0.00
Temporary Investments	6,075,167.79	5,161,045.63
Investment in Associated Co.	265,000.00	265,000.00
Investment in Vt. Transco	41,888,780.00	40,641,060.00
Accounts Receivable	5,136,050.39	5,061,336.58
Amounts Due From Members	0.00	0.00
Notes Receivable	0.00	0.00
Interest/Distributions Receivable	0.37	0.44
McNeil Inventory	900,363.00	898,341.86
P10 Inventory	242,597.98	217,799.17
Meter Inventory	515.00	515.00
Other Current Assets	161,740.03	170,066.95
 Total Current Assets	61,144,523.75	59,344,502.36
<u>Other Assets:</u>		
Deferred Debits	289,769.40	289,993.00
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	289,769.40	289,993.00
 Total Assets	\$ 77,749,914.94	\$ 77,269,196.54

A/R Aging Analysis

Current	100%
1-30 days	0%
31-60 days	0%
61-90 days	0%
91-120 days	0%
>120 days	0%
Total	100%



Vt. Public Power Supply Authority
Consolidated Balance Sheet
August 31, 2019

	2019	2018
LIABILITIES AND CAPITAL		
Unappropriated Retained Earnings	19,701,232.84	19,186,161.11
Unappropriated Earnings-Distributed	(1,193,836.48)	(1,193,836.48)
Appropriated Retained Earnings	12,069,928.07	10,002,758.91
Other Comprehensive Income	(45,962.81)	(93,962.38)
	<hr/>	<hr/>
Total Retained Earnings	30,531,361.62	27,901,121.16
<u>Long-Term Debt:</u>		
LTD-P10 Bonds - Series A	13,655,000.00	14,730,000.00
LTD-P10 Bonds - Series B	795,000.00	860,000.00
LTD-Other - HG	0.00	0.00
LTD-Transco 2011 Consolid Refi	9,048,323.31	10,179,363.73
LTD-Transco 2012-2014 Members	3,164,870.44	3,560,479.20
LTD-Vt Transco "16 Members	1,310,290.00	1,520,290.00
LTD-Vt Transco Financing-HG	1,273,160.08	1,432,305.08
LTD-Vt Transco '17 Members	1,578,576.00	1,775,898.00
LTD-Vt Transco '18 Members	1,054,926.00	0.00
LTD-Vt Transco '18 VPPSA	68,022.00	0.00
LTD-Vt. Transco Financing-LCSF	0.00	8,746,500.00
LTD-LED SFTransco 2010-2020	2,194,000.00	2,194,000.00
Unamortized Premium-P10 Bonds	(0.05)	952,011.56
Unamortiz Loss-Reaqc Debt-P10	(0.04)	(681,114.32)
	<hr/>	<hr/>
Net Long-Term Debt	34,142,167.74	45,269,733.25
Def. Revenues - Members	54,086.58	0.00
Def. Credits-Accrued Vac Liab.	83,666.21	72,293.85
Def Credits-LT Salaries Payabl	0.00	0.00
	<hr/>	<hr/>
Total Deferred Revenues/Credits	137,752.79	72,293.85
<u>Current Liabilities:</u>		
Accounts Payable	2,773,637.10	2,589,659.51
Amounts due Members	376,835.92	353,298.04
Security Deposits	1,576.75	40,154.27
Short-term Bank Notes Payable	0.00	0.00
Current Maturities on L/T Debt	9,633,062.68	855,369.66
Derivative Instrument Liability	59,769.84	49,456.91
Accrued Interest	109,575.96	115,370.82
Accrued Taxes Payable	(32,644.64)	(787.24)
Accrued Salaries	0.00	0.00
Accrued Pension Contributions	3,906.14	0.00
Accrued Payroll Liabilities	3,137.44	3,315.78
Other Misc. Accrued Liabilities	9,775.60	20,210.53
	<hr/>	<hr/>
Total Current Liabilities	12,938,632.79	4,026,048.28
	<hr/>	<hr/>
Total Liabilities & Capital	\$ 77,749,914.94	\$ 77,269,196.54

Vermont Public Power Supply Authority
Non-Project Operations - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
<u>Operating Revenues</u>				
Sales for Resales	20,525,184.41	21,453,255.94	96%	31,355,645.75
Serv. Fees, Members & Affiliates	1,242,423.41	1,240,832.72	100%	1,862,249.08
Admin Fees Allocated to Projects	231,227.84	231,228.00	100%	346,842.00
Project 10 Labor & OH Revenue	66,746.89	71,665.24	93%	102,584.84
VELCO Directorship	9,500.00	9,000.00	106%	18,000.00
Renewable Energy Certificates	1,690,036.48	1,444,039.00	117%	2,052,689.00
Misc. Revenues	25,191.97	0.00	0%	0.00
Total Operating Revenues	23,790,311.00	24,450,020.90	97%	35,738,010.67
<u>Operating Expenses</u>				
Other Power Supply Expense				
OPSE-Purchased Power	13,839,670.37	14,807,062.55	93%	21,863,408.67
OPSE-REC Purchase Exp.	1,594.80	0.00	0%	0.00
OPSE-Purchase Pwr-'15 SO	130,981.40	146,607.17		194,143.49
OPSE-Purchase Pwr-'17 SO	0.00	0.00	0%	0.00
Total Other Power Supply Expense	13,972,246.57	14,953,669.72	93%	22,057,552.16
Transmission Expense				
TRSM-Oper-Transm by Others	7,921,692.35	7,667,017.94	103%	11,270,566.93
TRSM-Oper-Misc Transm Exp	8,152.71	5,200.00	157%	7,800.00
Total Transmission Expense	7,929,845.06	7,672,217.94	103%	11,278,366.93
Cust Svs & Informational Expense				
Customer Svs & Informational	300.00	0.00	0%	0.00
Total Customer Svs & Informational Exp	300.00	0.00	0%	0.00
Sales Expense				
REC Sales Expenses	4,250.00	0.00	0%	0.00
Total Sales Expense	4,250.00	0.00	0%	0.00
Admin & General Expense				
Salaries	816,683.56	858,421.02	95%	1,279,811.00
Payroll Overheads	66,888.12	72,538.18	92%	99,362.07
Office Supplies & Expense	129,007.66	126,770.32	102%	188,568.00
Outside Services	210,857.97	181,333.36	116%	277,000.00
Insurances	51,263.71	54,079.36	95%	57,091.00
Employee Benefits	248,122.55	271,942.69	91%	384,737.88
Memberships/Dues	32,957.53	23,466.68	140%	25,950.00
Conference & Travel Expenses	25,630.19	48,496.60	53%	72,745.00
Rents	0.00	0.00	0%	0.00
Transportation Expenses	2,180.42	2,333.32	93%	3,500.00
A & G Transferred Credit	0.00	0.00	0%	0.00
Total A & G Expenses	1,583,591.71	1,639,381.53	97%	2,388,764.95

Vermont Public Power Supply Authority
Non-Project Operations - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Other Operating Expenses				
Property Taxes	9,533.36	9,533.32	100%	14,300.00
Depreciation Expense	28,576.64	28,576.64	100%	42,865.00
Amortization Expense	0.00	0.00	0%	0.00
Total Other Operating Expenses	38,110.00	38,109.96	100%	57,165.00
Total Operating Expenses	23,528,343.34	24,303,379.15	97%	35,781,849.04
Total Operating Income (Loss)	261,967.66	146,641.75	179%	(43,838.37)
<u>Non-Operating (Income) Expenses</u>				
Interest/Finance Chg Income	(26,509.04)	(21,333.36)	124%	(32,000.00)
Vt. Transco Income	(2,619,724.35)	(2,569,433.00)	102%	(5,138,866.00)
Non-Operating Income-Member Purch.	(9,509.21)	0.00	0%	0.00
Non-Operating Inc-Gain on Disp of Plant	0.00	0.00	0%	0.00
Misc. Non-Operating Income	0.00	0.00	0%	0.00
Non-Operating Expenses-Member Purchases	9,509.21	0.00	0%	0.00
Misc. Non-Operating Expenses	0.00	0.00	0%	0.00
Net Other Non-Operating (Inc) Exp	(2,646,233.39)	(2,590,766.36)	102%	(5,170,866.00)
Financing Costs				
Other Interest Expense	602.74	6,500.00	9%	6,500.00
Other Interest Expense-Transco	0.00	0.00	0%	0.00
Interest on LTD-Transco	842,402.69	852,362.55	99%	1,392,266.49
Amort. of Debt Issue Exp-Transco	5,801.95	5,000.00	116%	5,000.00
Transco Net Settlement Exp.	778,238.23	769,932.30	101%	1,563,155.55
Interest on LTD	0.00	0.00	0%	0.00
Amortiz of Debt Iss. Exp-LtrCr	0.00	0.00	0%	0.00
Net Financing Costs	1,627,045.61	1,633,794.85	100%	2,966,922.04
Total Non-Operating (Inc) Exp	(1,019,187.78)	(956,971.51)	107%	(2,203,943.96)
Total Net Earnings (Loss)	\$ 1,281,155.44	\$ 1,103,613.26	116%	\$ 2,160,105.59

Vermont Public Power Supply Authority
McNeil Project #2 - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
<u>OPERATING REVENUES & INCOME</u>				
Sales for ReSale	3,137,362.20	3,700,327.98	85%	5,398,038.38
REC Sales	0.00	0.00	0%	0.00
Total Operating Revenues & Income	3,137,362.20	3,700,327.98	85%	5,398,038.38
<u>OPERATING EXPENSES</u>				
STEAM PWR GENERATION-OPERATIONS				
SPG-Oper- Misc. Steam Power Expenses	70,222.48	89,028.16	79%	133,542.24
SPG-Oper-Supv&Engineering	57,948.35	56,204.00	103%	84,306.00
SPG-Oper-Steam Exp-Fuel Oil	12,931.46	1,146.08	1128%	1,146.08
SPG-Oper-Wood Fuel Expense	1,577,774.35	1,968,816.00	80%	2,800,828.78
SPG-Oper-Cap Rel Wood Ene Cost	36,387.93	60,146.64	60%	90,219.96
SPG-Oper-Natural Gas Fuel Exp.	9,900.23	14,636.40	68%	21,969.28
SPG-Oper-Steam Expenses	195,961.38	252,396.24	78%	378,594.36
SPG-Oper-Electric Expenses	86,492.16	98,624.56	88%	147,936.84
Total SPG-Operations Expense	2,047,618.34	2,540,998.08	81%	3,658,543.54
STEAM PWR GENERATION-MAINTENANCE				
SPG-Maint-Supv. & Engineering	13,191.85	12,567.52	105%	18,851.28
SPG-Maint-Structures	11,208.45	17,619.12	64%	26,428.68
SPG-Maint-Boiler	307,695.49	248,153.04	124%	372,229.56
SPG-Maint-Electric Plt	368,232.75	434,797.04	85%	652,195.56
SPG-Maint-Steam Plant	5,258.41	10,081.76	52%	15,122.64
Total SPG Maintenance Expense	705,586.95	723,218.48	98%	1,084,827.72
TRANSMISSION-OPERATIONS				
TRSM-Oper-Station Equipment	2,262.46	10,070.00	22%	15,105.00
TRSM-Oper-Rent	2,543.90	1,869.60	136%	2,804.40
Total TRSM Operation Expense	4,806.36	11,939.60	40%	17,909.40
TRANSMISSION-MAINTENANCE				
TRSM-Maint-Station Equipment	0.00	760.00	0%	1,140.00
Total TRSM Maintenance Expense	0.00	760.00	0%	1,140.00
OTHER POWER SUPPLY				
OPSE-Syst. Ctrl & Load Dispa	4,193.36	5,710.40	73%	8,565.60
OPSE-Purchased Power-McN	0.00	0.00	0%	0.00
OPSE-McN REC Purch Exp	0.00	0.00	0%	0.00
Total Other PS Expense	4,193.36	5,710.40	73%	8,565.60
CUSTOMER SVS & INFORMATION				
Cust Svs & Info-Cust Assist.	0.00	0.00	0%	0.00
Cust Svs & Info-Info Adv Exp	9,785.96	10,586.40	92%	15,879.60
Total Cust Svs & Info Expense	9,785.96	10,586.40	92%	15,879.60
SALES EXPENSES				
A&G - Sales Expense-REC's-McN	0.00	1,000.00	0%	2,000.00
Total Sales Expense	0.00	1,000.00	0%	2,000.00
ADMINISTRATIVE & GENERAL				
A&G-Salaries-McN	104,462.40	107,573.12	97%	161,359.68
A&G-Office Supplies & Exp-McN	18,872.21	25,296.80	75%	37,945.20

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
A&G-Outside Services-McN	24,850.23	31,099.36	80%	46,649.04
A&G-Property Insurance-McN	3,643.29	27,032.48	13%	40,548.72
A&G-Injuries & Damages-McN	15,469.51	26,331.84	59%	39,497.76
A&G-Safety Meetings&Equip-McN	13,288.74	0.00	0%	0.00
A&G-Environmental Compl.-McN	0.00	0.00	0%	0.00
A&G-Employee Ben Alloc-McN	12,223.60	12,223.60	100%	18,335.40
A&G-Employee Ben-Pension-McN	48,101.76	0.00	0%	0.00
A&G-Employee Ben-McN Health	82,344.64	0.00	0%	0.00
A&G-Employee Benefits-Sick-McN	0.00	0.00	0%	0.00
A&G-Employee Ben-Physical-McN	0.00	0.00	0%	0.00
A&G-Employee Ben-Life Ins-McN	446.03	0.00	0%	0.00
A&G-Employee Ben-Unempl Comp	0.00	0.00	0%	0.00
A&G-P/R Ovhd's Alloc-McN	(162,245.55)	0.00	0%	0.00
A & G - Employee Ben-McN Taxes	33,779.67	0.00	0%	0.00
A&G-Misc General Expense-McN	1,739.30	6,482.40	27%	9,723.60
A&G-Misc. - McN	0.00	0.00	0%	0.00
A&G-Maint of General Plant	359.37	2,039.36	18%	3,059.04
Total Administrative Expense	197,335.20	238,078.96	83%	357,118.44
OTHER				
Taxes- In Lieu of Property Taxes	168,036.00	168,036.00	100%	252,054.00
Depreciation Expense	337,016.64	337,016.64	100%	505,524.96
Amortization Expense	0.00	0.00	0%	0.00
Total Other Expenses	505,052.64	505,052.64	100%	757,578.96
Total Operating Expenses	3,474,378.81	4,037,344.56	86%	5,903,563.26
Total Operating Income (Loss)	(337,016.61)	(337,016.58)	100%	(505,524.88)
<u>NON-OPERATING (INCOME) & EXPENSES</u>				
Interest Income-McN	(30,972.70)	(20,000.00)	155%	(30,000.00)
Gain/Loss -Disp of Utility Plt	0.00	0.00	0%	0.00
Misc. Non-Oper. Income-McN	(2.85)	0.00	0%	0.00
Gain-Disposition of Property	0.00	0.00	0%	0.00
Misc Non-Oper Inc-Realiz Gain	0.00	0.00	0%	0.00
Misc. Non-Operating Exp-McN	0.00	0.00	0%	0.00
Misc Non Oper Exp-McN Realiz L	0.00	0.00	0%	0.00
Net Non-Operating (Inc) Exp	(30,975.55)	(20,000.00)	155%	(30,000.00)
FINANCING COSTS				
Interest on LTD-McN Bonds	0.00	0.00	0%	0.00
Interest on LTD-McN Other	0.00	0.00	0%	0.00
Amortiz. of Debt Issue Exp-McN	0.00	0.00	0%	0.00
Amortiz. of Loss on Req. Debt	0.00	0.00	0%	0.00
Amort. of Premium-McN	0.00	0.00	0%	0.00
Net Financing Expenses	0.00	0.00	0%	0.00
Total Non-Operating (Income) & Expen	(30,975.55)	(20,000.00)	155%	(30,000.00)
Total Net Income (Loss)	(\$ 306,041.06)	(\$ 317,016.58)	97%	(\$ 475,524.88)

Vermont Public Power Supply Authority
Highgate Project #3 - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Sales for Resale-HG	\$ 0.00	\$ 0.00	0%	0.00
Total Highgate Operating Revenue	0.00	0.00	0%	0.00
Expenses				
TRSM-Oper-Supv&Engineer	0.00	0.00	0%	0.00
TRSM-Oper-Load Distance	0.00	0.00	0%	0.00
TRSM-Oper-Station Expense	0.00	0.00	0%	0.00
TRSM-Oper-Overhead Line Exp	0.00	0.00	0%	0.00
TRSM-Oper-Misc Transm Exp	0.00	0.00	0%	0.00
TRSM-Oper-HG RR Lease	0.00	0.00	0%	0.00
Transmission Operating Expense	0.00	0.00	0%	0.00
TRSM-Maint-Supv. & Engineer	0.00	0.00	0%	0.00
TRSM-Maint-Structures	0.00	0.00	0%	0.00
TRSM-Maint-Station Equip.	0.00	0.00	0%	0.00
TRSM-Maint-Overhead Lines	0.00	0.00	0%	0.00
TRSM-Maint-Misc Transm Plt	0.00	0.00	0%	0.00
Transmission Maintenance Expense	0.00	0.00	0%	0.00
A&G-Salaries-HG	0.00	0.00	0%	0.00
A&G-Office Supplies & Exp-HG	0.00	0.00	0%	0.00
A&G-Office Sup&Exp-HG Adm Allo	0.00	0.00	0%	0.00
A&G-Outside Services-HG	1,674.85	0.00	0%	0.00
A&G-Outside Svs-HG Admin Alloc	0.00	0.00	0%	0.00
A&G-Property Insurance-HG	0.00	0.00	0%	0.00
A&G-Injuries & Damages-HG	0.00	0.00	0%	0.00
A&G-Employee Benefits Alloc-HG	0.00	0.00	0%	0.00
A&G-Miscellaneous-HG	0.00	0.00	0%	0.00
A&G-Rents-HG	0.00	0.00	0%	0.00
A&G-Maint of General Plt-HG	0.00	0.00	0%	0.00
Administrative & General Expense	1,674.85	0.00	0%	0.00
Property Taxes-HG	0.00	0.00	0%	0.00
Depreciation Expense-HG	0.00	0.00	0%	0.00
Other Operating Expenses	0.00	0.00	0%	0.00
Total Operating Expenses	1,674.85	0.00	0%	0.00
Total Operating Income (Loss)	(1,674.85)	0.00	0%	0.00
Interest Income-HG	0.00	0.00	0%	0.00
Gain/Loss on Disp of Plt-HG	0.00	0.00	0%	0.00
Net Non-Operating (Inc) Exp	0.00	0.00	0%	0.00
Other Interest Expense-HG	0.00	0.00	0%	0.00
Interest on LTD-HG Other	0.00	0.00	0%	0.00
Misc Financing Costs-Swp Rel	0.00	0.00	0%	0.00
Total Financing Costs	0.00	0.00	0%	0.00
Total Net Earnings (Loss)	(\$ 1,674.85)	\$ 0.00	0%	\$ 0.00

Vermont Public Power Supply Authority
Central Computer Project #4 - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Bdgt	Annual Budget
Revenues				
Total Project 4 Revenue	80,878.48	80,878.40	100%	121,317.60
Operating Expenses				
A&G-C.Comp-Non Budgeted Exp.	0.00	0.00	0%	0.00
A&G-Computer/Printer Sup.-CC	800.00	800.00	100%	1,200.00
A&G-Comp Hard/Soft Maint.-CC	48,041.92	48,042.00	100%	72,063.00
A&G-Online Charges-CComp	1,206.00	1,206.00	100%	1,809.00
Computer Software/Hardware Pur	0.00	0.00	0%	0.00
A&G-Direct Charges Bdgt-C.Comp	0.00	0.00	0%	0.00
A&G-C.Computer Admin Expense	30,830.40	30,830.40	100%	46,245.60
Depreciation Expense-CC	0.00	0.00	0%	0.00
Total Operating Expenses	80,878.32	80,878.40	100%	121,317.60
Financing Costs				
Amortiz. of Debt Issue Exp.-CC	0.00	0.00	0.00	0.00
Other Interest Expense-CComp	0.00	0.00	0.00	0.00
Total Financing Costs	0.00	0.00	0%	0.00
Total Project 4 Expense	80,878.32	80,878.40	100%	121,317.60
Net Earnings (Loss)	\$ 0.16	\$ 0.00	0%	\$ 0.00

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
REVENUES & OTHER OPERATING INCOME				
Sales for ReSale	2,143,742.76	2,169,749.46	99%	3,293,894.13
Other Revenues	0.00	0.00	0%	0.00
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Total Revenues & Operating Income	2,143,742.76	2,169,749.46	99%	3,293,894.13

OPERATING EXPENSES**OTHER PWR GENERATION-OPERATIONS**

OPG-Oper-Superv & Engineer Exp	0.00	0.00	0%	0.00
OPG-Oper-Fuel Oil Exp.	28,127.76	66,665.84	42%	262,556.61
OPG-Oper-Fuel Biodiesel Exp.	0.00	0.00	0%	0.00
OPG-Oper-Fuel-Dem Wtr-P10	0.00	0.00	0%	0.00
OPG-Fuel-Starting Diesel	0.00	400.00	0%	600.00
OPG-Oper-Generation Exp-Direct Lbr	32,887.21	31,930.64	103%	46,122.00
OPG-Oper-Generation Exp-Lbr	639.00	2,000.00	32%	3,000.00
OPG-Oper-Generation Exp-EngLbr	0.00	8,000.00	0%	12,000.00
OPG-Oper-Generation Exp-Materi	1,924.25	400.00	481%	600.00
OPG-Oper-Generation Exp-OH	9,791.64	11,068.50	88%	15,428.86
OPG-Oper-Misc & Other Gen	0.00	0.00	0%	0.00
OPG-Oper-Misc & Oth Gen-Materi	126.48	800.00	16%	1,200.00
OPG-Oper-Misc & Oth Gen-Tools	178.01	800.00	22%	1,200.00
OPG-Oper-Misc Gen-Comp. Har/So	324.85	1,996.00	16%	6,996.00
OPG-Oper-Misc Gen-Permits	1,206.40	1,175.00	103%	1,375.00
OPG-Oper-Misc Gen-Electric	56,404.39	62,300.00	91%	93,800.00
OPG-Oper-Misc Gen-Ben/Incident	0.00	400.00	0%	600.00
OPG-Oper-Misc Gen-Tel/Internet	3,847.98	3,840.00	100%	5,760.00
OPG-Oper-Misc Gen-Groundskeep	1,652.56	2,450.00	67%	4,200.00
OPG-Oper-Misc Gen-Transp Exp	0.00	400.00	0%	600.00
OPG-Oper-Misc Gen-Trash Rem	565.04	600.00	94%	900.00
OPG-Oper-Misc Gen-Water	1,517.85	1,520.00	100%	2,280.00
OPG-Oper-Misc Gen-Waste Tax	0.00	0.00	0%	0.00
OPG-Oper-Misc Gen-Waste Rem	0.00	1,600.00	0%	2,400.00
OPG-Oper-Misc Gen-CO2 System	6,939.48	8,600.00	81%	9,000.00
OPG-Oper-Misc & Oth Gen-Train	0.00	10,000.00	0%	15,000.00
OPG-Oper-Misc Gen-Security Sys	927.96	2,800.00	33%	3,600.00
OPG-Oper-Misc Gen-Mileage	534.41	800.00	67%	1,200.00
OPG-Oper-Misc Gen-Admin Supplies	0.00	400.00	0%	600.00
OPG-Oper-Misc Gen-Shop Supplies	171.55	0.00	0%	0.00
OPG-Rents-P10	630.00	1,200.00	53%	1,800.00
OPG-Rents-Land Lease-P10	1,010.08	1,010.08	100%	1,515.12

Total OPG-Operations Expense	149,406.90	223,156.06	67%	494,333.59
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OTHER PWR GENERATION-MAINTENANCE

OPG-Maint-Superv & Eng Exp.	0.00	0.00	0%	0.00
OPG-Maint-Structures	0.00	1,200.00	0%	1,800.00
OPG-Maint-Gen&Elec Eq-Dir Lbr	18,128.20	21,287.08	85%	30,748.00
OPG-Maint-Gen & Elec Eq-Labor	20,006.88	4,000.00	500%	8,200.00
OPG-Maint-Gen & Elec Eq-Materi	939.18	4,000.00	23%	6,000.00
OPG-Maint-Gen & Elec Eq-OH	5,939.84	7,379.01	80%	10,285.93
OPG-Maint-Misc. Oth Pwr Gen Pl	0.00	400.00	0%	600.00

Total OPG Maintenance Expense	45,014.10	38,266.09	118%	57,633.93
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Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
TRANSMISSION-OPERATIONS				
Transm-Oper-Superv. & Eng.	0.00	0.00	0%	0.00
Transm-Oper-Station Exp.	0.00	400.00	0%	600.00
Transm-Oper-Ovhd Lines Exp	0.00	200.00	0%	300.00
Transm-Oper-Transm. by Others	0.00	160.00	0%	240.00
Transm-Oper-Misc Transm Exp	0.00	0.00	0%	0.00
Total TRSM Operation Expense	0.00	760.00	0%	1,140.00
TRANSMISSION-MAINTENANCE				
Transm-Maint-Structures	0.00	400.00	0%	600.00
Transm-Maint-Station Equip.	9,740.00	400.00	2435%	28,600.00
Transm-Maint-Overhead Lines	0.00	400.00	0%	600.00
Transm-Maint-Undergrd Lines	0.00	0.00	0%	0.00
Transm-Maint-Misc. Transm.	0.00	0.00	0%	0.00
Total TRSM Maintenance Expense	9,740.00	1,200.00	812%	29,800.00
OTHER POWER SUPPLY				
OPSE-Power Supply - P10	0.00	0.00	0%	0.00
OPSE-Sys Cntrl & Ld Disp - P10	6,201.99	5,920.00	105%	8,880.00
Total Other PS Expense	6,201.99	5,920.00	105%	8,880.00
REGIONAL MARKET EXPENSES				
RME-Market Monitor/Compl-Gen	1,075.88	16,666.64	6%	25,000.00
RME-Market Monitor/Compl-L&O	0.00	0.00	0%	0.00
Total Reg. Market Expense	1,075.88	16,666.64	6%	25,000.00
ADMINISTRATIVE & GENERAL				
A & G - Salaries - P10	32,078.40	32,078.40	100%	48,117.60
A & G - Bank Fees - P10	0.00	0.00	0%	0.00
A & G-General Office Supp- P10	0.00	0.00	0%	0.00
A&G-Local Mileage Exp-P10	195.46	400.00	49%	600.00
A&G-Local Meals Exp-P10	0.00	200.00	0%	300.00
A & G-Utilities- P10	0.00	0.00	0%	0.00
A & G-Telephone- P10	0.00	80.00	0%	120.00
A&G-Groundskpg/Snow Rem-P10	0.00	0.00	0%	0.00
A&G-Online Charges-P10	0.00	0.00	0%	0.00
A&G-Comp Soft/Hardware-P10	(70.01)	0.00	0%	0.00
A&G-Office Supp&Exp - P10 Alloc	9,972.08	9,972.08	100%	14,958.12
A&G-Outside Svs Legal-P10	1,014.00	4,000.00	25%	6,000.00
A&G-Outside Svs Other-P10	33,360.00	34,800.00	96%	47,300.00
A&G-Outside Svs-P10 Admin	7,386.64	7,386.64	100%	11,079.96
A&G-Property Insurance-P10	138,192.60	156,792.96	88%	136,765.56
A&G-Prop Insurance-P10 Admin	0.00	0.00	0%	0.00
A&G-Pollution Insurance-P10	0.00	7,892.23	0%	7,892.23
A&G-General Liability Ins-P10	21,368.50	22,348.74	96%	19,992.58
A&G-Injuries & Damages-P10	15,111.37	15,142.62	100%	13,546.32
A&G-P10 W/C Insurance	2,667.19	3,410.91	78%	2,538.03
A&G-P10 Safety Mtg & WC Related	4,128.00	1,600.00	258%	2,400.00
A&G-Employee Benefits-P10	12,223.60	12,223.60	100%	18,335.40
A&G-Misc Gen Exp-P10	0.00	0.00	0%	0.00
A&G - Conferences/Training-P10	0.00	0.00	0%	0.00
A&G Misc - P10	0.00	0.00	0%	0.00
Total Administrative Expense	277,627.83	308,328.18	90%	329,945.80

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
OTHER OPERATING EXPENSES				
Property Taxes	0.00	0.00	0%	21,000.00
Depreciation Expense	758,215.52	758,215.52	100%	1,137,323.28
Amortization Expense	0.00	0.00	0%	0.00
Total Other Operating Expenses	758,215.52	758,215.52	100%	1,158,323.28
Total Operating Expenses	1,247,282.22	1,352,512.49	92%	2,105,056.60
Net Operating Income (Loss)	896,460.54	817,236.97	110%	1,188,837.53
NON-OPERATING INCOME/EXPENSES				
OTHER NON-OPERATING (INCOME) EXPENSE				
Insurance Settlement (net)	0.00	0.00	0%	0.00
Net Realized (Gain)Loss on Investments	0.00	0.00	0%	0.00
Interest Income-P10	(82,074.73)	(32,000.00)	256%	(48,000.00)
Net Other Non-Operating (Inc) Exp	(82,074.73)	(32,000.00)	256%	(48,000.00)
FINANCING COSTS				
Interest on LTD-P10 Bonds	455,688.50	455,688.50	100%	674,840.58
Interest on LTD-P10 Other	0.00	0.00	0%	0.00
Other Interest Expense-P10	0.00	0.00	0%	0.00
Amortiz of Debt Issue Exp	0.00	0.00	0%	0.00
Amortiz of Loss on Req Debt	433,436.36	433,436.36	100%	433,436.36
Amortiz. of Premium-P10	(605,825.57)	(692,372.08)	88%	(1,038,558.12)
Net Financing Expenses	283,299.29	196,752.78	144%	69,718.82
Total Non-Operating (Inc) Exp	201,224.56	164,752.78	122%	21,718.82
TOTAL P10 INCOME (LOSS)	\$ 695,235.98	\$ 652,484.19	107%	\$ 1,167,118.71

Vermont Public Power Supply Authority
Renewable Energy Standards Project - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-RES Tier 1	\$ 80,705.92	\$ 80,706.00	100%	121,059.00
Service Revenue-RES Tier 2	4,721.68	4,721.76	100%	7,082.64
Service Revenue-RES Tier 3	93,906.16	93,906.16	100%	140,859.24
Total RES Operating Revenue	179,333.76	179,333.92	100%	269,000.88
Operating Expenses				
OTHER POWER SUPPLY EXPENSE				
OPSE-REC Purchase Exp-Tier 1	29,200.02	66,831.36	44%	100,247.04
OPSE-REC Purchase Exp-Tier 2	47,962.50	3,910.00	1227%	5,865.00
OPSE-REC Purchase Exp-Tier 3	0.00	0.00	0%	0.00
Total Other Power Supply Expense	77,162.52	70,741.36	109%	106,112.04
TRANSMISSION EXPENSE				
Total Transmission Expense	0.00	0.00	0%	0.00
CUSTOMER SVS & INFORMATION				
Cust Svs & Info-RES I&A-T1	0.00	0.00	0%	0.00
Cust Svs & Info-RES I&A-T2	0.00	0.00	0%	0.00
Cust Svs & Info-RES I&A-T3	2,733.75	5,000.00	55%	7,500.00
Total Cust Svs & Info Expense	2,733.75	5,000.00	55%	7,500.00
SALES EXPENSES				
Sales-Misc Sales Exp-RES T1	2,847.40	0.00	0%	0.00
Sales-Misc Sales Exp-RES T2	0.00	0.00	0%	0.00
Sales-Misc Sales Exp-RES T3	12,100.00	71,095.36	17%	106,643.04
Total Sales Expense	14,947.40	71,095.36	21%	106,643.04
ADMINISTRATIVE & GENERAL				
A&G-Salaries-AdminAlloc-RES T1	7,218.16	7,218.16	100%	10,827.24
A&G-Salaries-AdminAlloc-RES T2	422.32	422.32	100%	633.48
A&G-Salaries-AdminAlloc-RES T3	8,398.72	8,398.72	100%	12,598.08
A&G Computer Hard/Soft-RES T3	4,488.00	0.00	0%	0.00
A&G-O S&E-AdminAlloc-RES T1	2,243.84	2,243.84	100%	3,365.76
A&G-O S&E-AdminAlloc-RES T2	131.28	131.28	100%	196.92
A&G-O S&E-AdminAlloc-RES T3	2,610.88	2,610.88	100%	3,916.32
A&G-Outside Svs-Legal RES-T1	0.00	0.00	0%	0.00
A&G-Outside Svs-Legal RES-T2	0.00	0.00	0%	0.00
A&G-Outside Svs-Legal RES-T3	140.76	1,666.64	8%	2,499.96
A&G-Outside Svs-RES T1 Admin	1,662.16	1,662.20	100%	2,493.28

Vermont Public Power Supply Authority
Renewable Energy Standards Project - Profit & Loss Statement
August 31, 2019

A&G-Outside Svs-RES T2 Admin	97.28	97.28	100%	145.92
A&G-Outside Svs-RES T3 Admin	1,934.00	1,934.00	100%	2,901.00
A&G-Employee Ben Alloc-RES T1	2,750.48	2,750.48	100%	4,125.72
A&G-Employee Ben Alloc-RES T2	160.96	160.96	100%	241.44
A&G-Employee Ben Alloc-RES T3	3,200.40	3,200.40	100%	4,800.60

Total Administrative Expense	35,459.24	32,497.16	109%	48,745.72
OTHER				

Taxes- In Lieu of Property Taxes	0.00	0.00	0%	0.00
Depreciation Expense	0.00	0.00	0%	0.00
Amortization Expense	0.00	0.00	0%	0.00

Total Other Expenses	0.00	0.00	0%	0.00
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Total Operating Expenses	130,302.91	179,333.88	73%	269,000.80
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Total Operating Income (Loss)	49,030.85	0.04	122577125%	0.08
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NON-OPERATING (INCOME) & EXPENSES

Interest Income	0.00	0.00	0%	0.00
Misc Non-Operating Income	0.00	0.00	0%	0.00
Misc Non-Operating Expense	0.00	0.00	0%	0.00

Net Non-Operating (Inc) Exp	0.00	0.00	0%	0.00
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FINANCING COSTS

Interest on LTD	0.00	0.00	0%	0.00
Other Interest Expense	0.00	0.00	0%	0.00
Amortization Debt Issue Exp	0.00	0.00	0%	0.00
Amortization Debt Premium	0.00	0.00	0%	0.00

Net Financing Expenses	0.00	0.00	0%	0.00
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Total Non-Operating (Income) & Exp	0.00	0.00	0%	0.00
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Total Net Income (Loss)	\$ 49,030.85	\$ 0.04	122577125%	\$ 0.08
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Vermont Public Power Supply Authority
Net Metering Project - Profit & Loss Statement
August 31, 2019

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-Net Metering	\$ 46,245.52	\$ 46,245.60	100%	69,368.40
Total Net Metering Operating Revenue	46,245.52	46,245.60	100%	69,368.40
Operating Expenses				
OTHER POWER SUPPLY EXPENSE	0.00	0.00	0%	0.00
Total Other Power Supply Expense	0.00	0.00	0%	0.00
TRANSMISSION EXPENSE	0.00	0.00	0%	0.00
Total Transmission Expense	0.00	0.00	0%	0.00
CUSTOMER SVS & INFORMATION	0.00	0.00	0%	0.00
Total Cust Svs & Info Expense	0.00	0.00	0%	0.00
SALES EXPENES	0.00	0.00	0%	0.00
Total Sales Expense	0.00	0.00	0%	0.00
ADMINISTRATIVE & GENERAL				
A&G-Salaries-Admin Alloc-NM	24,058.80	24,058.80	100%	36,088.20
A&G-OS&E-Amin Alloc-NM	7,479.04	7,479.04	100%	11,218.56
A&G-Outside Services-Legal-NM	0.00	0.00	0%	0.00
A&G-Outside Svs-Other-NM	0.00	0.00	0%	0.00
A&G-Outside Svs-NM Admin	5,540.00	5,540.00	100%	8,310.00
A&G-Employee Benefits Alloc-NM	9,167.68	9,167.68	100%	13,751.52
A&G-Misc - NM	396.14	0.00	0%	0.00
Total Administrative Expense	46,641.66	46,245.52	101%	69,368.28
OTHER				
Taxes- In Lieu of Property Taxes	0.00	0.00	0%	0.00
Depreciation Expense	0.00	0.00	0%	0.00
Amortization Expense	0.00	0.00	0%	0.00
Total Other Expenses	0.00	0.00	0%	0.00
Total Operating Expenses	46,641.66	46,245.52	101%	69,368.28
Total Operating Income (Loss)	(396.14)	0.08	-495175%	0.12

Vermont Public Power Supply Authority
Net Metering Project - Profit & Loss Statement
August 31, 2019

NON-OPERATING (INCOME) & EXPENSES

Interest Income	0.00	0.00	0%	0.00
Misc Non-Operating Income	0.00	0.00	0%	0.00
Misc Non-Operating Expense	0.00	0.00	0%	0.00

Net Non-Operating (Inc) Exp	0.00	0.00	0%	0.00
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FINANCING COSTS

Interest on LTD	0.00	0.00	0%	0.00
Other Interest Expense	0.00	0.00	0%	0.00
Amortization Debt Issue Exp	0.00	0.00	0%	0.00
Amortization Debt Premium	0.00	0.00	0%	0.00

Net Financing Expenses	0.00	0.00	0%	0.00
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Total Non-Operating (Income) & Expen	0.00	0.00	0%	0.00
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Total Net Income (Loss)	(\$ 396.14)	\$ 0.08	-495175%	\$ 0.12
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Memorandum

To: Board of Directors
From: Crystal Currier, Controller
Date: October 2, 2019
Subject: **Agenda Item #8** – 2019 TRANSCO Purchase & Financing

As you may be aware, TRANSCO will be offering equity later this year. It is expected that there will be one offer with two issues funded independently. The estimated equity issuance is approximately \$9,944,260, with approximately \$740,000 being offered to the VPPSA members.

It is expected that several VPPSA members will directly purchase the equity offered to them and the rest will assign the units to VPPSA to purchase. While some members may purchase the units directly, Resolution 2019-06 is attached and authorizes the financing for the entire amount offered to the VPPSA members.

VPPSA staff will be looking for authorization of 2019-06 at the October Board of Directors meeting.

Vermont Public Power Supply Authority

BOARD RESOLUTION 2019-06

Transco Equity Purchase (December) Long-Term Debt Financing

Whereas, Vermont Transco, LLC (“Transco”) will offer up to 994,426 member units valued at \$9,944,260 to the Vermont Distribution utilities in November and December of this year; and

Whereas, the members of the Vermont Public Power Supply Authority (“Authority”) are allowed under the Transco Operating Agreement and the Transco Equity Agreement between the Authority and its members, to assign their pro rata share as offered to the member, to the Authority; and

Whereas, the Authority is allowed under the Amended Transco Operating Agreement to purchase member units offered to the Authority members, not otherwise purchased or assigned to the Authority; and

Whereas, the Authority intends to purchase all member units assigned to it and to purchase any member units offered to Authority members that are not otherwise purchased or assigned to the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

1. The General Manager is authorized to enter into long-term debt financing in an amount not to exceed \$750,000 for the purpose of: 1) the purchase of Transco member units for the benefit of certain Authority members (those member units assigned to the Authority by the members); and 2) the purchase of any Transco member units offered to the Authority members not otherwise assigned to the Authority or purchased directly.

2. The financing shall include a fixed interest rate of no more than 5.0% for a term not to exceed ten years. The General Manager may negotiate terms as deemed appropriate, including but not limited to, the selection of a specified lender and the granting of collateral to that lender as security for such financing.

3. The General Manager and the Chair of the Board of Directors of the Authority are authorized to sign the financing documents executed in connection with the above-mentioned transactions.

Adopted by the Board of Directors
This 2nd day of October, 2019

ATTESTED: Crystal L Currier
Crystal Currier
Secretary

Memorandum

To: Board of Directors
From: Crystal Currier
Date: October 2, 2019

Subject: **Agenda Item #9**- P10 Annual True-Up

As you know, the costs related to Project #10 are billed based on the annual P10 budget. Each fiscal year (ending June 30th) the actual costs are true-up to the budgeted revenues previously invoiced and received. The true-up for the period covering July 1, 2018- June 30, 2019 is attached. The true-up result, less amounts retained, is \$236,047.75. VPPSA staff recommends the true-up be transferred to the P10 capital reserve fund. This recommendation was discussed at the Generation and Other Assets committee meeting. The committee supported the recommendation; however, noted that this action should be taken into consideration when preparing the 2020 P10 budget.

Proposed Motion:

Move that the excess funds related to the Project #10 Annual True-up be retained and transferred to the Project #10 Capital Reserve Fund.

Swanton Peaker Project

June 30, 2019 True-Up

Cash on Hand at 06/30/18	\$ 261,224.39
Cash Retained:	
Outstanding A/P	\$ 25,845.86
Prepayments	\$ (557.76)
CWIP	\$ (41,236.04)
Property Taxes	\$ 10,862.30
Property Insurance	\$ 18,600.34
Pollution Insurance Renewal	\$ 12,040.38
Participant Revenues Pending	\$ (378.44)
Total Retained	\$ 25,176.64
Net Available to Return	\$ 236,047.75

True-Up by Participant (if distributed)

Barton	2.1600%	\$ 5,098.63
Enosburg Falls	4.7000%	\$ 11,094.24
Hardwick	9.7000%	\$ 22,896.63
Jacksonville	2.4000%	\$ 5,665.15
Johnson	7.2000%	\$ 16,995.44
Ludlow	10.0000%	\$ 23,604.78
Lyndonville	19.6000%	\$ 46,265.36
Morrisville	9.0000%	\$ 21,244.30
Northfield	12.0000%	\$ 28,325.73
Orleans	7.1000%	\$ 16,759.39
Swanton	7.3000%	\$ 17,231.49
VEC	8.8400%	\$ 20,866.62
Monthly Credit	100.0000%	\$ 236,047.75

Memorandum

To: VPPSA Board of Directors
From: Crystal Currier, Controller

Date: October 2, 2019

Subject: **Agenda Item #10**- McNeil Capital Reserve True-Up

A charge for capital improvements is included in the monthly McNeil invoice billed to participants each month. The purpose of the charge is to collect funds for the payment of capital improvements at the McNeil Generating facility. This billing was previously required under the General Bond Resolution as a mechanism to protect the bondholders. The bonds have since matured and while VPPSA is not "required" to collect funds for capital improvements under the Resolution, VPPSA has continued this billing methodology to alleviate large swings in the monthly billing to participants since the cost of capital improvements can be significant.

The capital reserve fund is trued-up each year on June 30th. The summary of receipts and capital expenditures for the year ending June 30, 2019 are attached. This calculation indicates an excess fund balance of \$871,034.20. The significant balance is primarily due to the 2017-2018 decision to retain true-up funds for future capital improvements based on information from BED that significant expenditures (turbine overhaul) would occur during the annual shut-down in May of 2018 and then in May of 2019.

The true-up as of June 30th does not include all the invoices related to the turbine overhaul. In addition, another large capital project has been identified that expects to cost approximately \$3M (VPPSA's share at approximately \$600K) that is expected to occur in CY 2020. Since the McNeil budget does not include any revenues related to capital improvements for the entire 2019 CY, VPPSA staff recommends that VPPSA retain the excess balance for future capital expenditures.

Proposed Motion:

Move that VPPSA staff retain the excess funds related to the McNeil capital reserve for the period ending June 30, 2019 to be used for future capital improvements related to the McNeil facility.

VERMONT PUBLIC POWER SUPPLY AUTHORITY

Capital Reserve Summary FOR PERIOD ENDING JUNE 30, 2019

Sources:

Fund Balance June 30,2018	\$ 927,038.37
Deposits Jul18-Jun19	\$ 459,492.00

Funds Available	<u>\$ 1,386,530.37</u>
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Less:

Minimum Reserve	\$ (100,000.00)
Prior Year Trueup-Capital Cost	\$ (234,040.34)
Prior Year Trueup - Billed (Returned) to Participants	\$ -
Subtotal - Funds Available for Project Costs	<u>\$ 1,052,490.03</u>

Less:

Current Yr Trueup - Capital Cost	\$ 181,455.83
	\$ -

Available for Refund to Participants or Reserve	<u>\$ 871,034.20</u>
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Refund (Charge) Allocation:

ENOSBURG FALLS	6.316%	\$ 55,014.52
HARDWICK	7.758%	\$ 67,574.83
LUDLOW	10.526%	\$ 91,685.06
LYNDONVILLE	15.789%	\$ 137,527.59
MORRISVILLE	13.916%	\$ 121,213.12
NORTHFIELD	10.432%	\$ 90,866.29
STOWE	15.789%	\$ 137,527.59
SWANTON	19.474%	\$ 169,625.20
	100.000%	\$ 871,034.20

Capital Additions-July 1, 2018 - June 30, 2019	\$ 181,455.83
<i>Details-See Attached</i>	

McNeil Capital Summary
July 1, 2018- June 30, 2019

FERC Plant Account	Description	Work Order	Project Number	July 1, 2018 - Dec. 31, 2018	Jan. 1, 2019 - June 30, 2019	Total
311	Energy Efficiency Improvements	WF0029220	C9B111	\$ 1,571.80		\$ 1,571.80
311	T-Process Building Exhasut Fan Repl	WF0030703	C9B111	\$ 12,067.88	\$ 43,083.55	\$ 55,151.43
311	Farmhouse Repair-NT-Paint Exterior Trim	WF0030649	C9B111	\$ 5,840.00		\$ 5,840.00
312	Acid Tank Replacement	WF0030627	C9B121	\$ 31,515.83	\$ 14,960.00	\$ 46,475.83
312	Trestle Air Comp Replacement	WF0030705	C9B121	\$ 4,627.66	\$ 36,999.95	\$ 41,627.61
312	Stack Repair	WF0030687	C90041		\$ 74,430.81	\$ 74,430.81
312	Chemical Pump Replacement/Upgrade	WF0030691	C9B121		\$ 2,014.72	\$ 2,014.72
314	Cooling Water Circulating Pumps & Motors	WF0029176	C93770		\$ 184,968.00	\$ 184,968.00
314	Cooling Water Circulating Pumps & Motors	WF0030643	C90037		\$ 14,840.03	\$ 14,840.03
314	Cooling Tower Basin Repair	WF0030645	C90039		\$ 109,781.54	\$ 109,781.54
314	Circulating Water Isolation Valves	WF0030689	C9B141		\$ 20,042.30	\$ 20,042.30
314	Turbine Extraction Valve Actuators	WF0030677	C90043		\$ 25,696.76	\$ 25,696.76
315	IT Forward Upgrade	WF0030679	C93410	\$ 1,344.66		\$ 1,344.66
315	T-Kracher Floor Cleaning Machine	WF0030709	C9B151	\$ 6,835.15	\$ 2,905.33	\$ 9,740.48
316	Wood Handling Front End Loader	WF0030641	C90036	\$ 351,068.16		\$ 351,068.16
316	Tools-Counterweight Lift Model 2515	WF0030711	C9B161	\$ 4,798.15		\$ 4,798.15
391	Office Furniture-Work Chairs, (5)	WF0029224	C9B911		\$ 1,137.78	\$ 1,137.78
391	Leather Chair	WF0030701	C9B911	\$ 619.94	\$ -	\$ 619.94
391	Zebra Label Printers (2)	WF0030713	C9B911		\$ 3,880.67	\$ 3,880.67
						\$ -
						\$ -
	Sub-total			\$ 420,289.23	\$ 534,741.44	\$ 955,030.67
	Less Adjustments			\$ -	\$ -	\$ -
	Sub-total			\$ 420,289.23	\$ 534,741.44	\$ 955,030.67
	VPPSA 's Share			19%	19%	19%
	Total			\$ 79,854.95	\$ 101,600.87	\$ 181,455.83

Memorandum

To: Board of Directors
From: Ken Nolan
Date: September 27, 2019
Subject: **Agenda Item #11** - AMI Project Status

As the Board is aware VPPSA has undertaken an RFI to consider possible AMI implementation across the members. Lemmerhirt Consulting has been assisting us throughout this process. In response to VPPSA's RFI we received nine (9) different proposals with a broad range of capabilities.

Ken St. Amour has been the staff lead on this effort. Ken put together a review team composed of a cross section of Directors and Alternates, Member staff, and VPPSA staff. The review team included:

- Directors/Alternates: Craig Myotte, Steve Fitzhugh, Bill Humphrey, Mike Sullivan, Penny Jones, Lynn Paradis
- Member Staff: Al Mosher, Eric Waterhouse, Kevin Newton
- VPPSA Staff: Ken Nolan, Ken St. Amour, Kim Harris, Steve Farman, Amanda Simard

Jackie Lemmerhirt and her team compiled the results and developed a series of evaluation matrices that the review team used to compare and contrast the proposals over three (3) meetings.

Jackie also led the review team in developing a series of "must have" and "preferred" functionality. Using these tools the review team went through a series of winnowing processes.

Two (2) firms were eliminated early in the process based on the group's determination that they were not fully responsive to the RFI.

Two (2) additional firms were semi-eliminated (that is moved to the bottom for further discussion) based on a "must have" criteria that any chosen solution be viable for both electric and water meters.

One (1) firm was moved to the bottom due to the "must have" criteria that any solution be able to be hosted and operated through VPPSA as a multi-tenant single license structure.

The remaining four (4) firms became the subject of a 2-hour discussion to reduce the field to three (3) vendors that we would move to the RFP stage.

After robust discussion and considering all of the various "must have" and "preferred" functions the review committee was unanimous in its recommendations that VPPSA move the following three (3) firms forward to the next stage:

- Aclara
- Hometown Connections
- Landis & Gyr

There are remaining questions and concerns with even these three vendors, but the committee felt that they had the best chance of providing a solution that met the Members collective needs.

Staff will be prepared to give the full Board a general overview of why this decision was reached and what we expect for the next steps in the process. We are not seeking any formal Board action at this time but are looking to surface any strong opposition (if there is any) to the vendors that we will be moving to the next stage.

Vendors "Must Have" Comparison							
Criteria	Aclara	Eaton	Hometown Connections	Honeywell/Elster	Landis + Gyr	OATI	Tantalus
Electric & Water Solution	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Multiple electric meter options	No for RF Yes for TWACS PLC	Yes	Yes, Itron preferred	Yes, Honeywell preferred	Yes, L&G preferred	Vision	Yes
Offer a Disconnect Meter	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water Meter Options	Many water meter partners (Neptune, Badger)	Many water meter partners (Neptune, Badger)	Itron (nearly all)	Honeywell plus other partners	Master Meter, Mueller	Zenner	Many water meter partners (Neptune, Badger)
Multiple communication options	Yes	No	No	No	Yes	No	Yes
Recommended AMI Solution	Recommends RF for electric and water. Selected use of PLC and cellular	RF recommended	Itron Gen 5 (SSN) RF network recommended;	RF Mesh network;	RF Mesh 900 MHz;	LoRa RF network.	Hybrid with the private long range option and the 900 MHz mesh.
Recommended MDM	AclaraOne	Any third party	IPKeys MDM or UtiliSmart	Honeywell MDM	L&G MDM	NISC MDM	Any third party
Shared AMI System	Yes	No	No mention; HCI will manage the system(s)	Yes	Yes	Yes	Yes
Shared MDM (Multi-tenant)	Yes	No	Yes	No	Yes	Yes	Yes
Vendor Hosted	Yes	No for 80% of utilities	Yes	Available	Yes	Yes	Available
SLA Agreement	Yes	Yes	Yes	No	Yes	Yes	Yes
Experience	Co-ops, Water Municipals	Co-ops, Municipals	Municipals	IOUs, municipals	IOU, municipals	No AMI references	Co-ops, Municipals
Pricing	Hosted	On premise	Hosted	On premise/hosted	Hosted	Hosted	On premise/hosted
Describe the AMI solution options your company provides. Include all software solutions and partner solutions available, e.g. MDM.	Mix network technologies (RF-450MHz, PLC, Cellular); One HES for all technologies and types; MDM capability built into head end	Network is RF Mesh only; IPv6 standard; Yukon Head End System; Works with any MDM	Itron SSN Gen 5 RF Mesh only; Gen 5 Head End System? IPKeys or UtiliSmart MDM; Daffron CIS/MDM option available.	Network is RF Mesh only, 900 MHz; O Honeywell Head End Honeywell MDM	RF Mesh recommended- have other technologies L&G Head End System L&G MDM	LoRa RF star network; OATI Head End System; NISC MDM and billing	Combines private license (200 MHz for distance) and 900 MHz RF Mesh; Reads ERTs Tantalus Head End System Work with any MDM;
AMI Experience	Deep experience in electric and water. Leader in co-op market with PLC. Many customers. Offer installation services; own meters. Full end to end solution	Deep experience in industry, with Grid products and AMI	Managed service provider for different vendor solutions; focus on public utilities; selected best of breed solution	Long history with AMI; strong presence in New England; GMP uses the AMI system	Some of the largest IOU deployments in the world; provide solutions to all types of utilities	1 OATI reference; other references are Vision and NexGrid (network system)	Focused on municipal & co-op market; Been around for 30 years with AMI; 160 users of TuNet

Asset Data

- Required for network propagation study
 - ☐ GPS coordinates of all assets (meters, poles, substations)
 - ☐ Indoor/Outdoor designation
 - ☐ Preferred locations for network equipment, e.g. substations
- Provided to the AMI vendor after receipt of a signed NDA
- Good data delivers a good network design with fewer surprises during implementation
- This is the basis for the contract service level agreement



October 2019 Regular Board Meeting

FY20 Operating Budget Overview

Table of Contents

1

Revenue Changes

4

Results

2

Expense Changes

5

Existing Projects

3

New Projects

6

Total Effect

Services Included



Power Supply and Generation Ownership



Financial Services



Rates and Planning



Legislative and Regulatory Assistance



IT Support



Communication and Outreach

Revenue Changes

Hyde Park:

- Removed for full year
- -\$54,674 impact
- Assumes no consulting work in FY20

Standard Offer:

- Assumes 2019 Awarded projects online by July 1st
- +\$131,459 impact



Expense Changes

Personnel:

- Assumed no new positions
- 3% salary increase
- 12.5% Healthcare premium increase
- Increased training budget (+32%)

Revised focus:

- More communications/marketing
- More IT/Cybersecurity

Other:

- Increased depreciation (due to HVAC)
- Assumed \$20k cost to BED
- Capturing actual sponsorship costs



Additional Projects



AMI:

- New Project Budget
- Budget just set through RFP Phase
- Assumes everyone participates
- Anticipate amending budget in July
 - Once vendor is picked
 - Amendment will identify participants in implementation phase

Proposal does not include other "Consolidation" Projects:

- mPower
- Engineer
- Operational Support

Operating Budget Results

Budget up 6.2%:

- Driven by implementation of Strategic Plan Goals

Member Costs up 0.7%:

- Most of budget increase absorbed by Standard Offer Revenue

Member Dues down 5.5%

:

- Partly due to costs shifted to AMI Project



Project Budget Results

McNeil

- FY19 budget plus overhead changes
- We do not have BED budget yet

Central Computer

- Assumes 5% increase in maintenance cost

Project #10

- Capital Reserve dropped to \$100,000

RES

- Both requirements and price of RECs increasing

Net Metering

- Mileage for member visits added

AMI

- New Project (staff, consultant, travel)



Total Cost (all VPPSA Operations) Outcome

- **Gross VPPSA budget for all operations up \$89,154 (0.8%)**
 - But the McNeil value is based on FY19 with only VPPSA overheads updated
- **Net VPPSA budget for all operations up \$561,505 (5.5%)**
 - After accounting for funds previously collected and budgeted to be returned
 - **Net number is misleading at this point**
 - Do not have any budget information from McNeil for FY20
 - FY19 net number shows budgeted credits of \$595,633
 - This did not happen due to BED treatment of overhaul costs
 - We expect the net comparison to change significantly once the McNeil budget is known
 - Most of the FY19 credit relates to treatment of McNeil major overhaul which skewed the budgets for FY17 to FY19

Contact Info

Kenneth A Nolan

General Manager

Phone: (802) 882-8500

P.O. Box 126

5195 Waterbury-Stowe Road

Waterbury Center, VT 05677



www.vppsa.com

Memorandum

To: Board of Directors
From: Ken Nolan
Date: September 27, 2019
Subject: **Agenda Item #13** - September 24th Board Workshop Outcome

Thanks to those of you who were able to attend the Board workshop on September 24th. I felt it was a good robust discussion about the various pressures the Members are facing and ways in which VPPSA could assist.

A copy of my presentation from the workshop is included in the packet, and I will forward it separately so those of you who wanted to share with your Trustees can do so. To recap where staff believes the discussion landed, at the end of the session Tim Blodgett captured the top priorities on which VPPSA should focus identified by the Board. They were:

- Provide effective management and personnel (in the context of providing support directly to members)
- Support EV deployment
- Support 1st Class Line worker development (with significant discussion about whether centralized line workers or some type of staff sharing arrangement should be developed)
- Do whatever it takes to support Barton (with a focus on long term plan to keep them municipally owned)
- Centralized GIS/Mapping through mPower
- AMI
- Have trained office staff (again in the context of helping support Members)
- Net metering and other technical services (after AMI)
- Centralized CIS/Billing (after AMI)
- IT/Cyber support
- Provide general Engineering support on staff

These topics were further refined to four immediate items VPPSA should consider as part of the FY20 budget proposal. The four items moving forward for FY20 are:

- 1) Continue the AMI Project

The RFP phase has been included in the base FY20 budget and this effort has been set up as a separate project to facilitate easy conversion into the implementation phase.

2) GIS/Mapping (mPower)

Discussions have begun with mPower about how best to create a VPPSA-wide offering that mPower would host in the cloud. Budget numbers are not ready at this stage but will be ready for separate consideration in November at the committee meetings.

This proposal also suggested adding a staff position at VPPSA to manage the mapping effort. Staff is beginning to discuss what that structure might entail.

3) Engineering

Discussions about having a staff engineer have been ongoing for several years and catalyzed at the workshop. The Board requested VPPSA add a staff position to provide general engineering support with the understanding that specialized projects would still need to be contracted out.

Staff is looking at several options here:

- Attempt to share a position with BED that would be more staff level
- Look at this position also meeting the "effective management" request
- Look at the position providing Tier 3 and regulatory support as well

4) Effective Management/Personnel

Perhaps the most challenging request was that VPPSA consider how it could provide much broader management and staffing capabilities when members are in need, up to and including full operation of the utility.

The Board was split on how far VPPSA should go in this regard, with larger members less interested in this support but smaller members feeling it was critical. With the Board ultimately agreeing to allow VPPSA to develop a proposal around the needs of Orleans and Barton staff will be looking at developing a plan for implementation in 2020 that is structured as a new Project.

We anticipate that the response could involve additional staff hiring perhaps coupled with a contract with MFP Connect for temporary placements.

Today's agenda item is intended to bring the full Board up to date on discussions and allow any questions that may remain to surface.

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Generation and Other Assets Meeting Minutes

September 11, 2019

Committee Directors:

		P	Mike Sullivan, Hardwick
P	Craig Myotte, Morrisville	X	Reginald Beliveau, Swanton

Other Directors present:

X	John Morley, Orleans		
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X indicates attendance in person, P indicates attendance by phone.

Alternates present:

Others present:

Ken Nolan, VPPSA	Shawn Enterline, VPPSA	James Gibbons, BED
Heather D'Arcy, VPPSA	Dave Gagne, VPPSA	Crystal Currier, VPPSA

Numbers in bold type correspond with agenda item numbers:

- 1.** Call to Order: The meeting was called to order by Director Morley at 2:05 PM.
- 2.** Consideration of changes/modifications to agenda: There were no changes to the agenda.
- 3.** Public comment: No members of the public were present.
- 4.** Review of 07/10/19 Meeting Minutes Draft: Motion was made by Director Myotte, second by Director Sullivan, to approve the minutes of July 10, 2019. Motion was approved unanimously.
- 5.** Project 10 Update
 - a. True-up: Ms. Currier reviewed the remaining true-up funds available for carryover from last fiscal year and asked for committee feedback on whether to refund the money or add it to the capital reserve fund. The committee was open to adding the funds to the reserve fund but asked staff to consider the issue in the context of preparing the FY20 P10 Capital Plan. The committee expressed concern that the capital reserve fund was reaching an adequate level and VPPSA should begin considering ways to reduce future budgeted amounts.
 - b. Capital Plan: Mr. Nolan informed the committee that the FY19 capital projects are moving forward as expected. Staff will be meeting this week to begin development of the FY20 capital plan.



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- c. Market Revenue Update: Mr. Gibbons and Mr. Enterline reviewed the market revenues received since the last meeting. They further informed the committee that capacity revenues would continue to decline over time due to dropping market prices, but that reserve revenues for the next auction period came in higher than anticipated.
 - d. General Performance: Mr. Gagne provided an update on overall performance noting that the plant had one start that didn't comply with reserve requirements. The cause has been addressed and the plant will be conducting a test start to return its rating to previous levels.
- 6.** Load Reducer Value: Mr. Gibbons and Mr. Enterline provided an update on the revenue received for load reducing hydro facilities, noting that revenues will be reduced for the upcoming year due to the lack of water at most facilities at the time of the New England peak.
- 7.** McNeil Capital True-up: Ms. Currier informed that committee that following McNeil's major overhaul last year VPPSA continues to have more than \$800,000 in capital funds collected but not spent. BED has informed VPPSA that they are presently considering replacement of the Economizer at the plant, which is estimated to cost \$3 million. VPPSA's portion would be approximately \$570,000. The committee recommended that VPPSA retain the funds in hand and use them to offset capital billings in FY20.
- 8.** Project Updates:
- a. Solar Projects: Ms. D'Arcy briefed the committee on the status of the various projects under development. Trombley Hill is online and VPPSA is working with the vendor to address some invoicing issues. Lawrence Brook is in permitting and awaiting a PUC decision. The remaining projects are in various stages of negotiation.
 - b. Standard Offer: Mr. Nolan informed the committee VPPSA has been awarded two projects but is still waiting for contracts from VEPI. Allco Renewables challenged the awards. The PUC rejected all of Allco's arguments but a Motion to Reconsider has now been filed. VEPI will not issue the contracts for execution until the PUC appeal process has been completed.
- 9.** Phase I: Mr. Nolan informed the committee that discussions on a lease arrangement continue. The VPPSA-Buyer agreements are near final. An agreement between VPPSA and VEC to facilitate the transfer is being developed as are agreements between VPPSA and the Phase I participants. The transaction is on a timeline to commence in November.
- 10.** SHEI: Mr. Gibbons briefed the committee on the status of the GMP \$248 application for SHEI improvements. The utilities are now discussing the calculation of benefits which will form the basis for cost allocation discussions. Mr. Nolan informed the committee that VELCO has now hired GE to perform an analysis of the potential impact on wholesale prices from reconductoring the K-42 line (Highgate to Georgia). The output of that analysis will also likely provide information about potential SHEI locational prices and improvement impacts. VPPSA is monitoring both the VELCO study and the GMP \$248 application closely and is prepared to participate as necessary to protect member interests.
- 11.** Other Business: There was no other business.

The meeting was adjourned at 3:20pm.

Respectfully submitted,

Ken Nolan

Ken Nolan



Acting Committee Secretary



Legislative and Regulatory Meeting Minutes

September 11, 2019

Committee Directors:

X	Reginald Beliveau, Swanton	P	Meredith Birkett
X	Jonathan Elwell, Enosburg		

Other Directors present:

X	John Morley III, Orleans		
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X indicates attendance in person, P indicates attendance by phone.

Alternates present:

Others present:

Ken Nolan, VPPSA	Melissa Bailey, VPPSA	Julia Leopold, VPPSA
James Gibbons, BED		

Numbers in bold type correspond with agenda item numbers:

1. The meeting was called to order at 11:58 am at the office of the Authority, located at 5195 Waterbury-Stowe Road, Waterbury Ctr., Vermont.
2. Melissa Bailey asked if there were requests for changes and/or modifications to the current agenda. There were not.
3. There was no public presence and therefore no comments were made.
4. Director Beliveau moved to approve the minutes from the July committee meeting and Director Elwell seconded the motion. The minutes were approved without objection.
5. Ms. Bailey provided a Regulatory Update covering the current relevant PUC Proceedings. In the context of the PUC's "All Fuels Utility" proceeding, the committee discussed how we could ensure that more value from Efficiency Vermont services comes back to customers in VPPSA members' territories.

Ms. Bailey notified the committee that the PUC has opened a proceeding to explore the costs and benefits of net metering, including the effect of compensation on retail rates. Director Birkett inquired whether the VPPSA members should plan to respond to the PUC individually. Ms. Bailey indicated that VPPSA intended to respond on behalf of the VPPSA members.



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Ms. Bailey and Mr. Gibbons provided an update on the recent workshop held by the PUC related to implementing a per kWh fee on electric vehicle charging. Director Elwell inquired about communicating directly with the Administration regarding the rationale behind the state agencies' insistence that Transportation Fund revenue be generated through a per kWh charge rather than alternative means. Mr. Nolan clarified that this will be a major topic for discussion in the upcoming legislative session and the outcome will not be determined in this PUC proceeding.

Ms. Bailey notified the committee that VPPSA had led an effort among utilities to propose modifications to the state's residential Disconnect Rule (3.300) intended to lower the utility costs of administering disconnects. The next step in this proceeding will be for other parties to file comments on the utilities' proposal.

Ms. Bailey informed the committee that there had been a second round of solicitation for participants in the Energy Savings Account Pilot for commercial and industrial customers administered by Efficiency Vermont. Ethan Allen has applied to be included in this pilot program. Director Beliveau noted that there are customers in Swanton's service territory that could benefit from a program like this.

6. There was a short Legislative Update covering the legislatively mandated study of the feasibility of electric utilities providing broadband service to be completed by the Department of Public Service. The DPS has chosen Magellan as a consultant to assist with this effort and notified utilities that they should anticipate receiving a survey from Magellan in the coming weeks.
7. Julia Leopold provided an update on VPPSA's 2019 Tier 3 programs under the Renewable Energy Standard and the savings that have been generated to date from 2017 until now. Ms. Leopold also presented a proposed list of rebates to be offered by VPPSA in 2020. Mr. Nolan clarified that VPPSA's Tier 3 strategy includes both running rebate programs and purchasing low-cost Tier 2 RECs to meet VPPSA's overall obligation. The committee was supportive of the overall Tier 3 strategy described by staff. The Tier 3 Budget will be incorporated into VPPSA's overall 2020 operating budget, a draft of which will be provided to the VPPSA Board at the October board meeting.

8. There was no Other Business.

The meeting was adjourned at 1:55 p.m.

Respectfully submitted,

Melissa Bailey

Melissa Bailey, Acting Secretary
Legislative & Regulatory Committee



Advisory and Risk Management Meeting Minutes

September 11, 2019

Committee Directors:

X	Reginald Beliveau, Swanton		Steve Fitzhugh, Northfield

Other Directors present:

X	John Morley, Orleans		
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X indicates attendance in person, P indicates attendance by phone.

Alternates present:

None	

Others present:

Ken Nolan, VPPSA	Crystal Currier, VPPSA	Amy Parah, VPPSA
Julia Leopold, VPPSA		

Numbers in bold type correspond with agenda item numbers:

- 1.** The meeting was called to order at 9:37 a.m. at the office of the Authority, located at 5195 Waterbury-Stowe Road, Waterbury Ctr., Vermont.
- 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 were no public comments.
- 4.** The minutes of the Advisory & RMC meeting were tabled due to a lack of quorum.
- 5.** VPPSA staff reminded the Committee that Vt. Transco will be offering equity later this year. It is expected that TRANSCO will make one offer, that is expected to be funded in two segments - one in November (reissue of the LCSF equity buyback) and one in December (BED SF equity buyback). VPPSA staff has notified the members of the equity issuance and has requested a response as to whether each member expects to purchase the equity directly or if they will assign the units to VPPSA. In order to effectuate the VPPSA purchase, the Board will be asked to approve Resolution 2019-06. This Resolution authorizes the financing of the VPPSA purchase. It was noted that the Resolution indicates an interest rate no greater than 5%; however, based on the responses from lenders thus far, the actual rate is expected to be less than 3%. The Committee did not have objections to the Resolution as written.



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6. The General Manager informed the Committee that staff has been working on the 2020 Operating budgets but a draft was not complete in time for the meeting. However, it was noted that several areas of the budget have been under discussion and the General Manager indicated that he would like feedback from the Committee so that their comments could be factored into the budget draft that will be presented to the Board on October 2nd. The high-level items reviewed include:

Revenues:

Hyde Park is completely removed

2019 Standard Offer revenues of \$130K (revenue for May-Dec 2020)

Expenses:

Added AMI Project – the General Manager explained that VPPSA is currently in the AMI RFI process. The next step will be the RFP process and it is currently assumed that all members will participate through this process and the project budget would be amended once the RFP process is complete. The project concept was discussed briefly – the parts of the project that could be centralized at VPPSA and the components that may be at the member level. Director Morley questioned how members that don't participate initially, could participate in the future. The option of adding non-members was also considered.

Salaries – includes 3% increase

Health Insurance – currently includes 12.5% increase

Travel – significant increase of 32% (based on strategic plan, added staff, etc.)

Communications – increased media presence, planned events, etc.

Information Technology – 28% increase – mobile workforce, cyber security

Depreciation – increase for building renovations

Outside Services – includes architect, strategic plan, BED

Preliminary Results:

Expenses increased 6.2% (offset by Standard Offer revenues)

Member cost increased .7%

Member cost increase ranges from 1.6% - 7.5%

Project budgets still being developed

The Committee did not object to the 3% salary increase or the AMI project concept (project includes RFP process and will be amended going forward).

Additional Services - The General Manager indicated that he is currently looking at software developed by mPower, a GIS software vendor out of Minnesota. Several of the members already use mPower and the General Manager indicated that mPower may be willing to provide a member-wide license for the VPPSA members that would either be hosted by VPPSA or at mPower and managed by VPPSA. If this service were to move forward, it would require additional staff at VPPSA. Costs related to additional services are not currently in the budget it is expected that the budget will be updated after the Board retreat on September 24th (if needed).

7. The General Manager reminded the Committee that the Strategic Planning Retreat for the Board is being held on Tuesday September 24th. This retreat is specifically to focus on how to better utilize VPPSA and the services that VPPSA can provide. The General Manager will provide a broad overview of the agenda and will identify both internal and external challenges that the Board has previously raised. Tim Blodgett from Hometown Connections will then facilitate the discussion with the Board. The General Manager requested information from the Committee regarding topics that they felt would be important to discuss during this meeting. The primary topic discussed was related to member operational activities that could be considered contract services and moved to VPPSA.



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8. Other Business: NONE

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

Respectfully submitted,

Crystal L Currier
Crystal Currier, Secretary