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Advisory and Risk Management Meeting Minutes

March 12, 2020

Committee Directors:

P	Reginald Beliveau, Swanton		Steve Fitzhugh, Northfield

Other Directors present:

X	Bill Humphrey, Lyndonville	X	Tom Petraska, Ludlow
P	Craig Myotte	X	John Morley, Orleans

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

Alternates present:

None	

Others present:

Ken Nolan, VPPSA	Amy Parah, VPPSA	

Numbers in bold type correspond with agenda item numbers:

1. The meeting was called to order at 9:32 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 meeting held July 10, 2019 were tabled due to lack of a quorum.
5. The Minutes of the meeting held September 11, 2019 were tabled due to lack of a quorum.
6. The Minutes of the meeting held November 13, 2019 were tabled due to lack of a quorum.
7. The General Manager reminded the Committee that at the last Board meeting the consensus was to allow Board members to self-select committee assignments and attend any meeting they chose. The General Manager explained that as a governmental body this approach presents a few challenges in order to comply with open meeting laws. There was a discussion regarding the



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options (keeping the current structure, self-selecting assignments, assignments by the Chair), the possibility of creating committee charters and the language that would be required. The consensus was that the Chair should not appoint a specific person to be on a Committee. It should be voluntary but strong encouragement from the Chairman may be helpful. Some solutions discussed were, explicitly keeping the Committee meetings informal with no authority to vote (if this could legally eliminate the need for a quorum) although this approach created a concern that the committee meetings' purpose would be eliminated, or revert back to monthly Board meetings. Further discussion will be on the agenda at the April Board meeting.

8. The General Manager updated the Committee on the continued steps taken to refine VPPSA's proposal for management services to Barton. Those include: 1) the proposal has been shared with relevant staff, Board members and legal counsel, 2) a draft contract between Barton and VPPSA has been developed and is under review, 3) a draft contract between Lyndonville and VPPSA is being developed, 4) VPPSA staff has reviewed Barton's FY20 to understand how the existing VEC contract is embedded in Barton's budget and developed a draft reflecting VPPSA's proposed cost structure as a replacement, and 5) the Field Service Manager position has been posted for hire.
9. The General Manager noted that during his member outreach visits, several members have mentioned an interest in battery storage at their substations. There was a discussion regarding the interest in battery storage, battery storage partners that have been reaching out to various entities in Vermont and the timing for VPPSA to potentially issue a storage RFP, similar to the approach that was taken with regard to solar in 2017. The Committee was asked for their feedback as to whether this effort is something that VPPSA staff should proceed with and if so, how to approach the project. Members are interested in what services will be provided, price, requirements, location and economic sense. Concern for chemicals, and recycling when its useful life is up were also discussed.

The General Manager also informed the Committee that Melissa Bailey was testifying at the Legislature at this moment on the Senate Finance Committee's proposal to increase Vermont's RES to 100% and double Tier 2 requirements from 10% to 20% by 2030. The draft Bill Ms. Bailey is testifying on would establish a new requirement for utilities to build small in-state renewables co-located with storage. The General Manager expressed this as yet another example of the growing pressure to begin evaluating storage options, and suggested to the Committee that staff felt an RFP would also be useful in refuting some of the claims being made in legislative discussions with actual developer pricing information. This will be discussed further at the Legislative and Regulatory meeting later today.

10. The General Manager informed the Committee that several issues have surfaced with regard to VPPSA's access to customer information and the relationship with the VPPSA members. Specifically: 1) during the Great Blue Research survey, VPPSA was not able to obtain customer contact information from some members; therefore, Great Blue needed to purchase this information from mailing list sellers; 2) while processing Tier 3 rebates, VPPSA staff is experiencing difficulty verifying that the rebate submitters are actually VPPSA member customers and expects this difficulty to increase as the VPPSA programs ramp up; and 3) some VPPSA members have expressed concern that VPPSA staff is getting between the members and their customers from a communication and key account perspective. The concerns and difficulties that these issues bring to the table were discussed. The General Manager informed the Committee that he had discussed the issue with legal counsel and had received the advice to seek a PUC order allowing VPPSA access to member customer data as an extension of the members. The Committee supported moving forward with this PUC filing. A secondary conversation around the mechanics of the VPPSA/member relationship in dealing with customer outreach would be useful to minimize future frictions as VPPSA's RES Tier 3 programs continue to expand. If time allows at the April meeting Julia Leopold and Great Blue will speak about the challenges that have surfaced to date to help

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frame the broader Board discussion. If this conversation cannot occur in April due to time constraints it will occur in June.

11. Other Business: None

The meeting was adjourned at 11:09 a.m.

Respectfully submitted,

Amy Parah

Amy Parah, Assistant Secretary