

FINAL VELCO Operating Committee MINUTES

DATE: September 16, 2021, 1:00 p.m. – 3:30 p.m.

LOCATION: Virtual Meeting (ZOOM)

PARTICIPATING MEMBERS

- **Burlington Electric Department (BED):** James Gibbons
- **Green Mountain Power (GMP):** Mike Burke
- **Stowe Electric Department (SED):** Brent Lilley
- **Vermont Electric Cooperative (VEC):** Peter Rossi
- **Vermont Electric Power Company (VELCO):** Chris Root, Frank Etori, Tina Stevens
- **Vermont Public Power Supply Authority (VPPSA):** Stephen Fitzhugh
- **Washington Electric Cooperative (WEC):** Bill Powell

OTHER PARTICIPANTS

Lisa Adamsen (VELCO), Michael Bursell (VEC), Brian Connaughton (VELCO), Tom Dunn (VELCO), Kerrick Johnson (VELCO), Sarah Juzek (SED), Donna Kemnitzer (VELCO), Mathieu Lepage (GMP), Deb Ludden (VELCO), Kim Lyon (VPSSA), Caroline Mashia (VEC), Larry Monserrate (WEC), Dan Nelson (VELCO), Michele Nelson (VELCO), Jason Pew (VELCO), Dan Poulin (VELCO), Hantz Pr sum  (VELCO), Mark Sciarrotta (VELCO), Jaime Smyrski (VELCO), Allen Stamp (AP Stamp, Inc.), Karin Stamy (VELCO), Emily Stebbins-Wheelock (BED), Trish Waugh (SED)

OPENING REMARKS

Mr. Root verified a quorum of the Operating Committee Members and called the meeting to order at 1:04 p.m. Mr. Root welcomed everyone to the joint Operating Committee and CFO Forum.

SAFETY TOPIC

Mr. Root noted that at this time of year, animals become more active and drivers should take extra precautions. Mr. Root also shared that a member of the VT State Police attended a recent VELCO safety meeting and had highlighted the damage that could be done if a vehicle hits a moose.

VELCO 2022/23 BUDGET

Ms. Nelson provided an overview of the 2022 Operating Budget. The budget includes the addition of eight employees due to succession planning and the offsetting of some contract resources.

Mr. Poulin provided an overview of the Capital Budget, noting the 2022 capital budget is similar to the 2021 capital budget.

Mr. Rossi noted he did not see anything in the budget for the purchase of a second PST to replace the failed one. Mr. Root indicated the failed PST will be repaired in place in lieu of purchasing a new one.

Mr. Rossi indicated he did not see anything in the budget for batteries at tower sites. Mr. Poulin noted that the budget does not include batteries at tower sites since this is still under investigation.

The budget overview presentation is available in the meeting materials.

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OPERATING COMMITTEE

Mr. Root reconvened the Operating Committee members following the exit of the CFO participants at 2:12 p.m.

DRAFT MINUTES APPROVAL

Mr. Root presented the meeting minutes from August 19, 2021 for approval.

Mr. Fitzhugh moved for approval, Mr. Powell seconded, and the minutes were approved as presented without objection.

TELECOM WORKING GROUP

Mr. Stamp provided an update: reviewing governance items such as lease rates on rural fiber; they continue to meet with the Distribution Utility partners to review the routing; currently doing capacity studies to determine what the load of the network would be when adding this fiber; will start stringing activities shortly. Mr. Stamp also noted the Engineer issued draft performance specifications and the design drawings will be issued shortly.

Mr. Rossi indicated he would like to see the project plan. Mr. Stamp noted he can review this at next month's meeting.

NOMAD MOBILE STORAGE UPDATE

Mr. Connaughton indicated the subcommittee met yesterday morning. The subcommittee had received revised cost information from NRI on a 10-year lease. The five-year lease pricing had been a little high, so the group requested 10-year lease pricing to review. Mr. Connaughton noted the 10-year lease pricing was still relatively high and did not change the analysis much. The group requested potential use cases and concluded there is not a use case at the distribution level. The subcommittee agreed that the response back to NRI at this time will be "not now". The project will be put on cold storage, with the understanding that things may change down the road. It was also suggested that the Operating Committee members continue to review and discuss battery technology, perhaps as part of an annual discussion.

Mr. Root thanked the team responsible for the analysis. He noted that the time and effort put on this analysis by the subcommittee was substantial and the team deserves recognition for their time and effort.

NERC AUDIT RESULTS

Ms. Ludden provided some slides outlining the results of VELCO's 2021 NERC Compliance Audit. The slides also included an overview of the substantial work necessary to prepare for, and take part in, a NERC compliance audit. The 2021 audit revealed no compliance issues. The auditors did provide some recommendations and positive observations. The recommendations will be used to strengthen VELCO's compliance program.

See presentation for details.

BROADBAND UPDATE (GMP & VEC)

Mr. Burke and Mr. Rossi provided an update on Vermont Broadband from the perspective of both GMP and VEC. The update included a review of where each company is now, an outlook including

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funding challenges, and a review of make-ready incentive.

See presentation for details.

OTHER BUSINESS

Open discussion

- None

Next meeting

Date: October 21, 2021, 1:00 p.m. – 3:30 p.m.

Location: Virtual Meeting (ZOOM)

Possible topics for discussion

- Telecom Working Group – standing agenda item
- ISO behind-the-meter update
- OSHA/VOSHA mandates for utilities
- Update on load shed plans and rotating
- K42 project update – Hantz Presume
- FERC 2222 Order – update in the Fall

MOTION TO ADJOURN

Mr. Fitzhugh moved to adjourn, Mr. Rossi seconded, and the meeting was adjourned at 3:47 pm.

Respectfully submitted,

Tina Stevens
VELCO OC Secretary