

Vermont Public Power Supply Authority

Board of Directors Meeting

February 6, 2019

9:30 a.m.

VPPSA Office

5195 Waterbury-Stowe Road, Waterbury Ctr., Vermont

CALL IN NUMBER: 1-773-231-9226 MEETING ID: 802 244 7678#

DIRECTORS

Evan Riordan, Barton	Jonathan Elwell, Enosburg	Mike Sullivan, Hardwick
Carol Robertson, Hyde Park	Pamela Moore, Jacksonville	Meredith Birkett, Johnson
James Pallotta, Ludlow	Bill Humphrey, Lyndonville	Craig Myotte, Morrisville
Steve Fitzhugh, Northfield	John Morley III, Orleans	Reginald 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 Regular Board of Directors Meeting – December 5, 2018 (**2**)
5. Preliminary Treasurer’s Report through December 31, 2018 (**10**)
6. Resolution 2019-01 – Ratification of Prior Actions (**5**)
7. Project #10 R&C Annual True-up (**5**)

Discussion Items

8. VPPSA Acceptance of Credit Card Payments from Members (**10**)
9. AMI Readiness Report Status Update (**15**)
10. Hyde Park proposal related to Legislative/Regulatory services (**15**)
11. RES Customer Notice Requirements (**20**)
12. Legislative Issues Affecting VPPSA members (**30**)

Reports

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

Executive Session

NONE

17. Other Business

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
Walter Pomroy, Johnson	Lynn Paradis, Swanton
Vacant., Ludlow	

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Vermont Public Power Supply Authority

MINUTES OF THE BOARD OF DIRECTORS MEETING

December 5, 2018

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

X	Evan Riordan, Barton		James Pallotta, Ludlow
X	Jonathan Elwell, Enosburg	P	Bill Humphrey, Lyndonville
X	Mike Sullivan, Hardwick	P	Craig Myotte, Morrisville
P	Carol Robertson, Hyde Park (not present during exec session)	X	Stephen Fitzhugh, Northfield
	Pamela Moore, Jacksonville	X	John Morley, Orleans
X	Meredith Birkett, Johnson	X	Reginald Beliveau, Swanton

Alternates present:

Others present:

Ken Nolan, VPPSA	Crystal Currier, VPPSA	Amy Parah, VPPSA
Steve Farman, VPPSA	James Gibbons, BED	William Ellis, McNeil, Leddy, Sheehan

(numbers in bold type correspond with agenda item numbers)

- (1) The meeting was called to order at 9:30 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 none.
- (3) Chairman Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public presence and therefore no comments were made.
- (4) Director Fitzhugh made a motion to accept the minutes of the Regular Board of Director's meeting held on October 3, 2018. The motion was seconded by Director Elwell. Motion approved.
- (5) Director Elwell made a motion to accept the Treasurer's report as of October 31, 2018 as presented. Director Morley seconded 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 October 31, 2018 indicate



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operational expenses being under-budget by approximately 9.8%. This includes payroll and overheads that are under-budget by 6.1% and office supplies and expenses are under-budget by approximately 19.1%. For the year to date, revenues exceed expenses by approximately \$145K.

The motion was approved.

(6) The General Manager thanked the Board for providing feedback on the draft FY19 budgets. In response to the comments received, several changes were made since the last draft. Some of the key comments/changes include:

- a. RES- no change in cost, will include 2018 credits in 2019 billings
- b. McNeil-essentially flat, includes major overhaul costs
- c. Project 10- continues reserve at \$400K for 2019, assumes change in insurance broker reducing cost to P10 property insurance
- d. Net Metering – eliminated external software development, project participants updated
- a. Revenues assumes Hyde Park remains full member until November 2019
- b. The additional staff position was retained but the anticipated start date was moved to March to more accurately reflect the likely start date
- c. Funds were shifted with the legal and consulting budgets (primarily related to PUC dockets and strategic planning)
- d. AMI not included in budget (the Board had a short discussion on AMI and potentially related broadband)

In addition to the revenue and cost related changes noted above, a new page was added to the budget packet that demonstrates a “Consolidated” budget cost. This page identifies the cost by participant for each budget and compares the total to the prior year budgets. The consolidated cost for all budgets is 8.1% lower for 2019 when compared to the 2018 budgets. This page also identifies the consolidated budget cost after prior year credits are applied to the 2019 budget billings – with credits applied, the consolidated cost is 13.8% lower than the 2018 budgeted cost. It was noted that the primary reason for the decrease is a reduction in cost to the McNeil and RES projects. The Board was asked for feedback - things that are positive, negative, and all in-between. The Board indicated that the Consolidated page was helpful.

Director Elwell made a motion to approve the 2019 Operating Budgets as presented. The motion was seconded by Director Fitzhugh. Motion approved. Hyde Park abstained.

(7) The General Manager reminded the Board of the savings in insurance cost mentioned in the Project 10 budget discussion. This change was a result of information received from Marsh Wortham, an affiliation with HomeTown Connections, Inc. Marsh Wortham prepared a complete analysis of VPPSA’s insurance policies and identified savings that they thought could be achieved. As previously mentioned, the primary savings is with the Project #10 property insurance.

A change to Marsh Wortham was discussed with the Advisory & Risk Management Committee at their November meeting. After that discussion, the General Manager and staff met with



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VPPSA's current insurance broker (Brian Aitchison from Hickok Boardman) and he expressed concern with the move. Marsh Wortham is a HomeTown Connections partner that is highly regarded related to generation plan coverage. They manage the APPA insurance pool and it is that pooling that is producing the majority of the proposed savings. In addition to the savings, Marsh Wortham is proposing that they (through VPPSA) can potentially create an insurance pool for the VPPSA members that could achieve savings. They have done this successfully with another joint action agency and its members. Lastly, Marsh Wortham is working with APPA on developing a health insurance pool that will be offered in 2019.

Given the concern expressed by our local agent, the General Manager requested feedback from the Board to determine the comfort level with moving VPPSA's policies and other administrative functions toward the HomeTown Connection partners, since a move of this nature means less reliance on Vermont based companies.

The Board discussed the use of future Hometown Connection services and the desire is that those services should be received through an RFP process and if local vendors are competitive, services should remain local.

(8) The written report from the Generation and Other Assets committee meeting held on November 14, 2018 was provided to the Board. The General Manager noted some of the items discussed at the committee meeting that were not already covered under other agenda items—those include: Labor Day power shortage event, Project 10 maintenance, an update on Load reducing generation valuations and the winter planned purchase.

(9) The written report from the Legislative & Regulatory Affairs committee meeting held on November 14, 2018 was provided to the Board. The primary PUC dockets discussed include: the regulation of Energy Efficiency Utilities, the investigation into promoting the ownership and use of electric vehicles in Vermont, regulations regarding EV charging stations and the EVT data transfer docket.

It was noted that on the Legislative front, VPPSA is working with legal counsel and VPPSA's lobbyist to change the Section 108 language for both VPPSA and the member utilities.

(10) The General Manager noted that the VELCO Board would be meeting on Thursday December 6th. Discussion on two primary topics are expected – 1) the appointment of Rebecca Towne, the new CEO of VEC to the VELCO Board and the progress of the Highgate Converter sale.

It was noted that some issues with the Highgate Converter sale between VELCO, Stowe and BED have come up that will likely delay the sale. Due to the delay, VELCO has been asked to loan funds to Stowe that would be repaid at the time of the sale.

VELCO Operating Committee – Director Fitzhugh noted that the VPPSA members did not have representation on the Emerald Ash Borer committee; however, BED does have representation. Director Fitzhugh asked if the BED representative could also represent the VPPSA members. Director Fitzhugh provided a brief explanation of the Emerald Ash Borer issue and how it could



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affect the utilities. Director Sullivan asked what the committee was trying to accomplish. Mr. Gibbons indicated the committee is very new; however, since VELCO is very active in the tree-trimming arena, they want to be active in coordinating how this issue is being treated.

The General Manager indicated that he would ask if the BED representative could represent the VPPSA members during the monitoring stage of this committee.

(11) The written report of the Advisory and Risk Management committee meeting held on November 14, 2018 was provided to the Board. No other report was provided.

(12) Director Sullivan made a motion that the Board make a specific finding that premature public knowledge of the Authority's position with respect to probable litigation concerning Hyde Park Electric's withdrawal from the Authority, and the Authority's receipt of confidential attorney-client communications concerning same, would clearly place the Authority at a substantial disadvantage. Motion seconded by Director Fitzhugh. Motion approved.

Director Sullivan made a motion that the Board enter executive session for the purpose of considering probable litigation between the Authority and Hyde Park Electric, and receiving confidential attorney-client communications concerning same, pursuant to 1 V.S.A. § 313(a)(1)(E)&(F), with attendance limited to Board members and the Controller, with the exception of Hyde Park's director, the Authority's General Manager and the Authority's legal counsel. Motion seconded by Director Morley. Motion approved.

The Board entered executive session at 11:17 a.m.

The Board came out of executive session and entered regular session at 12:15 p.m. No action was taken.

(13) The workshop was not held.

The meeting was adjourned at 12:20 p.m.

Respectfully submitted,

Crystal L Currier

Crystal Currier, Secretary

Vermont **Public Power** Supply Authority



Monthly Financial Report
December 31, 2018

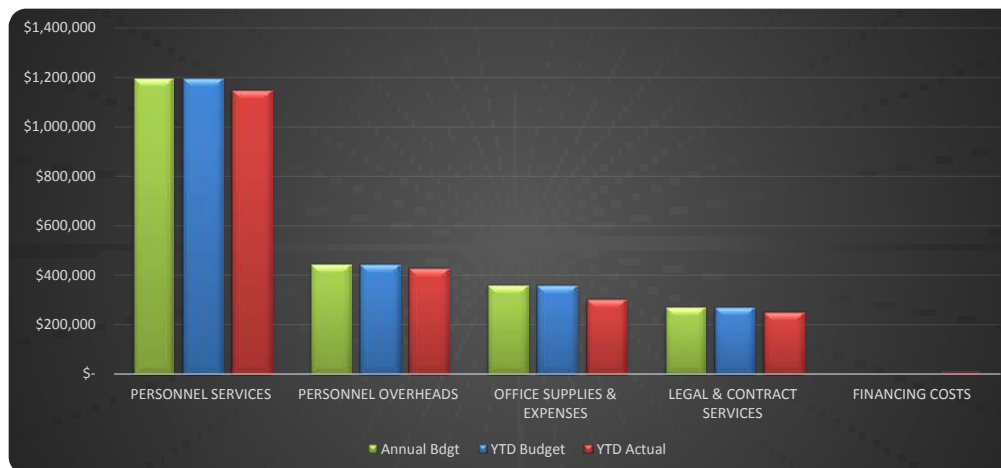
(Unaudited)

**VPPSA MONTHLY FINANCIAL REPORT
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VERMONT PUBLIC POWER SUPPLY AUTHORITY								
OPERATIONAL REVENUE & EXPENSE SUMMARY								
2018 YTD ACTUAL VS. BUDGET								
Reconciliation Month December-2018								
		2018	2018	Variance	Variance	2018	YTD Act %	
		YTD Budget	YTD Actual	Act vs. Bdgt	Act vs. Bdgt	Annual Bdgt	of Annual	
				\$	%		Bdgt	
REVENUES:								
	MCNEIL PROJECT #2	\$ 86,919	\$ 86,919	\$ -	↓ 0.0%	\$ 86,919	100%	
	HIGHGATE PROJECT #3	\$ -	\$ -	\$ -	↓ 0.0%	\$ -	0%	
	CENTRAL COMPUTER PRJ #4	\$ 43,459	\$ 43,459	\$ -	↓ 0.0%	\$ 43,459	100%	
	SWANTON PEAKER PRJ #10	\$ 186,990	\$ 185,746	\$ (1,244)	↓ -0.7%	\$ 186,990	99%	
	RES PROJECT	\$ 28,249	\$ 28,249	\$ -	↓ 0.0%	\$ 28,249	100%	
	NET METERING PROJECT	\$ 65,189	\$ 65,189	\$ -	↓ 0.0%	\$ 65,189	100%	
	TRANSCO OWNERSHIP	\$ 9,057	\$ 21,208	\$ 12,152	↑ 134.2%	\$ 9,056	234%	
	REVENUES FROM MEMBERS	\$ 1,607,168	\$ 1,663,906	\$ 56,738	↓ 3.5%	\$ 1,607,168	104%	
	REVENUES FROM NON-MEMBER SOURCES	\$ 246,007	\$ 175,023	\$ (70,984)	↓ -28.9%	\$ 246,008	71%	
	TOTAL REVENUES	\$ 2,273,037	\$ 2,269,698	\$ (3,339)	↓ -0.1%	\$ 2,273,038	100%	
BILLABLE EXPENSES:								
	PERSONNEL SERVICES	\$ 1,195,888	\$ 1,149,008	\$ (46,880)	↓ -3.9%	\$ 1,195,888	96%	
	PERSONNEL OVERHEADS	\$ 444,829	\$ 429,639	\$ (15,190)	↓ -3.4%	\$ 444,829	97%	
	OFFICE SUPPLIES & EXPENSES	\$ 361,421	\$ 304,439	\$ (56,982)	↓ -15.8%	\$ 361,421	84%	
	LEGAL & CONTRACT SERVICES	\$ 270,900	\$ 251,801	\$ (19,099)	↓ -7.1%	\$ 270,900	93%	
	FINANCING COSTS	\$ -	\$ 6,268	\$ 6,268	↓ 0.0%	\$ -	0%	
	TOTAL BILLABLE EXPENSES	\$ 2,273,038	\$ 2,141,155	\$ (131,883)	↓ -5.8%	\$ 2,273,038	94%	
	Net Income(Loss)		\$ 128,543					

- between 98% and 103%
- ↑ greater than 103%
- ↓ less than 98%



Monthly Financial Report-Variance Analysis
December 31, 2018

NON PROJECT OPERATIONS:

	Actual					Budget	Var (\$)	Var (%)
	Operational (*)	Power Supply	Transco Activities	Other	Total			
Member/NonMember Revenues	\$ 1,790,391	\$ 29,384,348	\$ -	\$ -	\$ 31,174,739			
Other Revenue Sources	\$ 458,099	\$ 3,531,694	\$ 5,393,969	\$ 59,031	\$ 9,442,793			
Total Revenues	\$ 2,248,490	\$ 32,916,042	\$ 5,393,969	\$ 59,031	\$ 40,617,532	\$ 37,866,867	\$ 2,750,665	7%
Operational Expenses	\$ (2,141,155)	\$ (32,916,042)	\$ -	\$ (15,089)	\$ (35,072,286)			
Transco Activities	\$ 21,208	\$ -	\$ (3,392,652)	\$ -	\$ (3,371,444)			
Other Expenses	\$ -	\$ -	\$ -	\$ (35,281)	\$ (35,281)			
Total Expenses	\$ (2,119,947)	\$ (32,916,042)	\$ (3,392,652)	\$ (50,370)	\$ (38,479,011)	\$ (35,805,152)	\$ (2,673,859)	7%
Net Cash Flow	\$ 128,543	\$ 0	\$ 2,001,317	\$ 8,661	\$ 2,138,521			
Transco Principal (VPPSA)	\$ 84,554	\$ -	\$ -	\$ -	\$ 84,554			
Transco Interest Accrual (V)	\$ -	\$ -	\$ -	\$ (18,331)	\$ (18,331)			
Net Income (Loss)	\$ 213,097	\$ 0	\$ 2,001,317	\$ (9,669)	\$ 2,204,744	\$ 2,061,715	\$ 76,806	4%
Primary Drivers	PR & OH's underbudget 3.78% or \$62K OS &E underbudget 7.3% or \$70K (conf/travel, outside svcs, grounds, computer hard/software; offset by LOC, dues,interest) Net Excess (Deficit) Collected to Cover Costs: \$128,543 (*) - Reconciles to Operational Revenue & Expense Summary							

MCNEIL:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 5,328,260	\$ 6,338,611	\$ (1,010,351)	-16%
Oper Expenses	\$ (4,881,692)	\$ (5,925,155)	\$ 1,043,462	-18%
Non-Oper Rev/Exp	\$ 61,463	\$ 500	\$ 60,963	12193%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 508,031	\$ 413,956	\$ 94,075	23%
Primary Drivers	Expenses overall under-bdgt (\$1,043,462) or 18% Generation 17.9% under-budget, (10,140,706 kwh less than budget). No generation in May due to overall and failed inspection of the sulfuric acid tank			

HIGHGATE:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ -	\$ -	\$ -	0%
Oper Expenses	\$ -	\$ -	\$ -	0%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ -	\$ -	\$ -	0%
Primary Drivers	Sale of Asset finalized in 2017-NO activity in 2018			

CENTRAL COMPUTER:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 114,194	\$ 115,404	\$ (1,211)	-1%
Oper Expenses	\$ (114,193)	\$ (115,404)	\$ 1,211	-1%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 0	\$ 0	\$ 0	0%
Primary Drivers	On-Budget-trueup adjustment will adjust expenses in Dec			

Renewable Energy Standards:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 226,886	\$ 352,835	\$ (125,949)	-36%
Oper Expenses	\$ (199,272)	\$ (352,835)	\$ 153,563	-44%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 27,614	\$ -	\$ 27,614	0%
Primary Drivers	Includes 2017 REC purchases EV rebates less than expected \$156,631-Excess Revenue deferred to 2019 Project Expense			

PROJECT 10:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 3,296,106	\$ 3,257,836	\$ 38,270	1%
Oper Expenses	\$ (1,943,268)	\$ (2,079,210)	\$ 135,943	-7%
Non-Oper Rev/Exp	\$ 108,460	\$ 15,000	\$ 93,460	623%
Financing	\$ (419,026)	\$ (50,588)	\$ (368,437)	728%
Net Income (Loss)	\$ 1,042,273	\$ 1,143,038	\$ (100,765)	-9%
Primary Drivers	Labor & OH 1% or (\$1,244) underbdgt Outside Labor 27% or \$12,371 underbdgt Materials 86% or (\$26,439) underbdgt Minimal electric, grounds, legal, training or RME Insurances 23% ir \$40,446 overbdgt Significant increase in Interest Income			

Net Metering Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 77,531	\$ 84,189	\$ (6,658)	-8%
Oper Expenses	\$ (77,531)	\$ (84,189)	\$ 6,657	-8%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (0)	\$ 0	\$ (0)	-108%
Primary Drivers	ARC Consulting to date is expensed - no amortization of software. No legal to date. \$6,658-Excess Revenues deferred to 2019 Project Expense			

Vermont Public Power Supply Authority
Project Summary Balance Sheet
December 31, 2018

	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	667,001.30	0.00	0.00	0.00	562.11	0.00	0.00	667,563.41
Meters	91,454.48	0.00	0.00	0.00	0.00	0.00	0.00	91,454.48
Equipment	462,333.19	122,767.04	0.00	0.00	5,561.44	0.00	0.00	590,661.67
Total General Plant	1,361,887.96	122,767.04	0.00	0.00	6,123.55	0.00	0.00	1,490,778.55
Total Fixed Assets	1,361,887.96	22,409,430.94	0.00	0.00	23,898,651.78	0.00	0.00	47,669,970.68
CWIP	0.00	2,663.59	0.00	0.00	2,000.00	0.00	0.00	4,663.59
Intangible Plant-Net of Amort.	0.00	977.88	0.00	0.00	0.00	0.00	0.00	977.88
Accumulated Depreciation	(1,057,178.92)	(19,784,609.26)	0.00	0.00	(9,606,500.95)	0.00	0.00	(30,448,289.13)
Net Utility Plant In Service	304,709.04	2,628,463.15	0.00	0.00	14,294,150.83	0.00	0.00	17,227,323.02

Vermont Public Power Supply Authority
Project Summary Balance Sheet
December 31, 2018

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	Total
Investments:								
Bond Fund Investments	0.00	0.00	0.00	0.00	3,156,589.23	0.00	0.00	3,156,589.23
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	3,156,589.23	0.00	0.00	45,310,369.23
Current Assets:								
Project Revenue Funds	0.00	(143,790.65)	0.22	0.00	206,615.31	0.00	0.00	62,824.88
Project Construction Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and Working Funds	1,941,212.45	0.00	0.00	(20,872.64)	0.00	155,171.16	6,657.66	2,082,168.63
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	415,926.60	2,053,290.35	0.00	0.00	3,378,986.87	0.00	0.00	5,848,203.82
Accounts Receivable	4,839,626.88	740,701.82	0.00	4,458.72	18,610.62	1,459.58	0.00	5,604,857.62
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	1,270,846.36	0.00	0.00	0.00	5,860.19	0.00	0.00	1,276,706.55
Inventory	515.00	1,068,127.68	0.00	0.00	207,448.42	0.00	0.00	1,276,091.10
Prepayments	64,326.79	0.00	0.00	16,415.75	177,501.44	0.00	0.00	258,243.98
Total Current Assets	8,532,454.08	3,718,329.20	0.22	1.83	3,995,022.85	156,630.74	6,657.66	16,409,096.58
Other Assets:								
Deferred Debits	83,279.83	325,215.25	0.00	0.00	0.00	4,129.90	0.00	412,624.98
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	83,279.83	325,215.25	0.00	0.00	0.00	4,129.90	0.00	412,624.98
Total Assets	\$ 51,074,222.95	6,672,007.60	0.22	1.83	21,445,762.91	160,760.64	6,657.66	79,359,413.81

**Vermont Public Power Supply Authority
Project Summary Balance Sheet
December 31, 2018**

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	Total
LIABILITIES AND CAPITAL								
Current Liabilities:								
Accounts Payable	2,643,551.32	271,767.94	0.00	0.00	16,457.23	4,129.90	0.00	2,935,906.39
Security Deposits	1,576.75	0.00	0.00	0.00	0.00	0.00	0.00	1,576.75
Amounts due Members	438,175.80	0.00	0.00	0.00	0.00	0.00	0.00	438,175.80
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	10,964,388.20	0.00	0.00	0.00	1,140,000.00	0.00	0.00	12,104,388.20
Derivative Instrument Liability	45,787.72	0.00	0.00	0.00	0.00	0.00	0.00	45,787.72
Accrued Interest	84,910.63	0.00	0.00	0.00	346,112.46	0.00	0.00	431,023.09
Accrued Taxes Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accrued Salaries	27,601.98	0.00	0.00	0.00	0.00	0.00	0.00	27,601.98
Accrued Pension Contributions	2,158.75	0.00	0.00	0.00	0.00	0.00	0.00	2,158.75
Accrued Payroll Liabilities	655.96	0.00	0.00	0.00	0.00	0.00	0.00	655.96
Other Misc. Accrued Liabilities	11,753.80	2,466.55	0.00	0.00	0.00	0.00	0.00	14,220.35
Total Current Liabilities	14,220,560.91	274,234.49	0.00	0.00	1,502,569.69	4,129.90	0.00	16,001,494.99
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	605,825.52	0.00	0.00	605,825.52
Unamortized Loss of Reaq. Debt	0.00	0.00	0.00	0.00	(433,436.40)	0.00	0.00	(433,436.40)
Net Long-Term Debt	19,692,167.83	0.00	0.00	0.00	14,622,389.12	0.00	0.00	34,314,556.95
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	156,630.57	6,657.68	163,288.25
Deferred Vacation Wages	89,296.51	0.00	0.00	0.00	0.00	0.00	0.00	89,296.51
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	89,296.51	0.00	0.00	0.00	0.00	156,630.57	6,657.68	252,584.76
Interfund-Project Allocations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Equity								
Unappropriated Retained Earnings	6,110,945.41	6,397,773.12	1,193,836.70	1.84	5,344,253.32	0.17	(0.02)	19,046,810.54
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	11,007,039.99	0.00	0.00	0.00	0.00	0.00	0.00	11,007,039.99
Other Comprehensive Income	(45,787.72)	0.00	0.00	0.00	(23,449.22)	0.00	0.00	(69,236.94)
Total Retained Earnings	17,072,197.68	6,397,773.12	0.22	1.84	5,320,804.10	0.17	(0.02)	28,790,777.11
Total Liabilities & Capital	\$ 51,074,222.93	6,672,007.61	0.22	1.84	21,445,762.91	160,760.64	6,657.66	79,359,413.81

**Vermont Public Power Supply Authority
Project Summary Income Statement
December 31, 2018**

	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	NetMet	Total
REVENUES & OTHER INCOME								
Sales for ReSale	29,540,210.83	5,328,259.91	0.00	0.00	3,296,106.35	0.00	0.00	38,164,577.09
Service Revenues	0.00	0.00	0.00	114,193.65	0.00	226,885.99	77,531.41	418,611.05
CDA & Affiliate Revenues	1,790,391.33	0.00	0.00	0.00	0.00	0.00	0.00	1,790,391.33
Project Revenues	409,561.11	0.00	0.00	0.00	0.00	0.00	0.00	409,561.11
REC Revenues	3,531,693.84	0.00	0.00	0.00	0.00	0.00	0.00	3,531,693.84
VELCO Directorship	20,000.00	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00
Misc. Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating Revenues	35,291,857.11	5,328,259.91	0.00	114,193.65	3,296,106.35	226,885.99	77,531.41	44,334,834.42
EXPENSES								
POWER PRODUCTION								
STEAM POWER PRODUCTION								
Operations	0.00	3,498,160.68	0.00	0.00	0.00	0.00	0.00	3,498,160.68
Maintenance	0.00	297,874.24	0.00	0.00	0.00	0.00	0.00	297,874.24
Total Steam Power Production	0.00	3,796,034.92	0.00	0.00	0.00	0.00	0.00	3,796,034.92
OTHER POWER PRODUCTION								
Operations	0.00	0.00	0.00	0.00	330,752.68	0.00	0.00	330,752.68
Maintenance	0.00	0.00	0.00	0.00	87,716.34	0.00	0.00	87,716.34
Total Other Power Production	0.00	0.00	0.00	0.00	418,469.02	0.00	0.00	418,469.02
TRANSMISSION								
Operations	11,340,984.31	5,126.77	0.00	0.00	122.38	0.00	0.00	11,346,233.46
Maintenance	0.00	0.00	0.00	0.00	26,886.16	0.00	0.00	26,886.16
Total Transmission Expense	11,340,984.31	5,126.77	0.00	0.00	27,008.54	0.00	0.00	11,373,119.62
OTHER POWER SUPPLY								
Purchase Power	21,694,913.03	0.00	0.00	0.00	0.00	0.00	0.00	21,694,913.03
System Control & Load Dispatch	0.00	6,894.93	0.00	0.00	8,473.75	0.00	0.00	15,368.68
REC Purchases	3,525.00	0.00	0.00	0.00	0.00	151,250.85	0.00	154,775.85
Total Other PS Expense	21,698,438.03	6,894.93	0.00	0.00	8,473.75	151,250.85	0.00	21,865,057.56

Vermont Public Power Supply Authority
Project Summary Income Statement
December 31, 2018

	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	5,516.75	0.00	0.00	5,516.75
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	5,516.75	0.00	0.00	5,516.75
CUSTOMER SVS & INFORMATION ADV								
Cust Svs & Info-Cust Assist.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cust Svs & Info-Info Adv Exp	0.00	12,732.53	0.00	0.00	0.00	0.00	0.00	12,732.53
Cust Svs & Infor Adv	0.00	12,732.53	0.00	0.00	0.00	0.00	0.00	12,732.53
Cust Svs & Info Adv-RES	0.00	0.00	0.00	0.00	0.00	1,904.50	0.00	1,904.50
Total Cust Svs & Info Adv.	0.00	12,732.53	0.00	0.00	0.00	1,904.50	0.00	14,637.03
SALES EXPENSE								
Sales Expense	3,604.68	3,047.82	0.00	0.00	0.00	17,868.20	0.00	24,520.70
Total Sales Expense	3,604.68	3,047.82	0.00	0.00	0.00	17,868.20	0.00	24,520.70
ADMINISTRATIVE & GENERAL								
Operations	2,134,062.11	334,846.26	0.00	114,193.44	333,662.20	28,248.48	77,531.43	3,022,543.92
Maintenance	0.00	572.32	0.00	0.00	0.00	0.00	0.00	572.32
Total A&G Expense	2,134,062.11	335,418.58	0.00	114,193.44	333,662.20	28,248.48	77,531.43	3,023,116.24
OTHER								
Taxes- In Lieu of Property Taxes	14,256.02	250,020.40	0.00	0.00	20,603.95	0.00	0.00	284,880.37
Depreciation Expense	40,581.07	472,349.04	0.00	0.00	1,129,533.66	0.00	0.00	1,642,463.77
Amortization Expense	0.00	67.49	0.00	0.00	0.00	0.00	0.00	67.49
Total Other Expense	54,837.09	722,436.93	0.00	0.00	1,150,137.61	0.00	0.00	1,927,411.63
Total Operating Expenses	35,231,926.22	4,881,692.48	0.00	114,193.44	1,943,267.87	199,272.03	77,531.43	42,447,883.47
Net OPERATING Earnings(Loss)	\$ 59,930.89	\$ 446,567.43	0.00	0.21	1,352,838.48	27,613.96	(0.02)	1,886,950.95

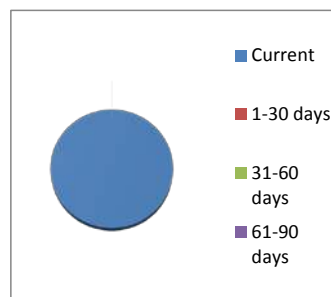
Vermont Public Power Supply Authority
Project Summary Income Statement
December 31, 2018

	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	NetMet	Total
NON-OPERATING (INCOME) EXPENSES								
OTHER NON-OPERATING (INCOME) EXPENSES								
Interest/Finance Chg Income	(43,942.18)	(29,543.29)	0.00	0.00	(108,460.29)	0.00	0.00	(181,945.76)
TRANSCO Distribution/Income	(5,528,270.76)	0.00	0.00	0.00	0.00	0.00	0.00	(5,528,270.76)
Transco "Net Settlement" Expense	1,955,998.03	0.00	0.00	0.00	0.00	0.00	0.00	1,955,998.03
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	(15,148.72)	(31,920.00)	0.00	0.00	0.00	0.00	0.00	(47,068.72)
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	15,088.72	0.00	0.00	0.00	0.00	0.00	0.00	15,088.72
Total Other Non-Operating (Inc) Exp	(3,616,274.91)	(61,463.29)	0.00	0.00	(108,460.29)	0.00	0.00	(3,786,198.49)
FINANCING COSTS								
Interest on LTD-Bonds	0.00	0.00	0.00	0.00	714,549.96	0.00	0.00	714,549.96
Interest on LTD-Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest on Transco Debt	1,454,235.00	0.00	0.00	0.00	0.00	0.00	0.00	1,454,235.00
Interest on Short-term Debt	6,267.71	0.00	0.00	0.00	0.00	0.00	0.00	6,267.71
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.	10,958.88	0.00	0.00	0.00	0.00	0.00	0.00	10,958.88
Amortization of Loss on Reaq.Debt.	0.00	0.00	0.00	0.00	743,033.76	0.00	0.00	743,033.76
Amortization of Bond Premium	0.00	0.00	0.00	0.00	(1,038,558.12)	0.00	0.00	(1,038,558.12)
Net Financing Expenses	1,471,461.59	0.00	0.00	0.00	419,025.60	0.00	0.00	1,890,487.19
Total Non-Operating (Inc) Exp	(2,144,813.32)	(61,463.29)	0.00	0.00	310,565.31	0.00	0.00	(1,895,711.30)
TOTAL Net Earnings(Loss)	\$ 2,204,744.21	\$ 508,030.72	0.00	0.21	1,042,273.17	27,613.96	(0.02)	3,782,662.25

Vt. Public Power Supply Authority
Consolidated Balance Sheet
December 31, 2018

	2018	2017
ASSETS		
Electric Utility Plant	47,669,970.68	47,389,131.56
Accumulated Depreciation	(30,448,289.13)	(28,854,762.35)
Utility Plant in Service	17,221,681.55	18,534,369.21
CWIP-McNeil	2,663.59	29,342.83
CWIP-Highgate	0.00	0.00
CWIP-P10	2,000.00	0.00
Net Electric Plant	17,226,345.14	18,563,712.04
Intangible Plant-Net of Amort.	977.88	370.49
<u>Current Assets:</u>		
Special Funds	3,219,414.11	3,352,310.65
Cash and Working Funds	1,538,439.39	1,144,328.40
Cash - REC's	0.00	0.00
Cash - Vt. Transco	543,729.24	985,833.99
Cash - VEV Proceeds	0.00	315,649.85
Special Deposits-Collateral	0.00	0.00
Temporary Investments	5,848,203.82	4,681,551.14
Investment in Associated Co.	265,000.00	0.00
Investment in Vt. Transco	41,888,780.00	40,641,060.00
Accounts Receivable	5,604,857.62	5,248,480.75
Amounts Due From Members	0.00	22,577.65
Notes Receivable	0.00	0.00
Interest/Distributions Receivable	1,276,706.55	1,206,272.54
McNeil Inventory	1,068,127.68	957,271.93
P10 Inventory	207,448.42	186,600.85
Meter Inventory	515.00	515.00
Other Current Assets	258,243.98	234,519.00
Total Current Assets	61,719,465.81	58,976,971.75
<u>Other Assets:</u>		
Deferred Debits	412,624.98	461,771.21
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	412,624.98	461,771.21
Total Assets	\$ 79,359,413.81	\$ 78,002,825.49

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
December 31, 2018

	2018	2017
LIABILITIES AND CAPITAL		
Unappropriated Retained Earnings	19,046,810.54	17,272,710.45
Unappropriated Earnings-Distributed	(1,193,836.48)	(1,193,836.48)
Appropriated Retained Earnings	11,007,039.99	8,998,477.83
Other Comprehensive Income	(69,236.94)	(112,717.64)
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Total Retained Earnings	28,790,777.11	24,964,634.16
<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	605,825.52	1,644,383.64
Unamortiz Loss-Reaqc Debt-P10	(433,436.40)	(1,176,470.16)
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Net Long-Term Debt	34,314,556.95	45,466,749.49
Def. Revenues - Members	163,288.25	0.00
Def. Credits-Accrued Vac Liab.	89,296.51	76,126.56
Def Credits-LT Salaries Payabl	0.00	0.00
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Total Deferred Revenues/Credits	252,584.76	76,126.56
<u>Current Liabilities:</u>		
Accounts Payable	2,935,906.39	2,957,827.37
Amounts due Members	438,175.80	627,011.85
Security Deposits	1,576.75	14,427.67
Short-term Bank Notes Payable	0.00	0.00
Current Maturities on L/T Debt	12,104,388.20	3,558,116.18
Derivative Instrument Liability	45,787.72	100,987.17
Accrued Interest	431,023.09	126,049.68
Accrued Taxes Payable	0.00	0.00
Accrued Salaries	27,601.98	21,499.54
Accrued Pension Contributions	2,158.75	1,676.72
Accrued Payroll Liabilities	655.96	1,460.24
Other Misc. Accrued Liabilities	14,220.35	86,258.86
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Total Current Liabilities	16,001,494.99	7,495,315.28
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Total Liabilities & Capital	\$ 79,359,413.81	\$ 78,002,825.49

Vermont Public Power Supply Authority
Non-Project Operations - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
<u>Operating Revenues</u>				
Sales for Resales	29,540,210.83	29,792,067.22	99%	29,792,067.22
Serv. Fees, Members & Affiliates	1,790,391.33	1,794,356.28	100%	1,794,356.28
Admin Fees Allocated to Projects	310,734.12	310,734.24	100%	310,734.24
Project 10 Labor & OH Revenue	98,826.99	100,071.27	99%	100,071.27
VELCO Directorship	20,000.00	18,000.00	111%	18,000.00
Renewable Energy Certificates	3,531,693.84	766,917.00	461%	766,917.00
Misc. Revenues	0.00	0.00	0%	0.00
Total Operating Revenues	35,291,857.11	32,782,146.01	108%	32,782,146.01
<u>Operating Expenses</u>				
Other Power Supply Expense				
OPSE-Purchased Power	21,567,927.80	19,349,121.02	111%	19,349,121.02
OPSE-REC Purchase Exp.	3,525.00	0.00	0%	0.00
OPSE-Purchase Pwr-'15 SO	126,985.23	135,219.00		135,219.00
OPSE-Purchase Pwr-'17 SO	0.00	32,431.00	0%	32,431.00
Total Other Power Supply Expense	21,698,438.03	19,516,771.02	111%	19,516,771.02
Transmission Expense				
TRSM-Oper-Transm by Others	11,328,825.98	10,995,594.19	103%	10,995,594.19
TRSM-Oper-Misc Transm Exp	12,158.33	7,800.00	156%	7,800.00
Total Transmission Expense	11,340,984.31	11,003,394.19	103%	11,003,394.19
Sales Expense				
REC Sales Expenses	3,604.68	0.00	0%	0.00
Total Sales Expense	3,604.68	0.00	0%	0.00
Admin & General Expense				
Salaries	1,149,007.75	1,195,887.96	96%	1,195,887.96
Payroll Overheads	87,755.36	94,327.60	93%	94,327.60
Office Supplies & Expense	194,272.84	205,856.00	94%	205,856.00
Outside Services	252,201.43	270,900.00	93%	270,900.00
Insurances	55,957.22	56,645.00	99%	56,645.00
Employee Benefits	341,883.88	350,501.68	98%	350,501.68
Memberships/Dues	19,689.99	13,000.00	151%	13,000.00
Conference & Travel Expenses	29,889.57	63,770.00	47%	63,770.00
Rents	0.00	0.00	0%	0.00
Transportation Expenses	3,404.07	3,000.00	113%	3,000.00
A & G Transferred Credit	0.00	0.00	0%	0.00
Total A & G Expenses	2,134,062.11	2,253,888.24	95%	2,253,888.24

Vermont Public Power Supply Authority
Non-Project Operations - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Other Operating Expenses				
Property Taxes	14,256.02	13,850.00	103%	13,850.00
Depreciation Expense	40,581.07	37,594.00	108%	37,594.00
Amortization Expense	0.00	0.00	0%	0.00
Total Other Operating Expenses	54,837.09	51,444.00	107%	51,444.00
Total Operating Expenses	35,231,926.22	32,825,497.45	107%	32,825,497.45
Total Operating Income (Loss)	59,930.89	(43,351.44)	-138%	(43,351.44)
Non-Operating (Income) Expenses				
Interest/Finance Chg Income	(43,942.18)	0.00	0%	0.00
Vt. Transco Income	(5,528,270.76)	(5,082,721.08)	109%	(5,082,721.08)
Non-Operating Income-Member Purch.	(15,088.72)	0.00	0%	0.00
Non-Operating Inc-Gain on Disp of Plant	0.00	0.00	0%	0.00
Misc. Non-Operating Income	(60.00)	(2,000.00)	3%	(2,000.00)
Non-Operating Expenses-Member Purchases	15,088.72	0.00	0%	0.00
Misc. Non-Operating Expenses	0.00	0.00	0%	0.00
Net Other Non-Operating (Inc) Exp	(5,572,272.94)	(5,084,721.08)	110%	(5,084,721.08)
Financing Costs				
Other Interest Expense	6,267.71	0.00	0%	0.00
Other Interest Expense-Transco	0.00	0.00	0%	0.00
Interest on LTD-Transco	1,454,235.00	1,455,581.10	100%	1,455,581.10
Amort. of Debt Issue Exp-Transco	10,958.88	7,500.00	146%	7,500.00
Transco Net Settlement Exp.	1,955,998.03	1,516,573.82	129%	1,516,573.82
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	3,427,459.62	2,979,654.92	115%	2,979,654.92
Total Non-Operating (Inc) Exp	(2,144,813.32)	(2,105,066.16)	102%	(2,105,066.16)
Total Net Earnings (Loss)	\$ 2,204,744.21	\$ 2,061,714.72	107%	\$ 2,061,714.72

Vermont Public Power Supply Authority
McNeil Project #2 - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
<u>OPERATING REVENUES & INCOME</u>				
Sales for ReSale	5,328,259.91	6,338,610.83	84%	6,338,610.83
REC Sales	0.00	0.00	0%	0.00
Total Operating Revenues & Income	5,328,259.91	6,338,610.83	84%	6,338,610.83
<u>OPERATING EXPENSES</u>				
STEAM PWR GENERATION-OPERATIONS				
SPG-Oper- Misc. Steam Power Expenses	120,160.41	117,558.84	102%	117,558.84
SPG-Oper-Supv&Engineering	83,170.34	81,993.72	101%	81,993.72
SPG-Oper-Steam Exp-Fuel Oil	21,546.90	995.99	2163%	995.99
SPG-Oper-Wood Fuel Expense	2,760,434.20	3,503,423.48	79%	3,503,423.48
SPG-Oper-Cap Rel Wood Ene Cost	52,874.83	0.00	0%	0.00
SPG-Oper-Natural Gas Fuel Exp.	11,746.35	16,786.51	70%	16,786.51
SPG-Oper-Steam Expenses	305,453.41	345,260.64	88%	345,260.64
SPG-Oper-Electric Expenses	142,774.24	128,039.88	112%	128,039.88
Total SPG-Operations Expense	3,498,160.68	4,194,059.06	83%	4,194,059.06
STEAM PWR GENERATION-MAINTENANCE				
SPG-Maint-Supv. & Engineering	22,797.54	18,603.12	123%	18,603.12
SPG-Maint-Structures	14,702.04	22,670.28	65%	22,670.28
SPG-Maint-Boiler	168,947.78	229,650.12	74%	229,650.12
SPG-Maint-Electric Plt	85,988.32	178,508.76	48%	178,508.76
SPG-Maint-Steam Plant	5,438.56	115,322.16	5%	115,322.16
Total SPG Maintenance Expense	297,874.24	564,754.44	53%	564,754.44
TRANSMISSION-OPERATIONS				
TRSM-Oper-Station Equipment	2,199.90	12,023.64	18%	12,023.64
TRSM-Oper-Rent	2,926.87	2,804.40	104%	2,804.40
Total TRSM Operation Expense	5,126.77	14,828.04	35%	14,828.04
TRANSMISSION-MAINTENANCE				
TRSM-Maint-Station Equipment	0.00	1,140.00	0%	1,140.00
Total TRSM Maintenance Expense	0.00	1,140.00	0%	1,140.00
OTHER POWER SUPPLY				
OPSE-Syst. Ctrl & Load Dispa	6,894.93	8,368.92	82%	8,368.92
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	6,894.93	8,368.92	82%	8,368.92
CUSTOMER SVS & INFORMATION				
Cust Svs & Info-Cust Assist.	0.00	0.00	0%	0.00
Cust Svs & Info-Info Adv Exp	12,732.53	10,716.60	119%	10,716.60
Total Cust Svs & Info Expense	12,732.53	10,716.60	119%	10,716.60
SALES EXPENES				
A&G - Sales Expense-REC's-McN	3,047.82	8,000.00	38%	8,000.00
Total Sales Expense	3,047.82	8,000.00	38%	8,000.00
ADMINISTRATIVE & GENERAL				
A&G-Salaries-McN	145,872.50	146,438.04	100%	146,438.04
A&G-Office Supplies & Exp-McN	26,276.29	33,106.68	79%	33,106.68

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
A&G-Outside Services-McN	41,438.25	52,207.32	79%	52,207.32
A&G-Property Insurance-McN	40,274.44	39,925.80	101%	39,925.80
A&G-Injuries & Damages-McN	15,329.66	42,150.60	36%	42,150.60
A&G-Safety Meetings&Equip-McN	42,134.33	0.00	0%	0.00
A&G-Environmental Compl.-McN	188.32	0.00	0%	0.00
A&G-Employee Ben Alloc-McN	16,774.92	16,774.92	100%	16,774.92
A&G-Employee Ben-Pension-McN	107,313.46	0.00	0%	0.00
A&G-Employee Ben-McN Health	128,942.24	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	678.55	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	(281,231.58)	0.00	0%	0.00
A & G - Employee Ben-McN Taxes	49,611.22	0.00	0%	0.00
A&G-Misc General Expense-McN	1,243.66	68.40	1818%	68.40
A&G-Misc. - McN	0.00	0.00	0%	0.00
A&G-Maint of General Plant	572.32	1,991.16	29%	1,991.16
Total Administrative Expense	335,418.58	332,662.92	101%	332,662.92
OTHER				
Taxes- In Lieu of Property Taxes	250,020.40	285,099.94	88%	285,099.94
Depreciation Expense	472,349.04	505,525.00	93%	505,525.00
Amortization Expense	67.49	0.00	0%	0.00
Total Other Expenses	722,436.93	790,624.94	91%	790,624.94
Total Operating Expenses	4,881,692.48	5,925,154.92	82%	5,925,154.92
Total Operating Income (Loss)	446,567.43	413,455.91	108%	413,455.91
<u>NON-OPERATING (INCOME) & EXPENSES</u>				
Interest Income-McN	(29,543.29)	(500.00)	5909%	(500.00)
Gain/Loss -Disp of Utility Plt	(31,920.00)	0.00	0%	0.00
Misc. Non-Oper. Income-McN	0.00	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	(61,463.29)	(500.00)	12293%	(500.00)
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	(61,463.29)	(500.00)	12293%	(500.00)
Total Net Income (Loss)	\$ 508,030.72	\$ 413,955.91	123%	\$ 413,955.91

Vermont Public Power Supply Authority
Highgate Project #3 - Profit & Loss Statement
December 31, 2018

	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	0.00	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	0.00	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	0.00	0.00	0%	0.00
Total Operating Income (Loss)	0.00	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)	\$ 0.00	\$ 0.00	0%	\$ 0.00

Vermont Public Power Supply Authority
Central Computer Project #4 - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Bdgt	Annual Budget
<i>Revenues</i>				
Total Project 4 Revenue	114,193.65	115,404.36	99%	115,404.36
<i>Operating Expenses</i>				
A&G-C.Comp-Non Budgeted Exp.	0.00	0.00	0%	0.00
A&G-Computer/Printer Sup.-CC	0.00	1,200.00	0%	1,200.00
A&G-Comp Hard/Soft Maint.-CC	68,925.12	68,936.04	100%	68,936.04
A&G-Online Charges-CComp	1,809.00	1,809.00	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	43,459.32	43,459.32	100%	43,459.32
Depreciation Expense-CC	0.00	0.00	0%	0.00
Total Operating Expenses	114,193.44	115,404.36	99%	115,404.36
<i>Financing Costs</i>				
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	114,193.44	115,404.36	99%	115,404.36
Net Earnings (Loss)	\$ 0.21	\$ 0.00	0%	\$ 0.00

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
REVENUES & OTHER OPERATING INCOME				
Sales for ReSale	3,296,106.35	3,257,836.44	101%	3,257,836.44
Other Revenues	0.00	0.00	0%	0.00
Total Revenues & Operating Income	3,296,106.35	3,257,836.44	101%	3,257,836.44

OPERATING EXPENSES**OTHER PWR GENERATION-OPERATIONS**

OPG-Oper-Superv & Engineer Exp	0.00	0.00	0%	0.00
OPG-Oper-Fuel Oil Exp.	126,979.70	152,353.97	83%	152,353.97
OPG-Oper-Fuel Biodiesel Exp.	0.00	0.00	0%	0.00
OPG-Oper-Fuel-Dem Wtr-P10	14,276.00	7,500.00	190%	7,500.00
OPG-Fuel-Starting Diesel	1,065.63	600.00	178%	600.00
OPG-Oper-Generation Exp-Direct Lbr	39,519.62	44,023.58	90%	44,023.58
OPG-Oper-Generation Exp-Lbr	442.00	3,000.00	15%	3,000.00
OPG-Oper-Generation Exp-EngLbr	0.00	12,000.00	0%	12,000.00
OPG-Oper-Generation Exp-Materi	0.00	600.00	0%	600.00
OPG-Oper-Generation Exp-OH	13,317.32	15,018.46	89%	15,018.46
OPG-Oper-Misc & Other Gen	19.99	0.00	0%	0.00
OPG-Oper-Misc & Oth Gen-Materi	2,398.65	1,200.00	200%	1,200.00
OPG-Oper-Misc & Oth Gen-Tools	747.88	1,200.00	62%	1,200.00
OPG-Oper-Misc Gen-Comp. Har/So	9,808.13	11,887.00	83%	11,887.00
OPG-Oper-Misc Gen-Permits	762.40	875.00	87%	875.00
OPG-Oper-Misc Gen-Electric	90,850.34	101,925.00	89%	101,925.00
OPG-Oper-Misc Gen-Ben/Incident	0.00	600.00	0%	600.00
OPG-Oper-Misc Gen-Tel/Internet	5,457.80	5,340.00	102%	5,340.00
OPG-Oper-Misc Gen-Groundskeep	9,456.30	22,950.00	41%	22,950.00
OPG-Oper-Misc Gen-Transp Exp	0.00	600.00	0%	600.00
OPG-Oper-Misc Gen-Trash Rem	846.44	840.00	101%	840.00
OPG-Oper-Misc Gen-Water	2,856.76	2,280.00	125%	2,280.00
OPG-Oper-Misc Gen-Waste Tax	0.00	2,400.00	0%	2,400.00
OPG-Oper-Misc Gen-Waste Rem	0.00	5,400.00	0%	5,400.00
OPG-Oper-Misc Gen-CO2 System	7,094.12	10,200.00	70%	10,200.00
OPG-Oper-Misc & Oth Gen-Train	0.00	15,000.00	0%	15,000.00
OPG-Oper-Misc Gen-Security Sys	1,111.31	5,900.00	19%	5,900.00
OPG-Oper-Misc Gen-Mileage	1,088.38	1,200.00	91%	1,200.00
OPG-Oper-Misc Gen-Admin Supplies	58.79	600.00	10%	600.00
OPG-Rents-P10	1,080.00	1,800.00	60%	1,800.00
OPG-Rents-Land Lease-P10	1,515.12	1,515.12	100%	1,515.12
Total OPG-Operations Expense	330,752.68	428,808.13	77%	428,808.13

OTHER PWR GENERATION-MAINTENANCE

OPG-Maint-Superv & Eng Exp.	0.00	0.00	0%	0.00
OPG-Maint-Structures	6,530.62	1,800.00	363%	1,800.00
OPG-Maint-Gen&Elec Eq-Dir Lbr	35,018.24	29,100.36	120%	29,100.36
OPG-Maint-Gen & Elec Eq-Labor	33,187.10	31,000.00	107%	31,000.00
OPG-Maint-Gen & Elec Eq-Materi	1,962.82	29,000.00	7%	29,000.00
OPG-Maint-Gen & Elec Eq-OH	10,971.81	9,927.50	111%	9,927.50
OPG-Maint-Misc. Oth Pwr Gen Pl	45.75	600.00	8%	600.00
Total OPG Maintenance Expense	87,716.34	101,427.86	86%	101,427.86

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
December 31, 2018

	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	600.00	0%	600.00
Transm-Oper-Ovhd Lines Exp	0.00	300.00	0%	300.00
Transm-Oper-Transm. by Others	122.38	240.00	51%	240.00
Transm-Oper-Misc Transm Exp	0.00	0.00	0%	0.00
Total TRSM Operation Expense	122.38	1,140.00	11%	1,140.00
TRANSMISSION-MAINTENANCE				
Transm-Maint-Structures	0.00	600.00	0%	600.00
Transm-Maint-Station Equip.	26,886.16	33,255.00	81%	33,255.00
Transm-Maint-Overhead Lines	0.00	600.00	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	26,886.16	34,455.00	78%	34,455.00
OTHER POWER SUPPLY				
OPSE-Power Supply - P10	0.00	0.00	0%	0.00
OPSE-Sys Cntrl & Ld Disp - P10	8,473.75	7,320.00	116%	7,320.00
Total Other PS Expense	8,473.75	7,320.00	116%	7,320.00
REGIONAL MARKET EXPENSES				
RME-Market Monitor/Compl-Gen	5,516.75	40,000.00	14%	40,000.00
RME-Market Monitor/Compl-L&O	0.00	2,001.42	0%	2,001.42
Total Reg. Market Expense	5,516.75	42,001.42	13%	42,001.42
ADMINISTRATIVE & GENERAL				
A & G - Salaries - P10	44,850.84	44,850.84	100%	44,850.84
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	283.95	600.00	47%	600.00
A&G-Local Meals Exp-P10	106.69	300.00	36%	300.00
A & G-Utilities- P10	0.00	0.00	0%	0.00
A & G-Telephone- P10	0.00	120.00	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	0.00	0.00	0%	0.00
A&G-Office Supp&Exp - P10 Alloc	16,774.92	14,456.88	116%	14,456.88
A&G-Outside Svs Legal-P10	435.67	6,000.00	7%	6,000.00
A&G-Outside Svs Other-P10	35,952.00	46,400.00	77%	46,400.00
A&G-Outside Svs-P10 Admin	14,456.88	10,836.00	133%	10,836.00
A&G-Property Insurance-P10	163,201.07	127,463.48	128%	127,463.48
A&G-Prop Insurance-P10 Admin	0.00	0.00	0%	0.00
A&G-Pollution Insurance-P10	7,881.73	8,183.85	96%	8,183.85
A&G-General Liability Ins-P10	19,937.00	19,992.58	100%	19,992.58
A&G-Injuries & Damages-P10	13,518.75	13,519.83	100%	13,519.83
A&G-P10 Saftey Mtg & Rel Exp.	2,319.21	5,715.68	41%	5,715.68
A&G-P10 W/C Related	3,107.49	0.00	0%	0.00
A&G-Employee Benefits-P10	10,836.00	16,774.92	65%	16,774.92
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	333,662.20	315,214.06	106%	315,214.06

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
OTHER OPERATING EXPENSES				
Property Taxes	20,603.95	20,000.00	103%	20,000.00
Depreciation Expense	1,129,533.66	1,128,843.96	100%	1,128,843.96
Amortization Expense	0.00	0.00	0%	0.00
Total Other Operating Expenses	1,150,137.61	1,148,843.96	100%	1,148,843.96
Total Operating Expenses	1,943,267.87	2,079,210.43	93%	2,079,210.43
Net Operating Income (Loss)	1,352,838.48	1,178,626.01	115%	1,178,626.01
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	(108,460.29)	(15,000.00)	723%	(15,000.00)
Net Other Non-Operating (Inc) Exp	(108,460.29)	(15,000.00)	723%	(15,000.00)
FINANCING COSTS				
Interest on LTD-P10 Bonds	714,549.96	346,112.52	206%	346,112.52
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	743,033.76	743,033.76	100%	743,033.76
Amortiz. of Premium-P10	(1,038,558.12)	(1,038,558.12)	100%	(1,038,558.12)
Net Financing Expenses	419,025.60	50,588.16	828%	50,588.16
Total Non-Operating (Inc) Exp	310,565.31	35,588.16	873%	35,588.16
TOTAL P10 INCOME (LOSS)	\$ 1,042,273.17	\$ 1,143,037.85	91%	\$ 1,143,037.85

Vermont Public Power Supply Authority
Renewable Energy Standards Project - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-RES Tier 1	\$ 164,664.01	\$ 194,033.82	85%	194,033.82
Service Revenue-RES Tier 2	19,811.24	54,094.56	37%	54,094.56
Service Revenue-RES Tier 3	42,410.74	104,706.24	41%	104,706.24
Total RES Operating Revenue	226,885.99	352,834.62	64%	352,834.62
Operating Expenses				
OTHER POWER SUPPLY EXPENSE				
OPSE-REC Purchase Exp-Tier 1	132,710.85	188,982.96	70%	188,982.96
OPSE-REC Purchase Exp-Tier 2	18,540.00	52,823.22	35%	52,823.22
OPSE-REC Purchase Exp-Tier 3	0.00	0.00	0%	0.00
Total Other Power Supply Expense	151,250.85	241,806.18	63%	241,806.18
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	1,904.50	9,000.00	21%	9,000.00
Total Cust Svs & Info Expense	1,904.50	9,000.00	21%	9,000.00
SALES EXPENES				
Sales-Misc Sales Exp-RES T1	3,068.20	3,780.00	81%	3,780.00
Sales-Misc Sales Exp-RES T2	0.00	0.00	0%	0.00
Sales-Misc Sales Exp-RES T3	14,800.00	66,000.00	22%	66,000.00
Total Sales Expense	17,868.20	69,780.00	26%	69,780.00
ADMINISTRATIVE & GENERAL				
A&G-Salaries-AdminAlloc-RES T1	655.92	655.92	100%	655.92
A&G-Salaries-AdminAlloc-RES T2	655.92	655.92	100%	655.92
A&G-Salaries-AdminAlloc-RES T3	13,264.68	13,264.68	100%	13,264.68
A&G-O S&E-AdminAlloc-RES T1	211.44	211.44	100%	211.44
A&G-O S&E-AdminAlloc-RES T2	211.44	211.44	100%	211.44
A&G-O S&E-AdminAlloc-RES T3	4,275.60	4,275.60	100%	4,275.60
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	0.00	3,999.96	0%	3,999.96
A&G-Outside Svs-RES T1 Admin	158.52	158.52	100%	158.52
A&G-Outside Svs-RES T2 Admin	158.52	158.52	100%	158.52

Vermont Public Power Supply Authority
Renewable Energy Standards Project - Profit & Loss Statement

December 31, 2018

A&G-Outside Svs-RES T3 Admin	3,204.72	3,204.72	100%	3,204.72
A&G-Employee Ben Alloc-RES T1	245.28	245.28	100%	245.28
A&G-Employee Ben Alloc-RES T2	245.28	245.28	100%	245.28
A&G-Employee Ben Alloc-RES T3	4,961.16	4,961.16	100%	4,961.16
Total Administrative Expense	28,248.48	32,248.44	88%	32,248.44
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	199,272.03	352,834.62	56%	352,834.62
Total Operating Income (Loss)	27,613.96	0.00	0%	0.00
<u>NON-OPERATING (INCOME) & EXPENSES</u>				
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
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
Total Non-Operating (Income) & Expen	0.00	0.00	0%	0.00
Total Net Income (Loss)	\$ 27,613.96	\$ 0.00	0%	\$ 0.00

Vermont Public Power Supply Authority
Net Metering Project - Profit & Loss Statement
December 31, 2018

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-Net Metering	\$ 77,531.41	\$ 84,189.00	92%	84,189.00
Total Net Metering Operating Revenue	77,531.41	84,189.00	92%	84,189.00
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	33,638.16	33,637.80	100%	33,637.80
A&G-OS&E-Amin Alloc-NM	10,842.60	10,842.60	100%	10,842.60
A&G-Outside Services-Legal-NM	0.00	2,000.04	0%	2,000.04
A&G-Outside Svs-Other-NM	12,225.25	0.00	0%	8,127.00
A&G-Outside Svs-NM Admin	8,127.00	8,127.00	100%	0.00
A&G-Employee Benefits Alloc-NM	12,581.28	12,581.28	100%	12,581.28
A&G-Misc - NM	117.14	0.00	0%	0.00
Total Administrative Expense	77,531.43	67,188.72	115%	67,188.72
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	17,000.03	0%	17,000.03
Total Other Expenses	0.00	17,000.03	0%	17,000.03
Total Operating Expenses	77,531.43	84,188.75	92%	84,188.75
Total Operating Income (Loss)	(0.02)	0.25	-8%	0.25

Vermont Public Power Supply Authority
Net Metering Project - Profit & Loss Statement
December 31, 2018

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)	(\$ 0.02)	\$ 0.25	-8%	\$ 0.25
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Vermont Public Power Supply Authority

BOARD RESOLUTION 2019-01

Ratification of 2018 Actions

IT IS HEREBY RESOLVED THAT the Vermont Public Power Supply Authority hereby ratifies all actions and resolutions taken by its Board of Directors during the year 2018; and

IT IS FURTHER RESOLVED THAT the Vermont Public Power Supply Authority hereby ratifies all actions of Directors, Officers, and the General Manager taken on behalf of the Authority during 2018 pursuant to any resolutions of the Authority made before January 1, 2019; and

IT IS FURTHER RESOLVED THAT the Vermont Public Power Supply Authority hereby ratifies all actions taken by its representatives and alternate representatives in their capacities as representatives and alternates to the McNeil Station Joint Owners Operating Committee and the Highgate Joint Owners Operating Committee during the year 2018.

Dated this 6th day of February, 2019.

ATTESTED:



Crystal Currier, Secretary

Memorandum

To: VPPSA Board of Directors
From: Crystal Currier, Controller
Date: February 1, 2019
Subject: **Agenda Item 7** – Project #10 Reserve and Contingency Fund True-Up

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

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

The R & C fund calculation and Resolution 2019-02 (Project #10 2018 Reserve & Contingency True-Up) are attached for the Board’s consideration. VPPSA staff recommends the transfer of excess funds related to the 2018 R&C True-up, to the Project #10 reserve fund.

Proposed Motion:

Move to approve Resolution 2019-02 (Project #10 2018 Reserve & Contingency Fund True-Up) as presented.

Vermont Public Power Supply Authority

BOARD RESOLUTION 2019-02

Project 10 2018 Reserve & Contingency Fund True-Up

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

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

WHEREAS, the Reserve and Contingency Fund is "trued-up" at the end of each bond year (December 31st) and the Trustee is required to transfer excess funds to the Revenue Fund; and

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

NOW, THEREFORE, it is hereby resolved by the Board of Directors of the Authority that any excess funds remaining after a reserve of \$100,000 is retained, and the capital improvements for the bond year of January 1, 2018 through December 31, 2018 have been duly paid, shall be transferred to the Project #10 Reserve fund.

Adopted by the Board of Directors this 6th day of February, 2019.

ATTESTED: Crystal L Currier
Crystal Currier, Secretary

VERMONT PUBLIC POWER SUPPLY AUTHORITY
P10 RESERVE AND CONTINGENCY FUND - Annual True-Up
FOR DECEMBER 31, 2018

		<u>Series A</u>	<u>Series B</u>	<u>Total</u>	
<u>SOURCES:</u>					
R & C Fund Balance from prior year		\$ 95,437.00	\$ 4,563.00	\$ 100,000.00	
Monthly Fund Deposits		\$ 87,695.41	\$ 4,964.53	\$ 92,659.94	
Interest Earned		\$ 2,141.37	\$ 108.70	\$ 2,250.07	
Total Funds Available		\$ 185,273.78	\$ 9,636.23	\$ 194,910.01	
<u>USES:</u>					
Capital Improvements:					
Minimum Fund Balance	\$ 100,000.00	\$ 95,437.00	\$ 4,563.00	\$ 100,000.00	(1)
Capital Additions-January 1 - December 31, 2018	\$ 41,428.00	\$ 39,208.37	\$ 2,219.63	\$ 41,428.00	(2)
Excess Funds Transferred to P10 Reserve Fund	\$ 53,482.01	\$ 50,628.41	\$ 2,853.60	\$ 53,482.01	(3)
		\$ -		\$ -	
				\$ -	
Total Fund Requirements	\$ 194,910.01	\$ 185,273.78	\$ 9,636.23	\$ 194,910.01	
Net Fund Balance		\$ -	\$ -	\$ -	
Reserve & Contingency Refund(Charge)		\$ -	\$ -	\$ -	
<u>Refund (Charge) Allocation:</u>					
Barton	2.2633%	\$ -	\$ -	\$ -	-
Enosburg Falls	4.9247%	\$ -	\$ -	\$ -	-
Hardwick	10.1638%	\$ -	\$ -	\$ -	-
Jacksonville	2.5148%	\$ -	\$ -	\$ -	-
Johnson	7.5443%	\$ -	\$ -	\$ -	-
Ludlow	10.4782%	\$ -	\$ -	\$ -	-
Lyndonville	20.5372%	\$ -	\$ -	\$ -	-
Morrisville	9.4303%	\$ -	\$ -	\$ -	-
Northfield	12.5738%	\$ -	\$ -	\$ -	-
Orleans	7.4395%	\$ -	\$ -	\$ -	-
Swanton	7.6491%	\$ -	\$ -	\$ -	-
VEC	4.4810%	\$ -	\$ -	\$ -	-
		\$ -	\$ -	\$ -	

NOTES:

(1) - Per the P10 General Bond Resolution, the R & C funds are used for capital improvements as needed; however, the fund must maintain a minimum balance of \$100,000.

(2) - Indicates cost of Capital Improvements for 2018

(3) - Excess Funds transferred to P10 Reserve

Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: February 1, 2019
Subject: **Agenda #8** – Accepting Credit Cards from Members

Director Sullivan contacted staff in January to ask if we accepted credit cards for member payments (including power supply charges). After talking this through it became clear that his primary reason for asking was related to new “unlimited cashback” cards that are becoming available to commercial accounts. His initial assessment was that using this type of card for paying VPPSA bills could return a six-figure cashback payment for Hardwick.

VPPSA has not accepted credit cards in the past and had not really considered this approach. Staff was concerned that the charges to the Authority could offset any member savings but agreed to consider the concept.

Initial research has born out the staff concerns:

Square – The simplest processor used by many small businesses would charge VPPSA 3.5% of the transaction value plus \$0.15 per transaction.

Paysimple – alternative startup would charge 2.49% of transaction value plus \$0.29 per transaction

This research implies that the typical approach for small business card processing would not be economical for VPPSA. However, a review of commercial scale card processors indicated economic alternatives might be available:

Merchant One – 1.55% to 1.89%

Flagship merchant Services – 1.58% to 1.98%

The fees related to credit card processing appear to be very complex and composed of several components. To proceed with evaluating this option would require staff do undertake more extensive outreach and a more complex analysis.

Since it appears that VPPSA would need to charge around a 1.50% fee for using credit cards, leaving members with a maximum 0.50% benefit staff feels a Board discussion is worthwhile before proceeding.

Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: February 1, 2019
Subject: **Agenda #9** – AMI Readiness Report Status

The AMI readiness visits are complete, and staff is reviewing draft reports for each participating member. Initial reviews find most member readiness to be “Fair” with only a couple of “Difficult” and a couple of “Good” results.

Staff will give a general overview of the findings and the areas being graded, along with reviewing the proposal for process going forward to gather Board buy-in for the remaining process.

Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: February 1, 2019
Subject: **Agenda #10** – HPE Suggestion of Legislative Regulatory Service

In response to the Board's last conversation related to Hyde Park's (HPE) withdrawal from VPPSA I received an e-mail from Carol Robertson indicating that absent another position from her Trustees Carol now envisioned HPE remaining in VPPSA through the required November, 2019 termination date and continuing to use our services (except power supply) through that time. In November she envisions a complete separation from VPPSA.

Carol and I had a follow up call where she further expressed that HPE saw value in continuing to work with VPPSA on regulatory and legislative issues, and she felt that having VPPSA become the vehicle for a centralized public power voice could be quite powerful. However, she disagreed that providing regulatory services to HPE at a contract rate (i.e. \$100/hour) was a workable solution.

Instead Carol suggested that VPPSA should break its regulatory and legislative services out into a project and provide them as a subscription service, much like we do with the net metering software and central computer. By doing this, and making the Legislative Committee more directly involved with position development she felt VPPSA could attract participation from other non-members without requiring that they pay full dues and have a seat on the Board of Directors.

Given that legislative issues have been managed a number of ways over past years, both inside and beside VPPSA (i.e. through MEAV and the Group of 14) I felt this suggestion was worth Board discussion.

Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: February 1, 2019
Subject: **Agenda #11** – Renewable Energy Standard Customer Notification

The first Renewable Energy Standard compliance report for VPPSA has been approved by the PUC, and we are now required to move forward in complying with the customer notification provisions in the statute.

Those provisions require that we develop two charts: 1) representing the sources of power before any REC transactions, and 2) our portfolio after REC transactions that was reported for compliance purposes. These charts must be posted on our website, and notice of where to find them must be sent to all customers.

In beginning to develop the charts staff uncovered an unintended consequence. Since VPPSA complies with the RES in aggregate, our report to the PUC represented the combined position of all members participating in VPPSA's RES project. This is the chart that is required to be posted., and from a logistical standpoint that is fairly simple. VPPSA can post the chart on our website and work with each member to notify customers to look on the VPPSA website for compliance information.

However, if individual members then show their own Renewable Energy Standard or renewability status separate from the VPPSA composite then there is room for confusion and questions. This is particularly evident related to Swanton which routinely shows charts showing its supply as 100% renewable, supplied mostly from the Orman Croft hydro facility. While VPPSA itself includes Swanton as 100% renewable in our composite chart, overall VPPSA shows hydro as a much smaller piece of our compliance and the overall portfolio as only about 55% renewable.

Before we proceed with posting charts and preparing notification documents staff would like to talk through the processes and implications with the Board.

Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: February 1, 2019
Subject: **Agenda #12** – Legislative Issues Affecting VPPSA

Normally staff would discuss legislative issues through Board updates and the Legislative Committee; however, several “reports” have recently been issued by the PUC and sent to the legislature where they are expected to be turned into Bills. There are enough of the reports, which sufficient potential impact, that a broader discussion is warranted.

§108 Revisions – VPPSA requested revisions have now received support from the PUC and DPS. A Bill is being crafted based on Senator Cummings sponsorship and will be introduced in the Senate Finance committee. We expect it to move expeditiously.

Standard Offer Exemptions – The PUC has recommended that no further Standard Offer Exemptions be allowed and that the existing exemptions (for BED, Swanton, and WEC) only remain in place if those utilities meet the test every year. If they miss one year then the exemption would be gone forever. This change could immediately impact Swanton, but all three exempt utilities have concerns since they each rely on one generator to meet the test (BED=McNeil, Swanton=Orman Croft hydro, WEC=Coventry landfill gas). GMP and VEC support the PUC’s proposal. BED, VPPSA and WEC will oppose it and work to retain the exemptions.

EV Chargers – The PUC is recommending that third party EV charger owners be exempt from regulation but utility chargers be fully regulated. They argue that ratepayer funds are used for utility chargers so regulation is warranted, and that third parties still need to buy their electricity from the utility so the PUC can control rates through the utilities. This leaves customer protection to the Attorney General and ignores the fact that this approach will set up a network similar to broadband where private parties serve economical locations and leave the rest of the state unserved.

Rate Design – while still a PUC issue, there is a rate design case underway that proposes to require utilities to develop more dynamic rates and potentially to grant a “demand holiday” to EV chargers to make them economical. This case, when combined with other issues before the legislature could place additional costs on the utilities.

Broadband – When Melissa and I presented the VPPSA overview to the House Energy & Technology committee we were asked if VPPSA’s members were considering providing broadband service within their communities. We answered that there was little interest

for making broadband a utility service. However, the concept of having utilities at least provide the infrastructure backbone for third parties to use in providing broadband service is gaining traction. Several Bills have been introduced to support expanding broadband and the Governor made it a priority in his budget address. Lawmakers are looking at other states where municipals and cooperatives have successfully deployed broadband and are beginning to ask why that can't work in Vermont.

VW Settlement – Again not a direct legislative issue but tied into the EV discussion. The next round of VW grant applications is due in April, so if any members want to apply we would need to get started now.

This discussion is intended to give the Board the latest status on these issues and begin refining VPPSA overall message.