



Vermont Public Power Supply Authority  
**Regular Board of Directors Meeting**  
9:30 AM, February 2, 2022

5195 Waterbury-Stowe Road, Waterbury Center, Vermont 05677

**CALL IN NUMBER: 1-650-419-1505**

**MEETING ID: #802244767#**

<https://v.ringcentral.com/join/802244767>

**Directors**

Vacant, Barton	Jonathan Elwell, Enosburg	Mike Sullivan, Hardwick
Vacant, Jacksonville	Meredith Dolan, Johnson	Thomas Petraska, Ludlow
Bill Humphrey, Lyndonville	Penny Jones, 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 **(9:30)**
2. Consideration of changes/modifications to agenda **(3) (9:31)**
3. Public Comment **(2) (9:34)**

**Action Items**

4. Minutes of the 01/05/2022 Regular Board of Directors Meeting **(3) (9:36)**
5. Operational Revenue vs Expense Summary for period ending 12/31/2021 (Crystal) **(10) (9:39)**
6. Resolution 2022-02 P10 R&C True-up **(5) (9:49)**

**Discussion Items**

7. AMI Project Update (Ken S.) **(5) (9:54)**
8. Legislative/Regulatory (Melissa) **(20) (9:59)**
9. On Bill Finance - invited guests VHFA and EVT **(30) (10:19)**
10. RES Project Update (Julia) **(15) (10:49)**
11. Power Supply Update (Shawn) **(10) (11:04)**
12. GIS Update (Alex) **(10) (11:14)**
13. Project 10 Update (Dave G./Ken N.) **(10) (11:24)**
14. GM Update - (Ken N.) **(10) (11:34)**
15. Board Member Updates **(5) (11:44)**

**Executive Session**

16. Personnel **(30) (11:49)**

**Other**

17. Other Business **(5) (12:19)**

**CC:**

Tin Barton-Caplin, Barton	Vacant, Ludlow
Gary Denton, Enosburg	Vacant, Morrisville
Vacant, Hardwick	Jeff Schulz, Northfield
Vacant, Jacksonville	Marilyn Prue, Orleans
Vacant, Johnson	Lynn Paradis, Swanton
Clayton O. Bailey, Lyndonville	

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**Regular Board of Directors  
Meeting Minutes**

January 5, 2022

**Board of Directors:**

	Vacant, Barton		Bill Humphrey, Lyndonville
	Jonathan Elwell, Enosburg	<b>P</b>	Penny Jones, Morrisville
<b>P</b>	Mike Sullivan, Hardwick	<b>P</b>	Stephen Fitzhugh, Northfield
	Vacant, Jacksonville	<b>X</b>	John Morley, Orleans
<b>P</b>	Meredith Dolan, Johnson	<b>X</b>	Reginald Beliveau, Swanton
<b>P</b>	Thomas Petraska, Ludlow		

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

**Alternates present:**

Lynn Paradis, Swanton (P)	

**Others present:**

Ken Nolan, VPPSA (X)	Heather D’Arcy VPPSA (P)	
Kim Lyon, VPPSA (X)	Melissa Bailey, VPPSA (P)	
Alex Nicholson, VPPSA (P)	Ken St. Amour, VPPSA (P)	
Josh Bancroft, VPPSA (P)	Steve Farman VPPSA(P)	
James Gibbons, BED (P)	Amanda Simard VPPSA(P)	
Amy Parah, VPPSA (P)	Shawn Enterline VPPSA (P)	

**Numbers in bold type correspond with agenda item numbers:**

- Chairman Beliveau called the meeting to order at 9:33a.m.
- Chairman Beliveau asked if there were requests for changes and/or modifications to the current agenda. The General Manager requested an executive session regarding personnel and contractual matters.
- Chairman Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public in attendance.
- Director Morley made a motion to accept the minutes of the Regular Board of Directors meeting held on December 1, 2021. The motion was seconded by Director Jones. Motion approved.



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5. Director Fitzhugh made a motion to accept the Treasurer's report as of November 31, 2021. The motion was seconded by Director Morley. The Assistant Controller provided a brief update related to the operational budget vs. actual summary of VPPSA's operational costs for the period ending November 30, 2021. Overall, VPPSA has collected approximately \$243K in excess of expenditures - this includes payroll and overheads being overbudget by 3.26% or \$56,846K and office supplies and expenses are underbudget by 28% or \$199,871K. The primary driver in revenues being underbudget are the two standard offer projects (Salvage Yard and Davis/Center Rd) that were delayed in coming online. The primary drivers in expenses being underbudget are VPPSA's travel/conference budget (lack of training/travel) and lower legal and outside services.

The motion to approve the Treasurer's report for the period ending November 30, 2021, was approved.

6. Director Fitzhugh moved to approve the Resolution 2022-01 Ratification of Prior Actions. The motion was seconded by Director Jones.

The motion to approve Resolution 2022-01 Ratification of Prior Actions, was approved.

7. Shawn Enterline, VPPSA's Senior Power Supply Analyst, gave a short synopsis of existing power cost variance through the November period. He presented a spreadsheet showing the budget to actual variance of the cost of power supply. There was a brief discussion on the factors that drive the rates, challenges to forecasting and how rates are constantly changing.
8. The General Manager discussed the implementation of a new budget billing approach, (this is part of the 2022 Strategic Plan), and the two possible scenarios. The first option would record the actual power costs on the books of each utility but pay the budgeted amount, a true up for the payments would be done at year end and be included in the following year's budget. The second approach would have VPPSA recording the actual costs but billing the budgeted amount each month. Members would record the VPPSA bill as their actual power cost, and a similar true up would happen at year end. After discussing these options with some member accounting personnel, staff has found that both options present concerns. The General Manager suggested moving away from this entirely but discussed the possibility of a payment plan and what that would look like. There was additional discussion on what problems are trying to be resolved and how the needs of each utility can be addressed with implementing a new billing approach. VPPSA staff will continue work on creating a workable approach and present to the board on a later date.
9. Ken St. Amour, VPPSA's Manager of Technology and Security Services has been approached about a Homeland Security Grant Program and explained the details. There is a small window to apply for 2022 but he would like to know if the board would like him to continue the process and seek grant money to help pay for the requirement of additional securities such as Two Factor Authentication. There was also a discussion about how Cyber Insurance plans are increasing their requirements and about keeping VPPSA, as well as our members security current. The Board was supportive of VPPSA moving forward.
10. Ken St. Amour, VPPSA's Manager of Technology and Security Services, provided a brief update on the AMI project activities. TD Bank has been provided with the financial information and it is now in VPPSA's hands to finalize the project outline. There was a question about possible grants to help with the cost. VPPSA staff have mentioned our need in recent legislative meetings and continues to research funding options.

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**11.** Melissa Bailey, VPPSA's Manager of Government Relations, informed the Board that her last day will be 02/02/2022 as she has accepted a management position with the Department of Public Service. Ms. Bailey provided a brief report on Legislative activities.

- There are not a lot of bills to react to at this time.

Ms. Bailey provided an update on Regulatory activities, highlighting the following rules/cases/dockets:

- Net metering [Case#19-0085] The PUC may wait until after the legislative session to move ahead
- Interconnection Rule [Case#19-0085] A draft of revised Rule 5.500 is out for stakeholder review
- Low Income Rates [Case#20-0203] The comment deadline has been extended to January 7<sup>th</sup>. There was a lengthy discussion on this Case.
  - The PUC has put out specific questions and Ms. Bailey is looking for input from Board members.
  - Present Board members spoke on whether they felt that funding and/or implementation should be handled by the State or by local utilities. The majority felt local was the best route.
- Energy Storage [Case #21-3883] A workshop on aggregation of resources will be held on January 13<sup>th</sup>. An additional workshop will be held on January 20<sup>th</sup> and will include the treatment of storage at existing net-metered and standard offer projects.
- Rate Flexibility [Case#21-2642] Rate adjustment standards have been adopted by the PUC.
- EV Rates - The PUC will have to submit a report to the legislature regarding rates for electric vehicle charging.

**12.** Ms. Bailey also addressed a previous discussion about a proposal from Efficiency Vermont and VHFA for an optional to-the-meter tariff that would allow energy efficiency, electrification and weatherization projects that would all be funded by VHFA and paid through customer electric bills. VHFA was allocated \$9 million to support this over the next two years.

- Named: WRAP - Weatherization Repayment Assistance Program.
- Utilities would collect the money and pass it along.
- Ms. Bailey asked if Board members felt their utilities would be interested in participating in the program.
- There will be additional information available at the next Board meeting.

**13.** Ms. Bailey, also provided an update on RES activities, including the approval of the 2020 RES compliance filing, the 2021 Tier 3 program highlights, and the 2022 program planning.

- One more month of incentives before the close of 2021.
- Heat pumps continue to be the most popular incentive being take advantage of.
- Prescriptive programs are exceeding what was estimated at the beginning of 2021.

**14.** Alex Nicholson, VPPSA's GIS Administrator, provided an update on the GIS project. The highlights include:

- NEK CUD:
  - Hardwick - Initial data collection is complete, accurate data has been shared with the proper CUD authorities
  - Lyndonville/Orleans - Data is continuing to be reviewed.



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- Barton - Data for this area has been reviewed and found lacking and cannot be of use in the CUD process.
- CV CUD:
  - Monthly meetings are set and data collection for the Elmore region is set for 2022.
- DVFiber:
  - Jacksonville date is being reviewed. Staff is converting CAD data to useable GIS data.
- Northwest CUD:
  - VPPSA has requested a meeting with NW CUD staff GIS to go over data sharing, still waiting on a response.
- VPPSA GIS Data Standards:
  - Schema has been completed. The creation of the VPPSA GIS Data dictionary has begun.
- Morrisville Server Migration:
  - Their server is set for upgrade, the old server will be retired.

**15.** The General Manager provided a brief report on operational activities at Project 10. They include:

- The water fountain has been installed.
- Winter preparations have been completed.
- Dave Gagne and David DeSimone are receiving bids for the potential overhaul in the Summer of 2022.
- The property insurance has been renewed at a 13% increase from last year. This was less of an increase than what was expected.
- The building addition is almost complete. The one issue continues to be the roofline between the control room and new building. VPPSA is currently working with the manufacturer on a solution. Final payment is being withheld until this has been resolved.

From an operational standpoint, the units continue to operate well and is fully covering VPPSA's reserve commitments.

**16.** The General Manager and Director Fitzhugh provided a brief update on the Vermont Winter Operations Task Force:

Director Fitzhugh discussed that in response to the ISO NE Press Release, VELCO is developing a winter operations task force and communication protocol for the implementation of emergency procedures. It has been requested that Members with control rooms and/or VPPSA staff, join the taskforce. Director Sullivan was asked his thoughts on joining and he agreed to represent the Board. It was also discussed to add a VPPSA staff member as well.

**17.** The General Manager provided a brief update on several topics, including:

- 1) WEC - The transition continues to run smoothly. VPPSA staff continues to support WEC and help them create procedures.
- 2) McNeil District Energy - A resolution is expected shortly.

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- 3) Communications - Staff continues to work with Momentum Communications. They are moving on from Board member interviews and will be reaching out to a subset of Trustees. Staff is anticipating a draft communication plan in February.
- 4) Jacksonville - Both Jacksonville office staff are intending to leave by April 2022. Jacksonville has hired one replacement staff member and are considering the second. VPPSA will continue to assist with coverage and training.

**18. Board Member Updates**  
None.

**19. Executive Session**

Director Beliveau made a motion to find that premature public disclosure of contractual and personnel matters would place the Authority at substantial disadvantage. The motion was seconded by Director Morley. Motion approved.

Director Beliveau moved to enter Executive Session to discuss contractual and personnel issues under the provisions of 1 V.S.A. §313(a)(3). The motion was seconded by Director Morley. Motion approved.

The Board entered Executive Session at 12:07pm.  
The Board Returned to Regular Session at 12.36 pm.

**20. Other Business**  
None.

Director Morley motioned to adjourn, seconded by Director Jones. The meeting was adjourned at 12:37p.m.

Respectfully submitted,

***Kimberly Lyon***

Kimberly Lyon, Assistant Secretary

## Memorandum

To: VPPSA Board of Directors  
From: Crystal Carrier, Controller  
Date: February 2, 2022  
Subject: **Agenda Item #5**- Operational Revenue vs Expense Summary

At the last several Board meetings, the Board discussed the overall increase in budgeted costs for CY 2022 and brainstormed ways to reduce those costs. One suggestion was to utilize excess member fees received in CY 2021 to reduce the 2022 budgeted member fees. A summary of the revenues and expenses for CY 2021 is below:

### Revenues over Expenses: \$221,341

#### Revenues:

- Increase in Non-Member Fees \$37K
- Increase in Member Fees (Mgmt services) \$84K
- Decrease in Standard Offer Revenues (\$105K)

#### Expenses:

Increase in Personnel (Salaries) \$79K

Decrease in Outside Services (\$139K)

- Legal - (\$35K)
- Outside Svs (support services/strategic plan/BED/etc) - (\$104K)

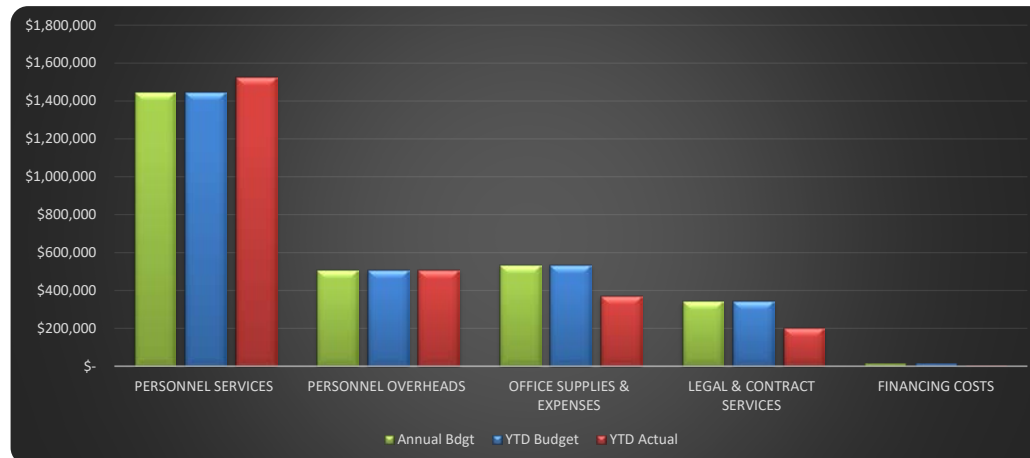
Decrease in Office Supplies & Expenses (\$163K)

- o Travel/Training - (\$87K)
- o Computer Hardware/Software - (\$18K)
- o Building Maintenance - (\$12K)
- o Customer Info/Adv - (\$8K)
- o General Adv Exp - (\$17K)
- o Insurances - \$13K

#### Proposed Motion:

Motion to utilize \$175,000 of CY 2021 member fees to be applied as credits against 2022 budgeted member fees.

VERMONT PUBLIC POWER SUPPLY AUTHORITY						
OPERATIONAL REVENUE & EXPENSE SUMMARY						
2021 YTD ACTUAL VS. BUDGET						
Reconciliation Month = <b>December-2021</b>						
	2021 YTD Budget	2021 YTD Actual	Variance Act vs. Bdg \$	Variance Act vs. Bdg %	2021	YTD Act %
					Annual Bdg	of Annual Bdg
<b>REVENUES:</b>						
MCNEIL PROJECT #2	\$ 104,665	\$ 104,665	\$ -	0.0%	\$ 104,665	100%
HIGHGATE PROJECT #3	\$ -	\$ -	\$ -	0.0%	\$ -	0%
CENTRAL COMPUTER PRJ #4	\$ 52,332	\$ 52,332	\$ -	0.0%	\$ 52,332	100%
SWANTON PEAKER PRJ #10	\$ 214,200	\$ 212,910	\$ (1,289)	-0.6%	\$ 214,200	99%
RES PROJECT	\$ 52,332	\$ 52,332	\$ -	0.0%	\$ 52,332	100%
NET METERING PROJECT	\$ 26,166	\$ 26,166	\$ -	0.0%	\$ 26,166	100%
AMI PROJECT	\$ 78,499	\$ 78,499	\$ -	0.0%	\$ 78,499	100%
GIS/MAPPING PROJECT	\$ 147,818	\$ 147,076	\$ (742)	-0.5%	\$ 147,818	99%
MEMBER REVENUES	\$ 1,765,669	\$ 1,820,904	\$ 55,235	3.1%	\$ 1,765,669	103%
NON-MEMBER REVENUES	\$ 408,962	\$ 343,513	\$ (65,450)	-16.0%	\$ 408,963	84%
<b>TOTAL REVENUES</b>	<b>\$ 2,850,644</b>	<b>\$ 2,838,398</b>	<b>\$ (12,246)</b>	<b>-0.4%</b>	<b>\$ 2,850,644</b>	<b>100%</b>
<b>BILLABLE EXPENSES:</b>						
PERSONNEL SERVICES	\$ 1,449,394	\$ 1,528,360	\$ 78,966	5.4%	\$ 1,449,394	105%
PERSONNEL OVERHEADS	\$ 509,295	\$ 509,260	\$ (35)	0.0%	\$ 509,295	100%
OFFICE SUPPLIES & EXPENSES	\$ 536,197	\$ 373,052	\$ (163,146)	-30.4%	\$ 536,197	70%
LEGAL & CONTRACT SERVICES	\$ 342,500	\$ 203,477	\$ (139,023)	-40.6%	\$ 342,500	59%
FINANCING COSTS	\$ 13,258	\$ 2,908	\$ (10,350)	-78.1%	\$ 13,258	22%
<b>TOTAL BILLABLE EXPENSES</b>	<b>\$ 2,850,644</b>	<b>\$ 2,617,056</b>	<b>\$ (233,588)</b>	<b>-8.2%</b>	<b>\$ 2,850,644</b>	<b>92%</b>
<b>Net Income(Loss)</b>	<b>\$ (0)</b>	<b>\$ 221,341</b>	<b>\$ 221,342</b>			





VERMONT PUBLIC POWER SUPPLY AUTHORITY				Reconciliation Mo: December-2
2021 YTD Actual vs. Budget - Office Supplies and Other Operating Expense Detail				
	2021 Budget	2021 YTD Actual	% of Ann. Bdgt	Comments
Informational and Instructional Advertising	\$ 8,675.00	\$ 640.36	↓ 7.4%	
<b>Total Info &amp; Instrucional Adv Expenses</b>	\$ 8,675.00	\$ 640.36	↓ 7.4%	
<b>Office Supplies &amp; Expenses</b>				
Administrative Office Expense	\$ -	\$ 341.51	↓ 0.0%	
<b>Bank Fees</b>				
Key Bank (line of credit)	\$ 25,000.00	\$ 25,347.22	→ 101.4%	Quarterly
Service Charges	\$ 8,350.00	\$ 7,561.02	↓ 90.6%	
General Office Supplies	\$ 2,910.00	\$ 1,126.84	↓ 38.7%	minimal office supplies
Computer/Printer Supplies	\$ 2,520.00	\$ 585.72	↓ 23.2%	
Local Mileage Reimbursement	\$ 10,000.00	\$ 8,164.36	↓ 81.6%	minimal travel to date
<b>Postage</b>				
Rental Fees	\$ 80.00	\$ -	↓ 0.0%	
Postage	\$ 900.00	\$ 428.35	↓ 47.6%	
Meals-Local Travel	\$ 2,965.00	\$ 342.77	↓ 11.6%	
Computer Maintenance	\$ 26,315.17	\$ 27,815.17	↑ 105.7%	Cyber security renewal/licenses
Equipment Maintenance	\$ 850.00	\$ 568.36	↓ 66.9%	
Utilities Electric	\$ 7,200.00	\$ 5,202.27	↓ 72.3%	
Utilities - Fuel Oil	\$ 800.00	\$ 43.12	↓ 5.4%	
Utilities - Propane	\$ 4,500.00	\$ 4,450.02	→ 98.9%	budget annualized
Utilities - Telephone	\$ 19,900.00	\$ 16,894.07	↓ 84.9%	
Janitorial Services	\$ 8,000.00	\$ 5,786.10	↓ 72.3%	
Groundskeeping/Snow removal	\$ 16,900.00	\$ 16,327.15	↓ 96.6%	
Trash Removal	\$ 2,160.00	\$ 2,584.35	↑ 119.6%	
Subscriptions	\$ 850.00	\$ 414.43	↓ 48.8%	annual subscriptions
On-Line Charges	\$ 3,080.00	\$ 2,938.68	↓ 95.4%	
Building Maintenance	\$ 17,600.00	\$ 5,480.87	↓ 31.1%	
Meeting Expenses	\$ 14,075.00	\$ 10,324.30	↓ 73.4%	
Office Equipment & Furniture	\$ 1,800.00	\$ -	↓ 0.0%	
Computer Hdwe/Software Equip't	\$ 81,515.00	\$ 63,094.80	↓ 77.4%	budget annualized
Web Site Expense	\$ 11,650.00	\$ 3,497.50	↓ 30.0%	
General Advertising Expense	\$ 26,125.00	\$ 9,207.60	↓ 35.2%	budget annualized
Conferences	\$ 35,770.00	\$ 4,773.80	↓ 13.3%	
Misc. Educational	\$ 100.00	\$ -	↓ 0.0%	
Miscellaneous	\$ 250.00	\$ 182.62	↓ 73.0%	
Rents	\$ -	\$ -	↓ 0.0%	
<b>Total Office Supplies &amp; Expenses</b>	\$ 332,165.00	\$ 223,483.00	↓ 67.3%	
<b>Memberships/Dues/Donations:</b>				
Membership/Registration Dues	\$ 37,550.00	\$ 33,190.35	↓ 88.4%	annual memberships
Misc-Organizational Dues	\$ 100.00	\$ -	↓ 0.0%	
<b>Total Dues</b>	\$ 37,650.00	\$ 33,190.35	↓ 88.2%	

VERMONT PUBLIC POWER SUPPLY AUTHORITY				Reconciliation Mo: December-2
2021 YTD Actual vs. Budget - Office Supplies and Other Operating Expense Detail				
	2021 Budget	2021 YTD Actual	% of Ann. Bdgt	Comments
<b>Transportation &amp; Travel Expenses:</b>				
Travel-Lodging	\$ 30,725.00	\$ 3,769.13	↓ 12.3%	
Travel-Air Transportation	\$ 18,000.00	\$ 1,084.60	↓ 6.0%	Minimal to date
Travel-Ground Transportation	\$ 6,200.00	\$ 937.66	↓ 15.1%	
Travel - Meals	\$ 5,560.00	\$ 418.78	↓ 7.5%	
Misc-Travel	\$ 150.00	\$ -	↓ 0.0%	None to date
Transportation Expenses	\$ 3,500.00	\$ 3,222.84	↓ 92.1%	
<b>Total Transportation Expense</b>	<b>\$ 64,135.00</b>	<b>\$ 9,433.01</b>	<b>↓ 14.7%</b>	
<b>Other Operating Expenses:</b>				
Taxes-Property Taxes	\$ 15,600.00	\$ 15,829.54	→ 101.5%	
Depreciation/Amortization Expense	\$ 18,634.00	\$ 18,633.97	→ 100.0%	
<b>Total Other Expense</b>	<b>\$ 34,234.00</b>	<b>\$ 34,463.51</b>	<b>→ 100.7%</b>	
<b>Sub-Total Office Supplies &amp; Expenses</b>	<b>\$ 468,184.00</b>	<b>\$ 301,210.23</b>	<b>→ 100.7%</b>	
<b>Outside Services:</b>				
Outside Services -Legal	\$ 114,500.00	\$ 79,666.65	↓ 69.6%	
Outside Services - Other	\$ 228,000.00	\$ 123,810.57	↓ 54.3%	
<b>Total Outside Services</b>	<b>\$ 342,500.00</b>	<b>\$ 203,477.22</b>	<b>↓ 54.3%</b>	
<b>Insurances:</b>				
Property Insurance-General	\$ 19,072.99	\$ 26,961.29	↑ 141.4%	Annual premiums
Injuries & Damages - General	\$ 40,265.38	\$ 44,880.08	↑ 111.5%	Annual premiums
<b>Total Insurance</b>	<b>\$ 59,338.37</b>	<b>\$ 71,841.37</b>	<b>↑ 111.5%</b>	
<b>Non-Operating Expenses:</b>				
Debt Service (building loan)	\$ 3,258.00	\$ 2,908.05	↓ 89.3%	
Other Interest Expense-General (excludes Transco)	\$ 10,000.00	\$ -	↓ 0.0%	none to date
Amortization of Debt Issue Expense-Ltr Credit	\$ -	\$ -	↓ 0.0%	
<b>Total Non-Operating Expenses</b>	<b>\$ 13,258.00</b>	<b>\$ 2,908.05</b>	<b>↓ 0.0%</b>	
<b>Total Office Supplies &amp; Other Oper. Expense</b>	<b>\$ 891,955.37</b>	<b>\$ 579,436.87</b>	<b>↓ 65.0%</b>	

Variance Key:

→ between 98% and 102%

↑ greater than 102%

↓ less than 98%

**VERMONT PUBLIC POWER SUPPLY AUTHORITY**  
**2021 YTD - Conferences, Travel, Mileage**

12/31/2021

Sum of Cost		Event							Grand
Dept	Position	Airfare	Conference	Lodging	Travel Meals	Local Mileage	Local Meals	Ground Trans	Total
Management	General Manager	\$ 1,085	\$ 1,944	\$ 3,092	\$ 228		\$ 89	\$ 928	\$ 7,365
<b>Management Total</b>		<b>\$ 1,085</b>	<b>\$ 1,944</b>	<b>\$ 3,092</b>	<b>\$ 228</b>		<b>\$ 89</b>	<b>\$ 928</b>	<b>\$ 7,365</b>
Financial & Power Service	Controller					\$ 1,465	\$ 18		\$ 1,482
	Accountant/Admin			\$ 146		\$ 480			\$ 626
	Sr Power Analyst2					\$ 288			\$ 288
	Power Analyst	\$ 650				\$ 110			\$ 760
	Assit Controller					\$ 129			\$ 129
<b>Financial &amp; Power Services Total</b>			<b>\$ 650</b>	<b>\$ 146</b>		<b>\$ 2,472</b>	<b>\$ 18</b>		<b>\$ 3,285</b>
Government & Member Relations	Regulatory Affairs		\$ 100			\$ 254			\$ 354
	Communications Specialist		\$ 50			\$ 954	\$ 74		\$ 1,078
<b>Government &amp; Member Relations Total</b>			<b>\$ 150</b>			<b>\$ 1,208</b>	<b>\$ 74</b>		<b>\$ 1,432</b>
Technology & Security Services	Manager IT		\$ 2,030	\$ 531	\$ 191	\$ 3,194	\$ 153	\$ 10	\$ 6,109
	Systems Administrator					\$ 702	\$ 9		\$ 711
<b>Technology &amp; Security Services Total</b>			<b>\$ 2,030</b>	<b>\$ 531</b>	<b>\$ 191</b>	<b>\$ 3,896</b>	<b>\$ 162</b>	<b>\$ 10</b>	<b>\$ 6,820</b>
Planning & Support Services	Sr. Analyst					\$ 160			\$ 160
	Mgr. Rates & Planning					\$ 429			\$ 429
<b>Planning &amp; Support Services Total</b>						<b>\$ 589</b>			<b>\$ 589</b>
<b>Grand Total</b>		<b>\$ 1,085</b>	<b>\$ 4,774</b>	<b>\$ 3,769</b>	<b>\$ 419</b>	<b>\$ 8,164</b>	<b>\$ 343</b>	<b>\$ 938</b>	<b>\$ 19,491</b>

		2021				
	Budget	Actual	Var %	2021 Budget		
Management	\$ 26,085	\$ 7,365	-71.76%	\$ 109,220		
Financial & Power Services	\$ 27,255	\$ 3,285	-87.95%	\$ 19,491		
Government & Member Relations	\$ 15,775	\$ 1,432	-90.92%	\$ 89,729		
Technology & Security Services	\$ 20,000	\$ 6,820	-65.90%		460.36%	
Planning & Support Services	\$ 15,205	\$ 589	-96.13%			
Field Services & Engineering	\$ -	\$ -	0.00%			
General	\$ 4,900	\$ -	0.00%			
	<b>\$ 109,220</b>	<b>\$ 19,491</b>	<b>-82.15%</b>			

## Memorandum

To: VPPSA Board of Directors  
From: Crystal Carrier, Controller  
Date: February 2, 2022  
Subject: **Agenda Item #6**- 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 trueed 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 and/or charged to the Project reserve fund.

The R & C fund calculation and Resolution 2022-02 (Project #10 2020 Reserve & Contingency True-Up) are attached for the Board's consideration. VPPSA staff recommends the transfer of the current year deficiency related to the 2021 R&C True-up, be withdrawn from the Project #10 reserve fund.

Proposed Motion:

Move to approve Resolution 2022-02 (Project #10 2021 Reserve & Contingency Fund True-Up) as presented.

# Vermont Public Power Supply Authority

## BOARD RESOLUTION 2022-02

### Project 10 2021 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 funds are utilized to pay for capital improvements; 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 any excess funds to any other lawful purpose of the Authority, including deposits in any Fund or Accounts; and

**WHEREAS**, in such case there remains a deficiency to cover current year capital improvements, the Board of Directors may by Resolution collect such deficiency by charging the Project Participants or by transferring the required deficiency from any Reserve Fund specified for such purpose;

**NOW, THEREFORE**, it is hereby resolved by the Board of Directors of the Authority that any deficiency remaining after a reserve of \$100,000 is retained, and the capital improvements for the bond year of January 1, 2021 through December 31, 2021 have been duly paid, shall be transferred from the Project #10 Reserve fund.

Adopted by the Board of Directors this 2nd day of February, 2022.

ATTESTED: *Crystal L Currier*  
Crystal Currier, Secretary

**VERMONT PUBLIC POWER SUPPLY AUTHORITY**  
**P10 RESERVE AND CONTINGENCY FUND - Annual True-Up**  
**FOR DECEMBER 31, 2021**

		<b>Series A</b>	<b>Series B</b>	<b>Total</b>	
<b>SOURCES:</b>					
R & C Fund Balance from prior year		\$ 182,787.66	\$ 9,471.61	\$ 192,259.27	
Monthly Fund Deposits		\$ 86,349.21	\$ 4,835.26	\$ 91,184.47	
Interest Earned		\$ 31.87	\$ 1.62	\$ 33.49	
Prior Yr Capital Additions-Transf to P10 Oper		\$ (87,350.66)	\$ (4,908.61)	\$ (92,259.27)	
Prior Yr Excess Funds Transf to P10 Reserve		\$ -	\$ -	\$ -	
<b>R&amp;C Funds Available</b>		<b>\$ 181,818.08</b>	<b>\$ 9,399.88</b>	<b>\$ 191,217.96</b>	
<b>USES:</b>					
Capital Improvements:					
Minimum Fund Balance	\$ 100,000.00	\$ 95,437.00	\$ 4,563.00	\$ 100,000.00	(1)
Capital Additions-January 1 - December 31, 2021	\$ 596,705.06	\$ 565,070.73	\$ 31,634.33	\$ 596,705.06	(2)
<b>Fund Requirements</b>	<b>\$ 696,705.06</b>	<b>\$ 660,507.73</b>	<b>\$ 36,197.33</b>	<b>\$ 696,705.06</b>	
Transfer from P10 Reserve		\$ 478,689.65	\$ 26,797.45	\$ 505,487.10	(4)
Transfer from R&C Fund		\$ 86,381.08	\$ 4,836.88	\$ 91,217.96	
Retain to meet Minimum Fund Balance		\$ 95,437.00	\$ 4,563.00	\$ 100,000.00	
		<b>\$ 660,507.73</b>	<b>\$ 36,197.33</b>	<b>\$ 696,705.06</b>	
<b>R &amp; C Fund Refund(Charge)</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.00)</b>	(3)
<b>Refund (Charge) Allocation:</b>					
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%	\$ -	\$ -	\$ -	
		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

**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 2021

(3) - Excess amount available to transfer to reserve

(4) - Deficiency to be paid from reserve

# Vermont Public Power Supply Authority

## Swanton Peaker Project #10 Summary of Capital Improvements

2015	Purchase of John Deere Equipment	\$	5,561.44
	<b>Total</b>	<b>\$</b>	<b>5,561.44</b>
2016	No Capital Purchases		
	<b>Total</b>	<b>\$</b>	<b>-</b>
2017	No Capital Purchases		
	<b>Total</b>	<b>\$</b>	<b>-</b>
2018	Transformer Upgrade	\$	41,428.00
	<b>Total</b>	<b>\$</b>	<b>41,428.00</b>
2019	Construction of Bathroom Addition	\$	31,352.00
	Transformer Upgrade	\$	9,990.00
	Painting CTG Units	\$	28,930.00
	<b>Total</b>	<b>\$</b>	<b>70,272.00</b>
2020	Rebuild Walkways-Fuel Area (rebuilt w/Steel)	\$	38,800.00
	Security Camera Upgrades	\$	15,537.00
	ISO-NE Router Installation	\$	7,531.81
	HMI Upgrade	\$	135,234.03
<b>Total</b>	<b>\$</b>	<b>197,102.84</b>	
2021	Generator	\$	151,806.20
	Building Addition	\$	444,898.86
	<b>Total</b>	<b>\$</b>	<b>596,705.06</b>

## Memorandum

To: Board of Directors  
From: Ken Nolan, General Manager  
Date: January 28, 2022

Subject: **Agenda Item #7** - AMI Update

Staff has received Bill Ellis' comments on the VPPSA-Aclara contract, as well as a final draft of a proposed VPPSA-Member contract both of which are being reviewed internally. The draft member contract should be ready for circulation within days.

In addition, staff is awaiting a formal financing proposal from TD Bank that would allow VPPSA to borrow funds over a 3-year period to fund AMI deployment, followed by a repayment term over the projected project life. Funds will be made available to any member choosing to utilize VPPSA financing.

Also, Vermont DU's were asked by House Energy & Technology Chair Briglin to submit a combined description of how funds would be used if the Legislature allocated ARPA funding for utility use. VPPSA successfully got \$10 million for AMI included in the priority list. This includes \$6 million for VPPSA members and \$4 million for WEC to refresh its AMI system. Efforts are now underway to protect that funding in the DU request and explain the need to legislators.

Finally, VPPSA has hired Meguire Whitney, NEPPA's lobbying firm, to assist with identifying federal funding sources. Meguire Whitney has been provided a list of VPPSA priorities (including AMI) and is beginning to comb through federal grant programs in search of a fit. If one is found they will also assist with the grant writing process.

Meetings with member trustees continue, and anyone who has not yet scheduled a presentation is encouraged to do so.



## Memorandum

To: VPPSA Board of Directors  
From: Melissa Bailey  
Date: January 26, 2022  
Subject: **Agenda Item #8** - Legislative and Regulatory Update

### Legislative Update

There are two bills under consideration that would implement a 100% renewable requirement for electric utilities. Renewable Energy Vermont (REV) is pushing for an increased requirement for in-state renewable generation while a proposal by Senator Bray would study the costs & benefits of doing so.

Utilities have provided testimony on a set of grid related infrastructure funding requests to the House Energy and Senate Transportation Committees. Securing funding for AMI remains the top priority for VPPSA.

### Relevant PUC Proceedings

**Case #19-0085 Net Metering Rule** - This proceeding remains open but the PUC may wait until after the legislative session to proceed.

**Case #19-0085 Interconnection Rule** - The Commission has circulated a draft revised Rule 5.500 for stakeholder review. Comments are due **February 11**.

**Case #20-0203 Low Income Rates** - Comments on potential funding structures for a statewide low-income rate were filed on January 7. Most stakeholders opposed a requirement to offer a low-income rate.

**Case # 21-3883 Energy Storage** - Comments were filed on December 16. A workshop on siting storage resources was held on **January 13**. A second workshop on aggregation of resources and treatment of storage at existing net-metered and standard-offer projects will be held on **January 20**.

**Case #21-2642 Rate Flexibility** - The standards and procedures to implement minor rate adjustments and innovative rates and services have both been approved by the PUC.

**EV Rates** - The PUC submitted a report to the Legislature on electric vehicle rates. The report can be found [here](#).

## Memorandum

To: VPPSA Board of Directors  
From: Melissa Bailey  
Date: January 26, 2022  
Subject: **Agenda Item #9** - Discussion of To-the-Meter Financing

As discussed at the August VPPSA Board meeting, a coalition of utilities, Efficiency Vermont, and Vermont Housing Finance Agency (VHFA) have developed a proposal for an optional to-the-meter tariff that would allow energy efficiency, electrification, and weatherization projects to be paid for through the electric bill. Projects will be financed by VHFA and not with electric ratepayer funds. VHFA was allocated \$9 million to support this effort over the next 2 years.

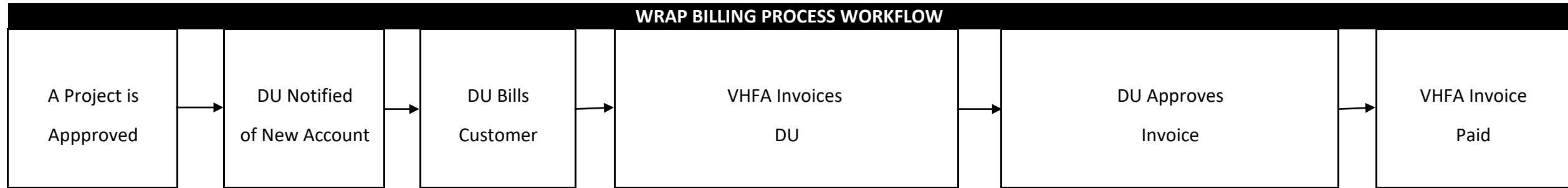
**Vermont Housing Finance Agency and Efficiency Vermont will attend the Board meeting to address questions on the Weatherization Repayment Assistance Program (WRAP) Pilot.**

VPPSA has developed a template tariff (attached) that each Vermont DU can modify and file with the PUC. VPPSA anticipates that this would be filed under the new Innovative Rates procedures adopted by the PUC. VHFA and EVT anticipate a program launch by late spring of 2022. VHFA has provided a draft billing procedure (attached) for review by the DUs.

### **Weatherization Repayment Assistance Program (WRAP) program elements include:**

- 1) A loan or investment that is tied to a **utility meter** rather than a specific customer.
  - a. If the customer moves, the obligation for repayment remains with that meter.
  - b. This type of financing is attractive to renters.
- 2) Projects generate monthly savings in excess of the monthly repayment amount. This concept is referred to as **bill neutrality**, which is measured across all energy sources.
  - a. For example, a customer could reduce oil costs while increasing electric costs.
  - b. Overall, the customer's monthly energy costs would be the same or lower than prior to the energy project.
- 3) Repayment occurs on the utility bill through an **approved tariff**.
  - a. A **loan loss reserve** will be established to cover non-payment
  - b. Loan repayment would be a flat monthly charge for the life of the loan.
  - c. DUs would receive a monthly processing fee to cover administrative costs.

**WRAP BILLING PROCESS WORKFLOW**



Program Administrator and VHFA determine Project Approval

VHFA will provide DU a Project Initiation form

WRAP monthly charge added as a line item on customer's bill

On 1st business day of the second month after billing, VHFA will send an Invoice and Reconciliation Report to DU (for Jan billings VHFA will send invoice in Mar)

3 business days after receipt of invoice DU either approves it or notes issues of non payment. (For example, if there are 5 active accounts in a month and only 4 paid their bill, the DU would reduce the VHFA invoice by the amount of the unpaid account.)

On the 9th of every month after DU approves or modifies Invoice, VHFA will pull funds via ACH from DU account

Data will include:  
 --Customer Name  
 --Property Address  
 --Meter #  
 --VHFA Account #  
 --Beginning WRAP Balance  
 --Monthly Payment Amount  
 --Term  
 --First Billing Month

DU retains fee (amount TBD)

Invoice will list for each account:  
 --VHFA Account #  
 --Meter #  
 --Current Payment Due  
 Reconciliation Report will list each:  
 --VHFA Account #  
 --Meter #  
 -- Beginning WRAP Balance  
 --Current WRAP Balance  
 --# of Payments made  
 --Total Amount of Payments Made  
 --# of Missed Payments  
 --Remaining # of Payments  
 --Maturity Date  
 --Payoff amount (DU will need to verify with VHFA)

If any changes required VHFA will resubmit revised invoice for approval  
 DU will need to provide secured email approval of final invoice

Reconciliation Report allows DU to address customer billing questions. PA to address program questions.

Vermont Housing Finance Agency  
Weatherization Repayment Assistance Program  
"WRAP"

A. PURPOSE

This Tariff provides the means for the Company to:

1. Assess the Commission approved Vermont Housing Finance Agency ("VHFA") Weatherization Repayment Assistance Program ("WRAP") Charge upon an eligible WRAP participant who owns or occupies a property on which Energy Improvement(s) was financed under the VHFA WRAP.
2. Include the WRAP Charge in the bill for electric service for the assessment of Deposits under Rule No. 3.200, Ratepayer Deposits for Gas, Electric, Water, Telephone and Cable Television Service.
3. Attach the WRAP Charge to the metered account at the service location of the Energy Improvement(s), to allow for the on-bill obligation to transfer to subsequent owners or renters upon their move-in and receipt and acknowledgement of required disclosures as an on-bill obligation in accordance with the **VHFA WRAP Manual ("WRAP Manual")**.

B. DEFINITIONS

Unless defined below or elsewhere in this Tariff, capitalized terms have the meaning given to them in the WRAP Manual, which is hereby incorporated by reference.

1. "Agency" means the Vermont Housing Finance Agency.
2. "WRAP" means the Agency's Weatherization Repayment Assistance Program, also referred to as the "Program", as approved by the **Commission Case # 22-xxxx-xxx**.
3. "WRAP Charge" is a monthly charge added to the electric bill to provide for repayment of the On-Bill Obligation for the financing of the acquisition and installation of the Energy Improvement(s) as further described in the WRAP Manual.
4. "Commission" is the Vermont Public Utility Commission.
5. "Electric Service Charges" means all charges on the electric bill that are not WRAP Program related.
6. "Electricity Consumption Charges" means that portion of Electric Service Charges that are customer, energy, and demand charges (including applicable surcharges) related to electricity consumption, plus installment plan charges, and non-electric service charges.
7. "Energy Efficiency Charge" means the charge on retail customers' electric and natural gas bills, pursuant to 30 V.S.A. § 209(d)(3), the proceeds from which are used to fund energy efficiency services delivered in multiple electric and natural gas distribution utility service territories.
8. "Energy Efficiency Utility" means an energy efficiency utility appointed by the

VPPSA Member Name

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Effective mm/dd/yyyy,

Vermont Housing Finance Agency  
Weatherization Repayment Assistance Program  
"WRAP"

Commission pursuant to 30 V.S.A. § 209(d)(2).

9. "Energy Improvement", also referred to as "EI", means any product approved by the Program Administrator to receive WRAP financing through the process in Commission Case # 22-xxxx-xxx., and expected to result in annual estimated bill savings of at least ten percent, as set forth in the WRAP Manual.
10. "On-Bill Obligation," also referred to as "OBO", means the costs advanced to acquire and install the Energy Improvement(s). The On-Bill Obligation is associated with the monthly WRAP Charge.
11. "Program Administrator" means the Energy Efficiency Utility providing services to the WRAP participant. The Programs Administrator(s) is the entity responsible for coordinating the Participant aspects and processes of the Program, including but not limited to, marketing and outreach, customer service and streamlining the Participant application process, as set forth in the WRAP Manual.
12. "Company" means the Vermont electric distribution utility that serves the participant.
13. "Participant" means the electric utility account holder(s) who is/are enrolled in the WRAP Program.
14. "Program Manual" or "WRAP Manual" means the Commission-approved manual, as may be amended from time to time, that governs the WRAP Program and its processes and otherwise documents the program design and operation, as filed in **Commission Case # 22-xxxx-xxx.**

#### C. APPLICABILITY

The WRAP Program is available to residential customers, including renters, in single and multiple dwelling structures up to four units. Participants may face other eligibility requirements as set forth in the "Participant Qualification" section of the WRAP Manual.

Eligible customers must have entered into a participation agreement with the Program Administrator to finance the acquisition and installation of eligible Energy Improvement(s) and have agreed to repay their On-Bill Obligation through a WRAP Charge that is to be added to their monthly electric bill.

Vermont Housing Finance Agency  
Weatherization Repayment Assistance Program  
"WRAP"

D. WRAP CHARGE

Each customer participating in the WRAP shall pay the monthly WRAP Charge along with other Electric Service Charges on their electric bill. The WRAP Charge will appear as a separate line item on the bill.

The monthly WRAP Program Charge is determined by the Program Administrator through a modelling tool provided by the Agency. The Agency shall provide the Company with the monthly WRAP Charge to be assessed on each respective Participant's bill. A further description of the methodology for calculating the WRAP Charge is described in the WRAP Manual.

E. ROLES AND RESPONSIBILITIES

This tariff describes the Company's responsibilities and the Participant's responsibilities under the WRAP. Pursuant to the WRAP Manual, the Company is carrying out its required activities to bill, collect and remit the collected WRAP Charge to the Agency. The Company is not responsible for lending, underwriting, or credit determinations.

F. COMMENCEMENT AND NOTICE OF WRAP PROGRAM CHARGE

For initial placement of Energy Improvement(s), the Company shall receive a notice from the Agency that provides: (1) notice to the Company that an eligible customer's participation in the WRAP has been approved and the customer has agreed to make WRAP Charge payments on the customer's monthly electric bill; (2) notice to the Company of the monthly WRAP Charge amount; and (3) the date until which the charge shall continue. Unless and until instructed otherwise by the Agency, the Company shall use this information to bill the Participant. The placement of the WRAP Charge on the Participant's bill will commence on the first billing cycle following the Company's receipt of the Agency's notice described above.

1. Once the Company has received notice from the Agency of the initial customer's participation in the WRAP, the WRAP Charge shall be assigned to the individual Participant who has entered into the participation agreement with the Program Administrator for acquisition and installation of Energy Improvement(s) and has agreed to repay the On-Bill Obligation through the Participant's electric bill.
2. For the purpose of calculating deposits, calculating interest on deposits, and refunding deposits under Rule 3.200, the bill amount for the WRAP Program Charge shall be considered as part of the bill for electric service. Upon discontinuance

VPPSA Member Name  
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Effective mm/dd/yyyy,

VHFA  
Weatherization Repayment Assistance Program

BOD Agenda #9B

of service, if there are unpaid Electric Service Charges and/or a WRAP Charge obligation, the deposit will be applied to the unpaid Electric Service Charges and/or WRAP Program Charge obligation as if it were a customer payment, subject to the senior status of the Electricity Consumption Charges and Energy Efficiency Charges.

G. BILLING

1. The monthly WRAP Charge will be determined by the Agency and appear as a separate line item on the Participant's electric bill. The due date for payment is the same as the due date for the Electric Service Charges.
2. The Participant's Electricity Consumption Charges and Energy Efficiency Charge shall be given senior status over the WRAP Charge for the purposes of determining outstanding balances.
3. Participants are responsible for paying their bills from the Company in full, which include Electric Service Charges and the WRAP Program Charge.
4. For those participating customer accounts where service has been terminated due to non-payment, and service is subsequently reinstated upon payment of the past due balance, the Participant may be assessed a service establishment charge as well as a deposit on the WRAP Charge and the Electric Service Charges under Rule 3.200.
5. For those participating customer accounts where service has been terminated with remaining balances owed, once the Company has terminated service, terminated the account, and charged off the balance, the following procedures shall take place:
  - a) the unpaid electric bill amounts (including the portion related to the WRAP Charge) shall be split between the Agency and the Company, with each responsible for collection of only its individual charges;
  - b) on the OBO portion, the Agency shall use standard collection processes for the unpaid portion, including the use of outside collection agencies, at its discretion;
  - c) the Agency and the Company shall perform reconciliation of the total split debts on a schedule agreed upon between them, no more frequently than annually; and
  - d) collections of the OBO portion shall be in accordance with all applicable laws and regulations.
6. Participants wishing to satisfy the outstanding balance of the On-Bill Obligation should consult the Company to determine the outstanding balance prior to making any prepayment. Partial prepayment is not permitted. If no arrangements are made with the Company, any excess payments received beyond what is due on a Participant's current monthly electric utility bill, inclusive of the WRAP charges will be applied as a general credit on their electric utility account and shall be carried over as credits to be applied to subsequent utility bills with the Electricity Consumption Charges and Energy Efficiency Charge given senior status over the WRAP Charge.

VPPSA Member Name  
Page 4 of 6

Effective mm/dd/yyyy,



H. TRANSFERABILITY OF ON-BILL OBLIGATION TO PAY WRAP CHARGES

Property vacancy occurs when electric service to the Premise is terminated or suspended. In the event of property vacancy, no utility bill is being generated, and therefore no WRAP Charge can appear on a utility bill. For obligations assigned to an individual Participant, the Company shall communicate to the Agency that electric service has been terminated and the Agency shall then proceed to place the OBO on non-accrual, as may be allowed, or to initiate collection of the WRAP Charge in accordance with its existing direct bill procedures.

For obligations assigned to the meter, the following processes shall occur:

1. The Company shall communicate to the Agency that service has been terminated or suspended to a Premise. Upon such notification, the Company will have no further responsibility for assessing and remitting the WRAP Charge, until the responsibility to pay for the WRAP Charge is assumed by a subsequent Participant at the Premise;
2. The Agency shall place the OBO on non-accrual and shall temporarily suspend collections from that Premise.
3. The Company will provide a disclosure document provided by the Program Administrator to inform the incoming Participant of the details regarding the WRAP Charge and the On-Bill Obligation when a new electric account is opened.
4. Any succeeding customer that receives service at a location where Energy Improvement(s) are installed under the WRAP shall be responsible for payment of the WRAP Charge from the point at which they have established service with the Company.

I. LIABILITY IN CONNECTION WITH THE ENERGY IMPROVEMENT(S) AND ON-BILL OBLIGATION

1. The Company shall not have any responsibility or liability for the installation, maintenance, repair, replacement, warranty, or removal of Energy Improvement(s). The Company is not affiliated in any way with the Program Administrator or Agency and shall not have any responsibility or liability with respect to any act, omission, or representation made by the Program Administrator or Agency.
2. As the WRAP Charge is determined and provided by the Agency, the Company shall not be held liable to the Participant if the amount of such charges are inaccurate in any way or contain charges that are contrary to agreements between the Program Administrator and the Participant.

J. BILLING INQUIRIES OR DISPUTES

1. Customer inquiries concerning general billing and payment questions relating only to Electric Service Charges should be directed to the Company.
2. Participant inquiries concerning the WRAP Charges for the WRAP shall be directed to the  
VPPSA Member Name



VHFA  
Weatherization Repayment Assistance Program

BOD Agenda #9B

Program Administrator, who may further forward or re-direct the inquiries to the Agency directly.

3. Where the Participant disputes the Participant's obligations to pay the WRAP Charge, the dispute shall be resolved between the Participant and the Agency, and the Company shall not be a party to the dispute. The Company will continue to include the WRAP Charge on the electric bill pending the dispute resolution process unless otherwise instructed by the Agency.

K. RULES AND RATES OF THE COMPANY

Except where noted above, all other rates and rules of the Company apply to customers participating in the WRAP.

VPPSA Member Name  
Page 6 of 6

Effective mm/dd/yyyy,

## Memorandum

To: VPPSA Board of Directors  
From: Julia Leopold  
Date: February 2, 2022  
Subject: **Agenda Item #10** - Renewable Energy Standard

### 1) 2020 RES Compliance

On November 23, 2021, the PUC issued approval of RES filings. Utilities have February 21, 2022 to provide notice to customers that you are in compliance with the RES.

### 2) 2021 Tier 3 Program

Combined prescriptive and custom programs have led to 18,258 MWhe savings, or 157% of compliance. The average program cost was \$30.58/MWhe (before admin/overhead).

Prescriptive: 486 rebate/instant discount offerings have met 106% percent of compliance needs.

Custom: 3 custom projects completed met 51% of compliance needs.

Compliance will be filed on March 15, 2022.

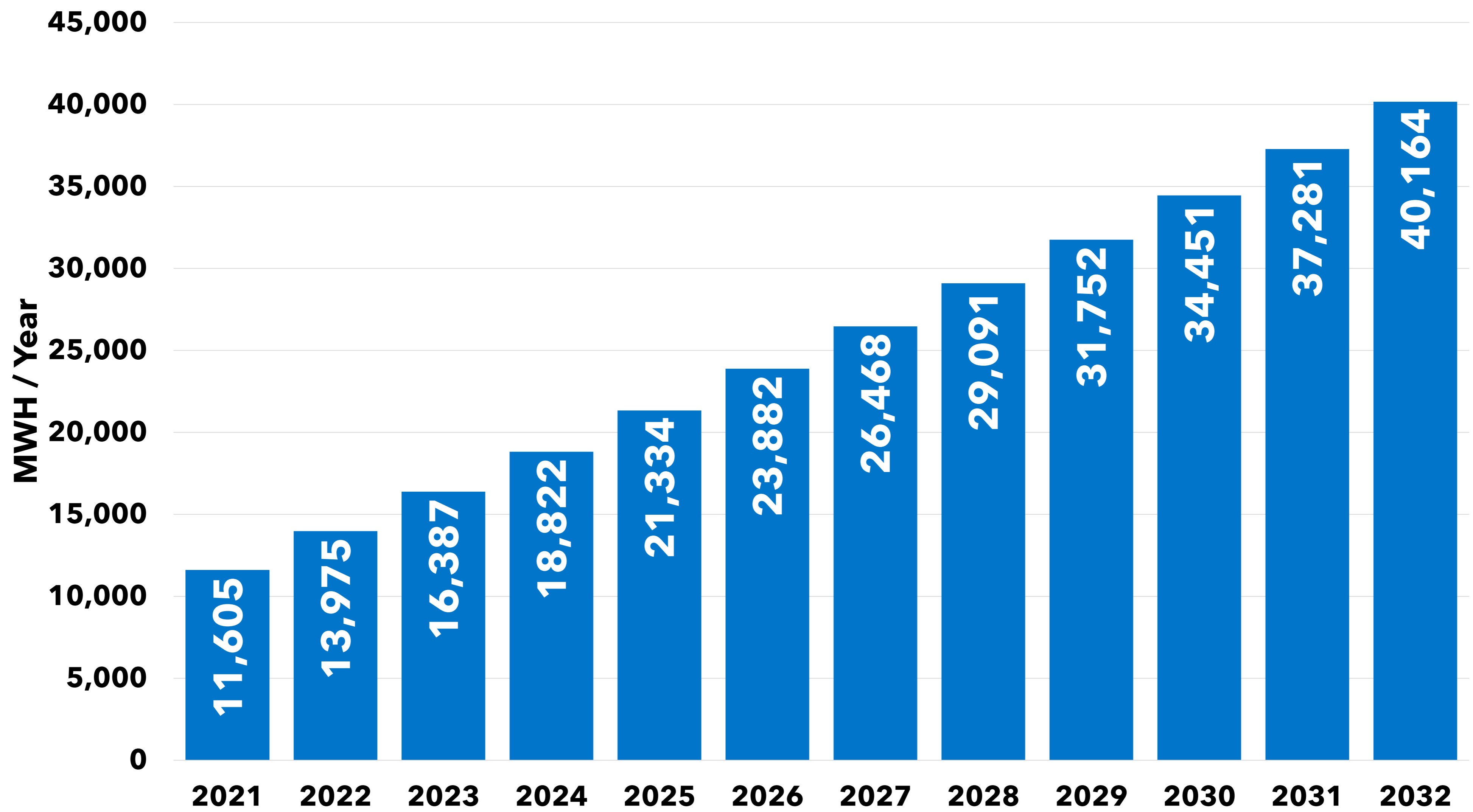
### 3) 2022 Tier 3 Program:

- Rebate webinar for utility staff: Tuesday, February 8<sup>th</sup> @10am
- New point-of-sale EV discount
- New point-of-sale geothermal heat pump discount



## February 2022 Tier 3 Update

# Tier 3 Requirements (MWh e per Year)

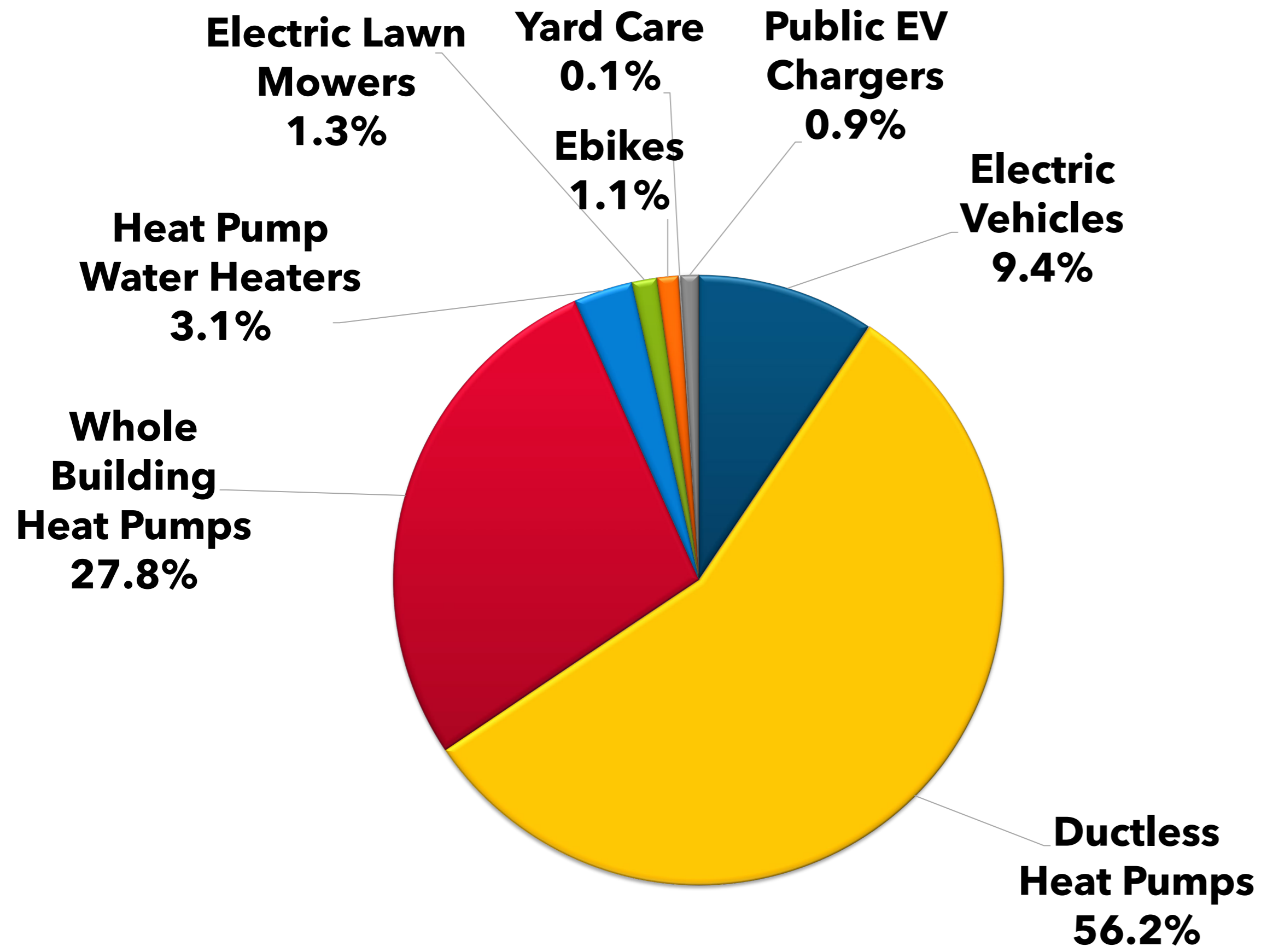


# Prescriptive Progress

Measure	YTD Quantity	Total MWh e Savings
<b>Electric Vehicle</b>	42	1,164.20
<b>Cold Climate Heat Pump (Ductless)</b>	308	6,963.88
<b>Whole Building Heat Pump</b>	46	3,444.26
<b>Heat Pump Water Heater</b>	27	387.20
<b>Lawn Mower</b>	20	165.10
<b>E-Bike</b>	26	139.28
<b>Yard Care</b>	12	14.52
<b>EV Charger</b>	5	115.94
<b>Total</b>	<b>486</b>	<b>12,394.37</b>

# 2021 Prescriptive Program

## 2021 Prescriptive Programs MWh



2021 Tier 3 savings requirement:  
**11,605 MWh**

Savings from prescriptive programs: **12,394 MWh**

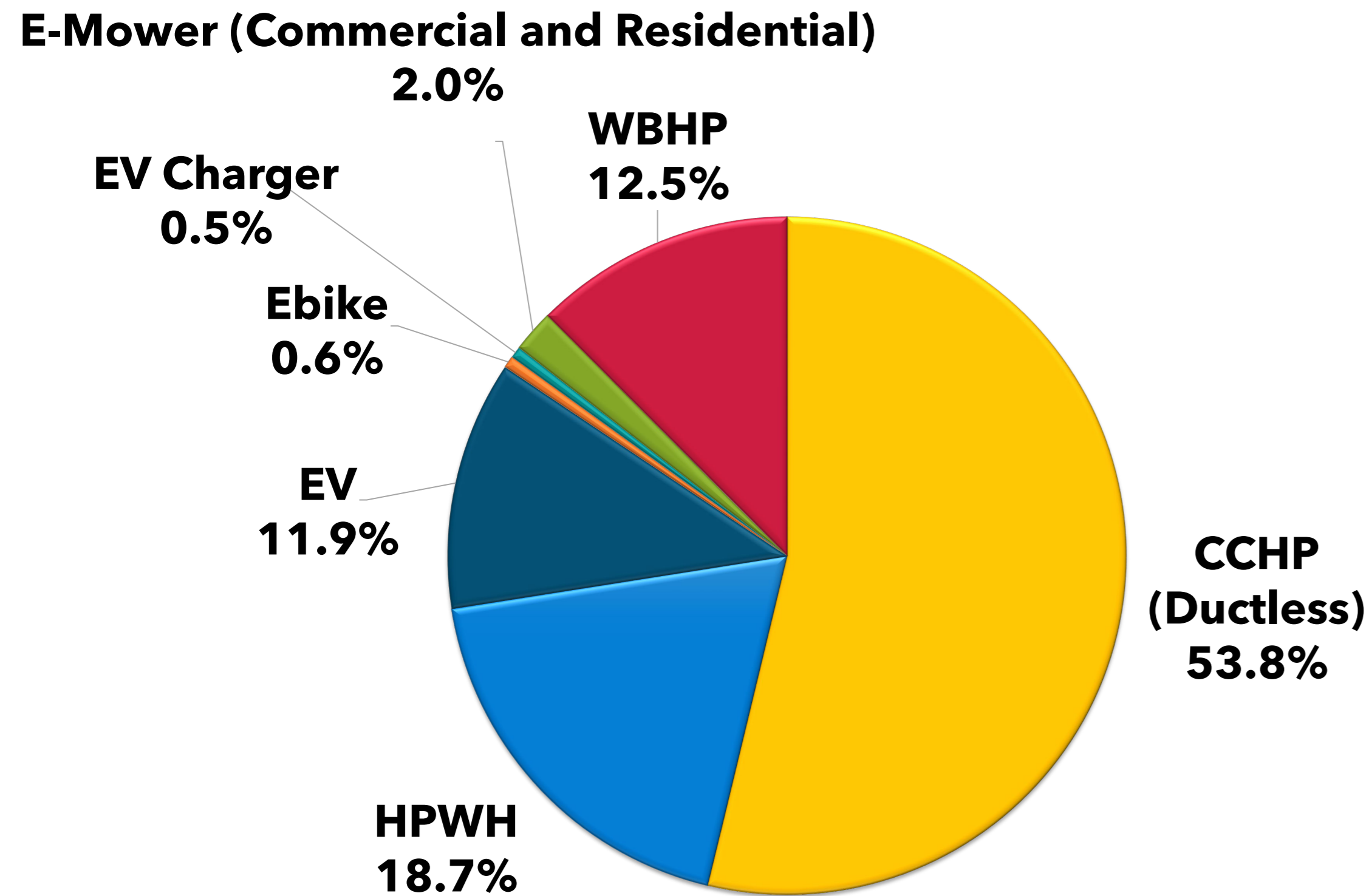
**106%** of 2021 Tier 3 requirements currently met by rebate incentive programs.

Average cost: **\$30.58/MWh**

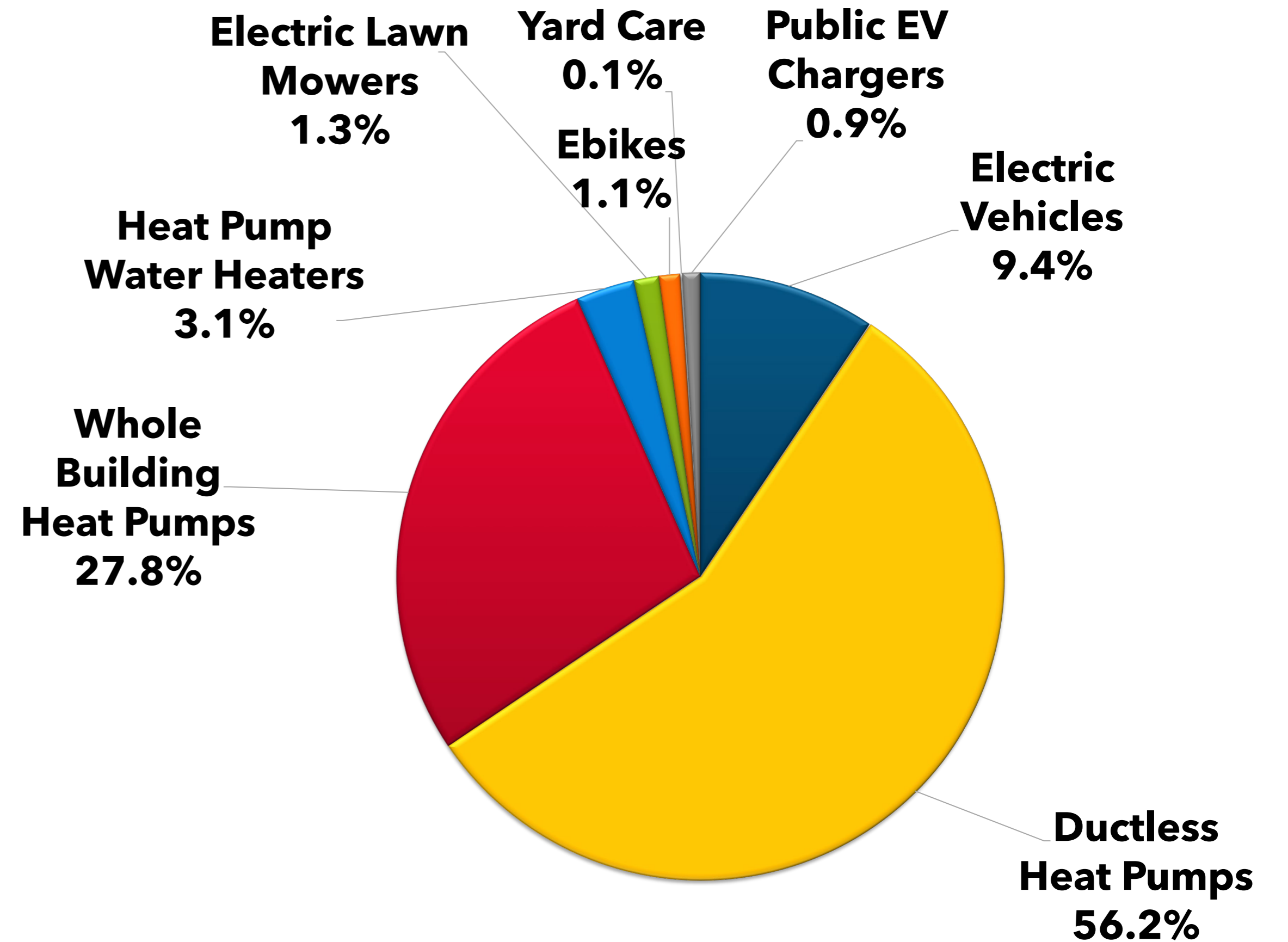


# Prescriptive Savings Comparison

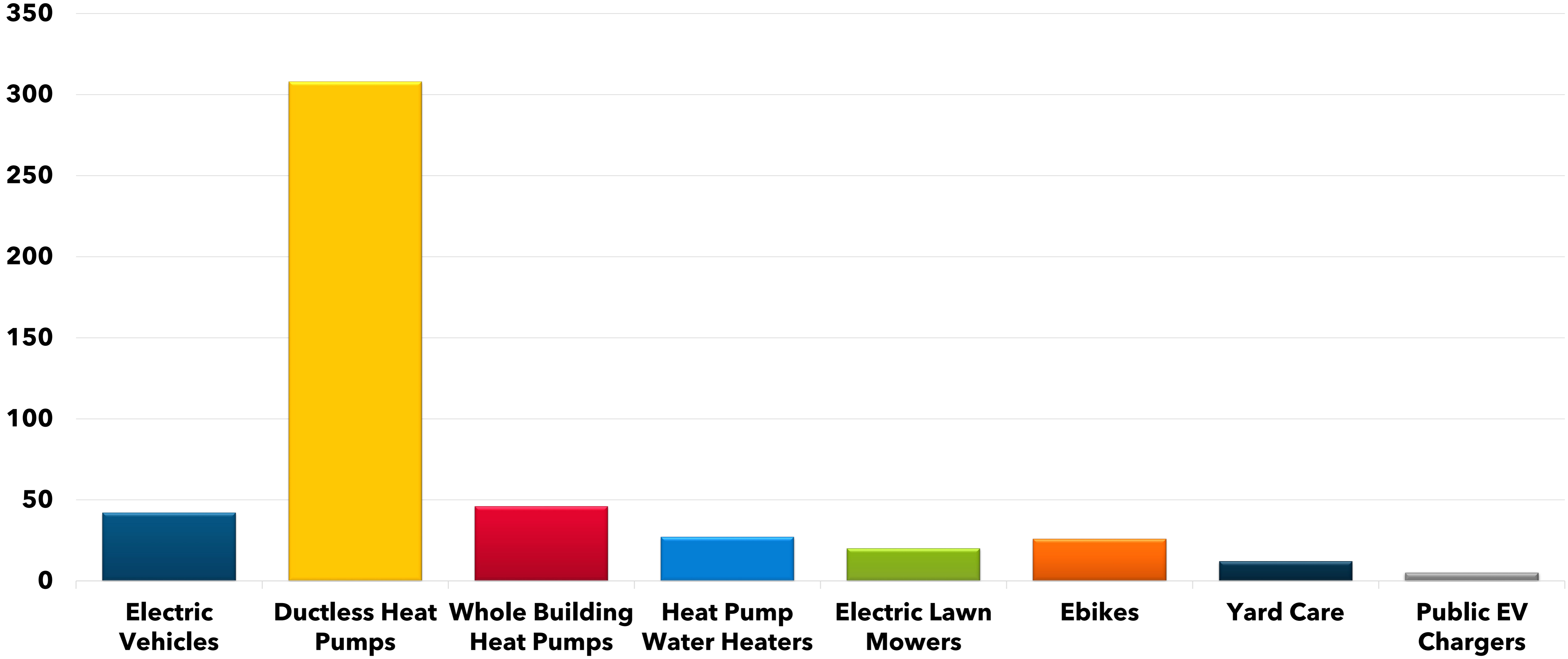
### 2020 Prescriptive Programs 3,685 MWh



### 2021 Prescriptive Programs 12,394 MWh



# Year-End Number of Measures: 486





# 2021 Custom Projects

- **Commercial rooftop heat pump at a convenience store in Johnson:**
  - **\$1,000**
  - **139 MWh<sub>e</sub>**
- **Generator removal and electric service upgrade in Lyndonville:**
  - **\$1,785**
  - **3,739 MWh<sub>e</sub>**
- **Generator removal and electric service upgrade in Hardwick:**
  - **\$3,700**
  - **1,986 MWh<sub>e</sub>**

Utility	Project Description	MWhe	Incentive	Year	Status
Lyndonville	2 electric buses	2,008	\$10,000 (VPPSA)	2022	Grant awarded, waiting to hear when VTrans purchases buses
Morrisville	Multifamily heat pumps	305	\$3,200 (MWL)	2022	Contract signed
Northfield	Industrial heat recapture	10,187	\$50,000 (NED)	2022	NED approved, need final scope of work
Johnson	Electric bucket truck			2022	Need data to perform analysis
Barton	Maple service upgrade			2022	Waiting on equipment
Lyndonville	Hotel pool heat reclamation			2022	Early stages



**Power Supply Variances from Budget  
2021 Year-to-Date  
Dec-21**

Member System	Total Load - Including Losses	Coverage Ratio
Barton	↑ 5%	● 107%
Enosburg	↑ 3%	● 95%
Hardwick	↑ 3%	● 96%
Jacksonville	↑ 7%	● 96%
Johnson	↑ 1%	● 95%
Ludlow	↓ -7%	● 104%
Lyndonville	↑ 2%	● 105%
Morrisville	↑ 3%	● 93%
Northfield	↑ 3%	● 95%
Orleans	↑ 3%	● 104%
Swanton	↑ 1%	● 111%

Dollar Variance	% Dollar Variance	% Rate Variance
-\$50,045	-4%	✓ -8%
-\$30,527	-1%	✓ -4%
-\$23,107	-1%	✓ -4%
\$26,622	5%	✓ -2%
\$10,738	1%	✓ -7%
-\$599,036	-10%	✓ -3%
-\$231,608	-4%	✓ -6%
\$103,651	2%	✓ 0%
-\$308,863	-10%	✓ -13%
-\$27,006	-2%	✓ -5%
\$253,690	10%	✗ 8%

## Memorandum

To: VPPSA Board of Directors  
From: Alex Nicholson, GIS Administrator  
Date: January 27th, 2022  
Subject: **Agenda Item #12** - GIS Program Update

### 1) Data Dictionary Update

Over the past month VPPSA GIS has been completing the data dictionary. The document is extremely near to completion and will be finished by the end of this week. Over the past month a substantial effort has gone into defining each value associated with each field for every member asset.

After the initial document is completed by VPPSA GIS, some work will go into polishing the format of the document. The additional polish will make the document more user friendly and accessible to all audiences. Once the data dictionary has been completed the next phase will begin.

### 2) Post Data Dictionary Implementation

With a firm foundation and understanding of the data that members will need to collect VPPSA GIS can move forward into a new phase of action through several main objectives.

- Convert existing member data sets to the new GIS standard using the data dictionary.
- Cross reference data dictionary with existing member data sets to ensure asset values have been captured and properly accounted for.
- Add any missing values found to be in use in current data to the data dictionary.
- Formulate additional plans for new data collection and avenues to update existing data for each member should the CUD data collection process becomes bogged down due to a multitude of variables.

## Memorandum

To: Board of Directors  
From: Ken Nolan, General Manager  
Date: January 28, 2022  
Subject: **Agenda Item #13** - Project 10 Update

Capital project work at Project 10 continues:

- The building addition is entering punch list mode. The leak in the roof has been repaired, although Dave DeSimone is continuing to work with the manufacturer on a permanent repair. It is anticipated that further work will be performed in the spring. Flooring has been installed, and Dave Gagne is now setting up his new office space. Amy will be working over the next several weeks to furnish the classroom/office space. Ken St. Amour will be expanding wifi coverage into the new workspaces.
- Bids continue to be gathered for a potential overhaul in summer 2022. Several firms are considering the work with Dave Gagne providing background information and Dave DeSimone managing the bidding process.
- The unit conducted its winter capability audit for the ISO capacity market and both generators passed.

Operationally, the plant continues to have good starts and is fully covering VPPSA's reserve commitments. Dave has done an excellent job of managing the plant during the severe cold and high market prices.

Shawn and Heather have managed the plant's bid in the wholesale market on a daily basis to maximize value in the reserve market while maintaining a hedge against excessive energy prices.

## Memorandum

To: VPPSA Board of Directors  
From: Ken Nolan, General Manager  
Date: January 28, 2022  
Subject: **Agenda Item #14** - GM Update

It has been a difficult month with a myriad of changes underway:

### Winter Reliability

VELCO continues to convene the Winter Readiness Task Force. Parties continue to raise concerns that the curtailment plans do not treat all customers the same because those utilities without 24x7 control rooms are being treated differently from those who do. GMP and VEC are reaching out to their sub-transmission customers to discuss options.

### Communications

Momentum Communications has now met with all directors and most trustees. They reported back that they have identified a significant gap in alignment between how the VPPSA staff describes the value of public power and how the trustees describe the same value. To be successful they believe we need to first focus on aligning messages. Therefore Momentum will be providing a "communications audit" diving deeper into what they heard during the interviews. This will be presented to the Board in March.

### Jacksonville

Jacksonville has now hired a person to replace Pam Moore who has extensive accounting experience, and that person is rapidly taking back the majority of operations. However, staff was informed recently that Mac Butova has now left Jacksonville, so the department remains short staffed. They are looking to hire a customer service-oriented person; however, in the meantime Steve and Crystal continue to provide backup support. The situation though does seem much improved.

## Staff Turnover

This will be discussed further in Executive Session, but the Board meeting marks Melissa's last day. Based on the discussion with the Board at January's meeting I have formulated a plan for moving forward and am executing on that to have a replacement on board shortly.

Last week Kim Lyon gave her notice with her last day being February 4<sup>th</sup>. This creates a significant weakness for VPPSA, especially given Crystal's present circumstances. I will be briefing the Board in Executive session on my plans around this position.

Lastly, Hometown Connections has had similar staff turnover with Tim Blodgett leaving, their only other employee moving to a contract, and their marketing consultant retiring. Marc Gerken, former CEO of AMP Ohio has become interim CEO and he is looking for ways to backfill. We have had preliminary conversations around perhaps sharing an administrative position that could be a VPPSA employee but provide half-time support to Hometown. If it works this could further strengthen VPPSA's accounting team and provide more flexibility on the member services side.