



Regular Board of Directors Meeting Minutes

December 1, 2021

Board of Directors:

	Vacant, Barton	X	Bill Humphrey, Lyndonville
P	Jonathan Elwell, Enosburg	P	Penny Jones, Morrisville
P	Mike Sullivan, Hardwick	P	Stephen Fitzhugh, Northfield
	Vacant, Jacksonville	X	John Morley, Orleans
P	Meredith Dolan, Johnson	X	Reginald Beliveau, Swanton
P	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)	Crystal Currier, VPPSA (P)	
Kim Lyon, VPPSA (X)	Melissa Bailey, VPPSA (X)	
Alex Nicholson, VPPSA (P)	Ken St. Amour, VPPSA (X)	
Josh Bancroft, VPPSA (P)	Julia Leopold, VPPSA (P)	
James Gibbons, BED (P)	Chris Root, VELCO (P)	
Amy Parah, VPPSA (X)	Jason Pew, VELCO (P)	

Numbers in bold type correspond with agenda item numbers:

1. Chairman Beliveau called the meeting to order at 9:33a.m.
- 2.** Chairman Beliveau asked if there were requests for changes and/or modifications to the current agenda. No changes were made.
- 3.** Chairman Beliveau asked if there were public comments and/or individuals who would like to address the Board. There was no public in attendance.
- 4.** Director Morley made a motion to accept the minutes of the Regular Board of Directors meeting held on November 3, 2021. The motion was seconded by Director Fitzhugh. Motion approved.

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5. Director Humphrey made a motion to accept the minutes of the Special Board of Directors meeting held on November 22, 2021. The motion was seconded by Director Morley. Motion approved.
6. Director Humphrey made a motion to accept the Treasurer's report as of October 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 October 31, 2021. Overall, VPPSA has collected approximately \$210K in excess of expenditures - this includes payroll and overheads being overbudget by 2.7% or \$44K and office supplies and expenses are underbudget by 36% or \$271K. 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 October 31, 2021, was approved.

7. Director Fitzhugh made a motion to accept the 2022 Operating Budgets. The motion was seconded by Director Humphrey. The General Manager provided a short presentation of the 2022 operating budgets. No major changes since the draft that was presented at the Special Board meeting on November 22, 2021. VPPSA will be coming back to the Board in January when there is a better understanding of how much the 2021 surplus from operating results is. VPPSA will be asking the board to vote in January or February.

The motion to approve the 2022 Operating Budgets was approved.

8. Director Jones made a motion to accept the Benefits Guidelines. The motion was seconded by Director Fitzhugh. The Controller informed the Board that the VPPSA Benefits Guidelines was last updated in 2019 with an effective date of January 1, 2020. Given the pandemic in 2020 and the minimal changes, the guidelines were not updated in CY 2020. A few areas that were addressed are as follows:

Section 3 (c)(ii) - added language related to specific "Federal or State mandates"

Section 3 (l)(ii) - included language to include "all" company equipment (primarily as a result of company equipment being supplied to employees due to work-from-home arrangements during the pandemic vs. just company-owned cell phones).

Section 6 (b)(VIII) - adjusted the use of floating holidays to full-day increments

Section 7(b) - updated buy-out options to reflect Medicare enrollments

Section 12 - updated to reflect reimbursements related to specialized work required clothing

The motion to approve the VPPSA Benefits Guidelines as presented with an effective date of 01/01/2022 was approved.

9. Josh Bancroft, VPPSA's Application Developer updated the Board on his efforts to improve VPPSA's data storage capabilities and to move our internal processes from Microsoft Access to other more robust approaches.
10. The General Manager, Chris Root, VELCO's COO, and Jason Pew, VELCO's Director of Operations reviewed with the Board ISO-NE's plan for winter operations. In explaining their scenarios ISO-NE described taking three recent winter weather patterns and applying them to the existing supply mix to determine the level of projected generation coverage. Weather scenarios ranged from a mild winter in the best case to the polar vortex long term cold spell of 2013-2014.

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ISO-NE's concluded that all scenarios resulted in periods of deficiency that would require OP4 actions due to the lack of Liquefied Natural Gas (LNG) availability. In the worst case, a polar vortex type scenario, load shedding was required - that is, physically shutting off customers during a period of temperatures in the 0 degree to -20 degree level.

ISO-NE has formed a working group to review and update emergency procedures. VELCO is actively planning for such a scenario and wants to make sure the distribution utilities fully understand the situation.

There was some discussion on block load and how that would factor into the emergency procedures. VPPSA will reach out to Peter to see if VEC is considering block load as a solution and what their plan is. The General Manager will also reach out to GMP for their plan.

- 11.** Ken St. Amour, VPPSA's Manager of Technology and Security Services, provided a brief update on the AML project activities. There have been minimal changes in the project status this month as Bill Ellis continues to work through the contract documents and staff continues to meet with member Trustees to describe the project. Mr. St. Amour asks that the members reach out to schedule a meeting with their boards. There was a short discussion on what is being presented to the Trustees and the likelihood that this could be partially funded by grant funding.
- 12.** Melissa Bailey, VPPSA's Manager of Government Relations, provided a brief report on Legislative activities.
 - The Department of Public Service has issued its Comprehensive Energy Plan for review and comments are due December 20th.
 - The Climate Council and its Climate Action Plan
 - There was a lengthy discussion on the impacts of the climate action plan and its related efforts.
 - Ms. Bailey will be attending meetings on further discussions regarding these efforts.
 - Discussed the possibility of the regulation of the Thermal Sector including added obligations to fuel dealers.
 - Outreach sessions with Member Legislators continue.
 - On-bill Tariff - The coalition working on the pilot has received feedback from the Department and VPPSA is leading the effort to draft DU tariffs implementing on-bill charges and/or payments. A more detailed update will be provided in January.

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

- Net metering [Rule 5.100]
 - Low income rates [Case#20-03] discussions around low income equity
 - Energy Storage [Case#21-3883] comments in another week or two
 - Rate Flexibility [Case #21-2642]
- 13.** Julia Leopold, VPPSA's Communication Specialist, provided a detailed update on RES activities, including the approval of the 2020 RES compliance filing, the 2021 Tier 3 program highlights, and the 2022 program planning. Director Morley gave an update on the line upgrade on Hinton Hill in Barton. A brief summary of measures by member were reviewed. There was also a brief discussion about the pilot program to control residential EV charging load.

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- 14.** Alex Nicholson, VPPSA's GIS Administrator, provided an update on the GIS project. The highlights include:
- The CUD deployment continues with several CUD's sharing and gathering mapping data. VPPSA has been advised that the CUDs will begin submitting pole attachment applications in December, which will trigger the Make Ready process and another round of data gathering to capture further details. VPPSA staff continues to work with the CUD to collect and share information but it has been a challenging and time consuming effort.
 - The first round of the schema design has been finished.
 - A data dictionary is in the beginning phases of development.
 - CUD's will be applying for grants with access to capital that was not previously expected.
- 15.** The General Manager provided a brief report on operational activities at Project 10. They include:
- The building addition punch list is nearing completion with the remaining items being the AC install. Trachte designed and installed a new roof junction this week. This was causing a delay in the floor installation.
 - The 5-year capital plan is complete and incorporated into 2022 budget.
 - The Water fountain was installed and is operational as of this week.

From an operational standpoint, the units continue to operate well and is fully covering VPPSA's reserve commitments. A busy winter is expected as forward prices indicate that the plant may run more than usual.

- 16.** The General Manager provided a brief update on several topics, including:
- 1) WEC - staff continues to transition the additional support activities requested by WEC. The GM met with the new WEC management on November 30th.
 - 2) Hyde Park - Carol Robertson has confirmed that they would like VPPSA to assist in filing a rate case. Steve is coordinating with Hyde Park staff and we anticipate this effort beginning in spring 2022.
 - 3) McNeil District Energy - The McNeil Joint Owners have reached agreement on a Letter of Intent to provide steam to the district energy project. The LOI is being shared with Evergreen Partners and Vermont Gas for their feedback, anticipating support and intend to move to a formal Memorandum of Understanding as the next step.
 - 4) Transmission - The General Manager spoke with Tom Dunn about VELCO participating in the proposed municipal transmission consortium and possibly assisting with operational issues. Tom initially agreed the concept was intriguing and agreed to participate in discussions once they renew.
 - 5) Communications - Staff has been working with Momentum Communications to develop a "Value of Public Power" communications plan. That effort is now in the Board outreach phase, to be followed by a limited Trustee outreach phase before Momentum puts pen to paper on a proposed approach. The intent is for them to provide some key messaging that will convey our central themes and assist staff with identifying and implementing the most effective outreach methods.
 - 6) NEPPA - updated on several tense issues that have taken up considerable time.

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17. Board Member Updates

Chairman Beliveau thanked the VPPSA staff for their contribution of Food and winter coats to the Abenaki Council and Swanton community. The General Manager also thanked the VPPSA staff for sponsoring the Single Parents Program at Champlain College.

18. Other Business

None

Director Humphrey motioned to adjourn, seconded by Director Morley. The meeting was adjourned at 1:06 p.m.

Respectfully submitted,

Amy Parah

Amy Parah, Assistant Secretary