



Special Board of Directors Meeting

9:30 AM, July 1, 2020

5195 Waterbury-Stowe Road, Waterbury Center, Vermont 05677

CALL IN NUMBER: 1-773-231-9226

MEETING ID: 8022447678#

[HTTPS://MEETINGS.RINGCENTRAL.COM/J/8022447678](https://meetings.ringcentral.com/j/8022447678)

Directors

Vacant, Barton	Jonathan Elwell, Enosburg	Mike Sullivan, Hardwick
Pamela Moore, Jacksonville	Meredith Birkett, 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
2. Consideration of changes/modifications to agenda **(3)**
3. Public Comment **(2)**

Action Items

4. Minutes of the 05/14/2020 Advisory & RMC Meeting **(2)**
5. Minutes of the 05/14/2020 Legislative & Regulatory Affairs Committee Meeting **(2)**
6. Minutes of the 03/12/2020 Generation & Other Assets Committee Meeting **(2)**
7. Minutes of the 05/14/2020 Generation & Other Assets Committee Meeting **(2)**
8. Resolution 2020-09 Establish Board Meeting Times **(10)**
9. Monthly Financial Report **(Crystal) (10)**

Discussion Items

10. Advisory & Risk Management Items **(est. start 10:05)**
 - a. Audit RFP Results **(Crystal) (10)**
 - b. Strategic Plan Update **(Ken N) (20)**
 - c. AMI Update **(Ken S) (10)**
 - d. Cyber Security Update **(Kim) (10)**
11. Legislative & Regulatory Items **(est. start 10:55)**
 - a. Legislative Brief **(Melissa) (20)**
 - b. Regulatory Updates **(Melissa) (20)**
 - c. Renewable Energy Standard Update **(Julia) (10)**
 - d. Key Account Program Framework Proposal **(Julia) (30)**
12. Generation & Assets Items **(est. start 12:15)**
 - a. Project #10
 - i. Capital/Major Maintenance Update **(Crystal/Dave) (10)**
 - ii. Budget vs. Actual/Market Revenue **(Shawn) (10)**
 - iii. General Performance **(Dave) (10)**
 - iv. Wetlands permit issue **(Ken N) (15)**
 - b. Solar Projects **(Heather) (10)**
 - c. Battery Storage **(Shawn) (15)**
 - d. Load Reducing Resources **(Heather) (10)**
 - e. Phase I **(Ken N) (15)**

f. Future Items (Crystal/Shawn) (5)

Executive Session (est. start 1:55)

NONE

Other

13. Other Business (5)

CC:

Tin Barton-Caplin, Barton	Clayton O. Bailey, Lyndonville
Gary Denton, Enosburg	Vacant, Morrisville Water & Light Dept.
Vacant, Hardwick Electric Dept.	Jeff Schulz, Northfield
Mac Butova, Jacksonville	Marilyn Prue, Orleans
Phil Wilson, Johnson	Lynn Paradis, Swanton



Advisory and Risk Management Meeting Minutes

May 14, 2020

Committee Directors:

P	Reginald Beliveau, Swanton	P	Steve Fitzhugh, Northfield

Other Directors present:

P	John Morley, Orleans	P	Tom Petraska, Ludlow
P	Bill Humphrey, Lyndonville	P	Penny Jones, Morrisville
P	Mike Sullivan, Hardwick		

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

Alternates present:

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 9:33 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.** Director Fitzhugh made a motion to accept the Committee meeting minutes held on July 10, 2019. The motion was seconded by Director Beliveau. The motion was approved.
- 5.** The Committee meeting held September 11, 2019 did not have a quorum of Committee members; therefore, no official meeting was held. The minutes were taken and only represent discussion of those in attendance. The minutes were provided for the Committee's information.

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6. The Committee meeting held November 13, 2019 did not have a quorum of Committee members; therefore, no official meeting was held. The minutes were taken and only represent discussion of those in attendance. The minutes were provided for the Committee's information.
7. The Committee meeting held March 12, 2020 did not have a quorum of Committee members; therefore, no official meeting was held. The minutes were taken and only represent discussion of those in attendance. The minutes were provided for the Committee's information.
8. The General Manager reminded the Committee that as part of the CARES Act in response to the COVID-19 pandemic, Congress passed a series of changes to employees' ability to access pension and retirement plan funds to cover immediate expenses. In order to allow employees to take advantage of these changes, the retirement plan sponsor needed to affirmatively agree to the change for their specific plans (for VPPSA this includes a pension and a 457 plan). Due to the time sensitive nature of the document, the General Manager notified the Board that absent opposition; he, as the Plan Administrator, would move forward with approving the plan changes and seek ratification of the action at the next Board meeting. Resolution 2020-07 ratifies that action, was provided to the Committee for review with the intent of requesting full Board approval at the June Board meeting. The Committee discussed the changes as outlined in the Resolution and the Sponsor Election form and expressed no objections to the Resolution as presented.
9. The General Manager updated the Committee on the continued activities related to the proposal to the Village of Barton to manage their utility. The General Manager noted that he presented the draft proposal to the Barton Trustees at their April 27th meeting in Executive Session. The discussion went well with the Trustees asking some very detailed questions regarding specific aspects of the proposal. Since that time, there have been additional discussions regarding the proposed line crew and other matters that were raised. The proposal is being revised to address those concerns. More recently, VEC has met with the Barton Trustees and presented a draft buyout proposal although the details of that are not yet known. Director Morley asked if they could see the five-year revenue budget at the next board meeting to have a better picture of where Barton is at. There was some talk about the possibility of VPPSA purchasing Barton and if that was allowed or if Legislation needed to be put forward for that to happen. There needs to be a bigger conversation on how VPPSA membership looks long term. The General Manager mentioned that David DeSimone withdrew from accepting the full-time position as Field Services Manager. He plans to speak with Mr. Desimone next week to discuss a potential part-time engagement as VPPSA waits for Barton Trustees to resolve a path forward. The members feel that time is of the essence to deploy resources or not.
10. The General Manager informed the Committee that the Broadband discussions are gaining significant momentum. The Committee was asked to consider the activities currently underway including:
 - a. The State Emergency Broadband Plan
 - b. Legislative Efforts led by Tim Briglin
 - c. VELCO effort to pull together a bid for the October FCC Rural Digital Opportunity Fund grand auction
 - d. State/local funding in the present COVID relief Bill in congress
 - e. VPPSA's AMI Efforts

The Committee discussed the activities above. There was conversation around whether the State can force the members to bid into extending Fiber. The General Manager spoke about GMP and their Energy Equity plan. The members feel It is in the best interest of the members to stay active in the broadband discussions as it is a public "Good" interest.

- 11.** The General Manager informed the Committee that he and the VPPSA staff have been reviewing the VPPSA finance charge policy in anticipation that some members may experience cash flow problems due to the loss of revenues related to the COVID-19 pandemic; related to both lower loads and customer non-payment. In order to alleviate pressure to the VPPSA members, VPPSA is increasing its line-of-credit to \$10M to allow for additional cash flow should the VPPSA members need to delay payment to VPPSA. While VPPSA can use its line-of-credit to cover cash flow requirements, the intent was to also amend the Finance Charge Policy such that it would provide relief to those members that may experience difficulty in meeting their payment obligations. The General Manager provided some suggested policy language and the Committee discussed additional ways to provide relief to members without it placing a burden upon other members. Documentation of the COVID-19 finance charge policy will be provided at the June Board meeting.
- 12.** The General Manager informed the Committee that on March 13th he implemented a work-from-home procedure for effect on March 16th. Since that time the VPPSA staff has been working almost entirely from home with only one person in the office each day (with the exception of Dave G. who continues to work at Project 10). From a technological standpoint, the remote workforce has been very effective, and we have not seen any degradation in operations or productivity. On May 15th, the Governor's Stay-at-Home order will expire; however, he is strongly encouraging those who have the ability to work remotely, to continue doing so and to limit the number of employees in office locations. For this and other health-related reasons, the General Manager indicated that he intends to continue to utilize the work-from-home capability much more to both address employee concerns and maintain productivity. In doing so, VPPSA will begin to look at providing certain equipment for employee home use, providing better equipment and training to facilitate online meetings (RingCentral/Zoom) and how we can organize the office to utilize sharing of office space. The General Manager noted that this is a significant departure from VPPSA's history and therefore, requested feedback from the Committee. While there were no objections to the work from home policy, Director Humphrey felt that if the staff was able to return to work in the office then they should. He was also concerned about the cohesiveness of the office staff if they weren't in the office. Director Fitzhugh is finding that working from home is just as effective as working from the office. The General Manager indicated he was going to continue to monitor the situation and revisit the policy at a later date.
- 13.** Other Business: Director Morley asked if VPPSA heard anything new pertaining to the PUC Disconnect Moratorium. The General Manager mentioned that he has not received anything from the PUC to further extend the order beyond May 15, 2020. Director Jones mentioned that MWL is sending out letters to the customers letting them know the past due amount and possible payment plan arrangements. Director Fitzhugh mentioned that there was still a need to appoint a Velco Operating Committee board member and alternate. The General Manager indicated that this would need to be added to the June VELCO meeting as it's not on the agenda for the May 21st meeting, and would need to be on the next VPPSA Board agenda.

The meeting was adjourned at 11:39 a.m.

Respectfully submitted,

Amy Parah

Amy Parah, Assistant Secretary



Legislative and Regulatory Meeting Minutes

May 14, 2020

Committee Directors:

P	Jon Elwell, Enosburg	P	Meredith Birkett, Johnson
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Other Directors present:

P	John Morley III, Orleans	P	Penny Jones, Morrisville	P	Bill Humphrey, Lyndonville
P	Tom Petraska, Ludlow	P	Mike Sullivan, Hardwick		

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

Alternates present:

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Others present:

Ken Nolan, VPPSA	Melissa Bailey, VPPSA	James Gibbons, BED	Julia Leopold, VPPSA
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Numbers in bold type correspond with agenda item numbers:

1. The meeting was called to order at 11:45 pm via Phone/Webex.
2. Melissa Bailey asked if there were requests for changes and/or modifications to the current agenda. There were not.
3. There was no public presence and therefore no comments were made.
4. Director Birkett moved to approve the minutes from the September 11 and November 13, 2019 and March 14, 2020 meetings and Director Elwell seconded the motion. The minutes for those three meetings were approved unanimously.
5. Julia Leopold provided an update on utilities' COVID response over the past two months. Staff have been holding weekly calls for the VPPSA members to discuss operational changes due to the pandemic. VPPSA members have been providing staff with data related to reductions in monthly retail sales. To date, VPPSA members have seen an average of 10% lower sales this spring as compared with last year.
6. Melissa Bailey provided an update covering topics under consideration currently by the Vermont Legislature. Ms. Bailey explained that the Legislature had been almost exclusively focused on topics related to the coronavirus pandemic and accompanying stay home order currently in effect. The topic that has been discussed at length by the Legislature and has potential implications for electric utilities is broadband deployment. Concern around the lack of universal broadband access

has been heightened due to the current need for workers and students to carry out their work from home. The Department of Public Service recently issued its Emergency Broadband Action Plan for public comment. The plan highlights the 23% of premises in Vermont that currently lack broadband access and recommends steps that can be taken to achieve universal access by 2024. The House Energy and Technology (HET) and Senate Finance Committee have been hearing testimony on the DPS' recommendations, potential sources of federal funding to increase broadband access, and the types of technologies that may be deployed in Vermont.

Ken Nolan informed the committee that he has been participating in a stakeholder group convened by HET Chair Tim Briglin. That group is considering the recommendations in the Emergency Broadband Action Plan and attempting to reach consensus on a path forward.

Ms. Bailey noted that this week some legislative committees were turning their attention back to pre-COVID bills. The Senate Natural Resources and Energy Committee voted this week on the Energy Efficiency Modernization Act (S.337) that will enable Efficiency Vermont to expend up to \$6 million over the next three years on programs in the thermal and transportation sector for measures that have a nexus to electricity.

Ms. Bailey then updated the Committee on current regulatory proceedings at the PUC. A memo detailing active cases had been distributed in advance. The Efficiency Vermont Demand Resources Plan is proceeding, with a final budget determination expected this fall. The net metering biennial update has been put on hold and the PUC recently requested comments on whether its "All Fuels" proceeding should also be placed on hold. There was recently a web meeting held among utilities and the Department of Public Service related to proposed changes to the state's Disconnect Rule. Comments will be due on the DPS' proposal on July 1st.

Director Morley inquired whether there was guidance around the moratorium on utility disconnections currently in effect through June 1st. He noted that in order to disconnect customers for non-payment in June, notices would need to be mailed out very soon. Ms. Bailey responded that no such guidance had been received, though she expected that the moratorium may again be extended. Directors Birkett and Elwell noted that their utilities were feeling the financial impacts of the disconnect moratorium and wondered if policymakers had been discussing potential solutions. The Committee requested that staff submit a filing to the PUC on this topic.

The Committee then discussed the PUC's Low-Income Rate Investigation. The PUC has requested responses from utilities to an initial set of inquiries by June 1st. Participants discussed whether there is a need for low-income rates given the resources currently available to Vermonters to help pay electric bills. The Directors expressed concern about funding any low-income program through electric rates, given that this would generate rate pressure for all customers and provide a disincentive to businesses to locate in Vermont. The Directors prefer that any low-income rate be funded by state tax. Director Sullivan noted that low-income rates could be funded through a few on large net metering projects to reduce the revenue flowing out of Vermont. There was general support for this approach. Director Morley suggested that a low-income rate could be developed for Vermont's municipals and coops, since Green Mountain Power already has a low-income rate. Staff committed to providing a draft of a response to the PUC prior to filing it.

7. Julia Leopold provided an overview of VPPSA's activities under Tier 3 of the Renewable Energy Standard. VPPSA has received three rebate applications from auto dealers for purchases of electric vehicles under the state's EV rebate program. VPPSA and other distribution utilities are processing these rebates and being reimbursed by the state.

VPPSA staff have been in discussions with staff from other utilities and Efficiency Vermont regarding enhancing the programs and services available to low-income customers through Tier 3. Ms. Leopold explained some potential gaps in EVT services that the DU's could consider offering

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low-income customers, including covering the cost of col climate heat pumps for customers replacing fossil fuel boilers or furnaces.

8. There was no Other Business.

The meeting was adjourned at 1:45 p.m.

Respectfully submitted,

Melissa Bailey

Melissa Bailey, Acting Secretary
Legislative & Regulatory Committee



Generation and Other Assets Meeting Minutes

March 12, 2020

Committee Directors:

P	Reginald Beliveau, Swanton	P	Mike Sullivan, Hardwick
P	Craig Myotte, Morrisville		

Other Directors present:

X	Bill Humphrey, Lyndonville	X	Thomas Petraska, Ludlow
X	John Morley, Orleans		

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

Others present:

Ken Nolan, VPPSA	Shawn Enterline, VPPSA (phone)	James Gibbons, BED
Heather D'Arcy, VPPSA		

Numbers in bold type correspond with agenda item numbers:

- 1.** Call to Order: The meeting was called to order at 2:13 PM.
- 2.** Consideration of changes/modifications to agenda: There were no changes to the agenda.
- 3.** Public comment: No members of the public were present.
- 4.** Director Myotte made a motion to accept the minutes of the September 11, 2019 Committee meeting. The motion was seconded by Director Humphry. The motion was approved.
- 5.** Director Myotte made a motion to accept the minutes of the November 13, 2019 Committee meeting. The motion was seconded by Director Humphry. The motion was approved.
- 6.** Project 10 Update
 - a. 2019 Reserve & Contingency True-Up: A summary of the 2019 Reserve & Contingency True-up was provided to the Board. The total cost of capital improvements for 2019 totaled \$41,342. This represents costs for the installation of a bathroom at the site and transmission upgrades that were started in 2019. After payment related to the capital improvements, there remains excess participant contributions of \$53,482. The Resolution recommends that the excess funds be transferred to the Reserve fund. The committee agreed that VPPSA should make this recommendation to the board.
 - b. 2019 Budget to Actuals: Ms. D'Arcy reviewed the budget to actuals for calendar year 2019 and reviewed the revenue streams that were higher than budgeted and those that were lower. Mr. Nolan asked what caused the variance in capacity revenue. Ms. D'Arcy will



follow-up with additional information. Mr. Nolan stated that P10 revenue for capacity will reduce but the members' overall cost will also reduce because their cost for capacity will decrease.

- c. Market Revenue Update: Ms. D'Arcy reviewed the charges versus credits. Mr. Gibbons noted that revenue is largely from capacity which is some of the highest seen and it will continue to decrease.
 - d. General Performance: Ms. D'Arcy explained the table shown in the powerpoint presentation. Mr. Gibbons further explained the weighted average of the claim 10/30 process.
- 7.** Load Reducing Resources: Ms. D'Arcy provided an updated on the value received for load reducing hydro facilities. She reiterated that capacity revenues will be reduced through May of 2020 due to lack of water during capacity peak in 2019. Transmission value varies month to month based on coincident output. She also provided a summary of capacity and transmission value for January 2020.
- 8.** Project Updates:
- a. VPPSA Solar Projects: Ms. D'Arcy provided a summary of the current solar projects underway. Mr. Nolan explained the metering issue with Trombley Hill and noted that Bill Ellis suggests we settle and amend the contract. We're currently trying to get the amendment in place. Mr. Nolan also provided additional context for the Bone Hill project because the current economic analysis shows a slight loss; however, it is being used as a hedge against Tier II REC markets. He also noted that the two Standard Offer Projects were required to have testimony because of the litigation from Allco. The PUC is proactively trying to protect the Standard Offer Program from this litigation.
 - b. New Projects: Ms. D'Arcy provided an update for potential future solar projects. Mr. Nolan explained why the provider block pricing wasn't increased for this year.
New Projects:
- 9.** SHEI Update: Ms. D'Arcy reviewed the annual summary of congestion costs from 2016 through 2019 showing that costs have dropped significantly since 2017. Mr. Nolan explained that the DPS is getting pressure from the Governor's office to open up the northern part of the state for renewable energy generation. VELCO hired a consultant to do an analysis on transmission updates and what economic value that might bring to the state. VPPSA is monitoring this effort closely to make sure it accurately describes any upgrade as being valuable to developers but not necessarily Vermont consumers.
- 10.** Phase I Transmission Update: Mr. Nolan discussed the lease transaction hold as well as the upcoming potential for forward movement.

11. Other Business: NONE

The meeting was adjourned at 3.30 p.m.

Respectfully submitted,

Heather D'Arcy

Heather D'Arcy
Acting Committee Secretary



Generation and Other Assets Meeting Minutes

May 14, 2020

Committee Directors:

A	Reginald Beliveau, Swanton (Absent)	P	Mike Sullivan, Hardwick

Other Directors present:

P	Bill Humphrey, Lyndonville	P	Thomas Petraska, Ludlow
P	John Morley, Orleans	P	Penny Jones, Morrisville
P	Steve Fitzhugh		

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

Others present:

Ken Nolan, VPPSA	Shawn Enterline, VPPSA	James Gibbons, BED
Heather D'Arcy, VPPSA	Ken St. Amour, VPPSA	Dave Gagne, VPPSA

Numbers in bold type correspond with agenda item numbers:

1. Call to Order: The meeting was called to order at 2:05 PM by Director Morley.
2. Consideration of changes/modifications to agenda: There were no changes to the agenda.
3. Public comment: No members of the public were present.
4. Review of draft committee minutes, March 12, 2020. There were no changes to the minutes. Since there was not a quorum present the minutes were tabled to a future meeting.
5. Project 10 Update
 - a. HMI Update - Ken St. Amour reported that VPPSA has been evaluating upgrading the Human-Machine Interface (HMI) computer network. There are seven computers needing upgrade. VPPSA went to bid for three vendors; Casco Systems, Ethos Energy, and Hallam Associates/ICS. Two bidders replied.
 - i. Ethos Energy bid \$115,500.
 - ii. Hallam Associates bid \$75,100.
 Ethos Energy installed the existing system and the experience to date with them has been good. Their support is prompt and effective. It appears that Ethos Energy proposal includes some support costs, while the Hallam was clear that their bid does not provide ongoing support. Staff has reviewed all of the proposals in detail and posed follow up questions to each vendor. At this point the staff recommendation is to proceed with the bid from Ethos Energy and perform the upgrade during Project 10's fall outage.

The committee posed several detail questions around what Hallam meant when they stated that ongoing support was not provided, as well as exploring staff experience with Ethos Energy in further detail. Following discussion, the committee was supportive of the staff recommendation.

- i. Next Step - the Ethos Energy proposal will be on the June Board agenda for approval to start work in the fall.
 - b. Budget to Actual Results
 - i. Ms. D'Arcy reported that actual YTD revenues are very close to budget.
 - ii. She also reported that the unit had a successful start on April 18th and has a surplus of reserves in the Forward Reserve Market.
- 6. Load Reducing Resources**
- a. Ms. D'Arcy reported that very little capacity value has been realized due to low hydro production at the annual ISO peak.
 - b. She also reported that transmission value has been substantially higher because the coincident output has been good.
- 7. Project Updates**
- a. Trombley Hill: Ms. D'Arcy reported that VPPSA is still waiting on a contract amendment to settle the metering dispute.
 - b. Lawrence Brook: Construction is starting next week.
 - c. Bone Hill: Final contracts are completed and interconnection work with NED is ongoing.
 - d. Billings Road: Expect CPG in the coming weeks.
 - e. Center Road: In the CPG process
 - f. Salvage Yard: In the CPG process
 - g. Future Projects: Are on hold due to COVID-19.
- 8. SHEI Update**
- a. Ms. D'Arcy reported that congestions costs have dropped to low levels since peaking in 2016 and 2017.
 - b. Mr. Nolan reported that GMP and VEC have been asked to analyze the potential for impact fees for new generation within the SHEI interface. In addition, VELCO is trying to find a way to conduct its long-range plan while the legislature discusses increases to the Renewable Energy Standard and is considering the long-term impact on SHEI of possible legislative decisions as part of that work.
- 9. COVID-19 Effects on Load**
- a. Mr. Enterline reported the loads are down compared to 2019 except for Barton.
 - b. Mr. Nolan reported that the data is shared with the State and with APPA.
 - c. Mr. Fitzhugh suggested that the color scheme should be across all members, not individual members.
- 10. Other Business:**
- a. Mr. Gibbons reported that VELCO is expecting COVID-related costs to flow through its transmission billings in the coming months due to low loads in New England, which causes lower regional revenues to VELCO, and in turn higher charges to Vermont utilities from VELCO. VELCO has asked FERC for an accounting order to smooth out the impacts over two years. The size of the increase in costs could be up to \$3,000,000 per month or a net of \$10,000,000 over the 2020 calendar year.

- b. Mr. Morley asked what the cost impact would be if Vermont loads increased faster than New England's as the region's economies re-open. Mr. Gibbons reported that the benefit from getting retail sales back is larger than the cost of increased transmission. Mr. Nolan reported that there is a large variance between utilities in how this impact affects them. However, the cost to VPPSA members appears to be modest.

The meeting was adjourned at 3:11 p.m.

Respectfully submitted,

Shawn Enterline

Shawn Enterline
Acting Committee Secretary

Vermont Public Power Supply Authority

Resolution 2020-09

Designation of Time and Place for Board Meetings, and Posting of Notices and Announcements

IT IS HEREBY RESOLVED by the Board of Directors ("the Board") of Vermont Public Power Supply Authority ("the Authority") that the following schedule is adopted for the time and place of Board meetings, and that the following designations are made for the posting of notices and announcements, effective as of the date of this Resolution:

Designation and Time and Place of Regular and Annual Meetings of Board of Directors

1. Regular meetings of the Board shall be held on the first Wednesday of the month, at the offices of the Authority located at 5195 Waterbury-Stowe Road in Waterbury Center, Vermont. The meetings will begin at 9:30 a.m., except the April meeting which will ensue immediately following the annual meeting.
2. The annual meeting of the Board shall be held on the first Wednesday of the month of April, beginning at 9:30 a.m. at the offices of the Authority.
3. Any changes in time and place from those set forth above, as well as any emergency, special or committee meetings of the Board, shall be warned in accordance with applicable law.

Designation of Media for Announcements Required by Applicable Law

5. The Authority designates radio station WDEV (550 AM) for such media announcements as may be required by law.

Designation for posting

6. The Authority designates the following locations for physical posting of notices for which posting is required by applicable law:
 - a. The entryway of the Authority's office at 5195 Waterbury-Stowe Road, Waterbury Center, VT
 - b. The lobby of the Waterbury Center Post Office at 1787 Guptil Road, Waterbury

Center, VT

c. The bulletin board of the Shaw's Supermarket located at 820 Waterbury-Stowe Road, Waterbury, VT

d. The Authority website located at: <https://vppsa.com/about-vppsa/board-of-directors/>

Adopted by the Board of Directors
This 1st day of July 2020

ATTESTED: Crystal Currier

Crystal Currier
Secretary

Vermont **Public Power** Supply Authority



Monthly Financial Report May 31, 2020

(Unaudited)

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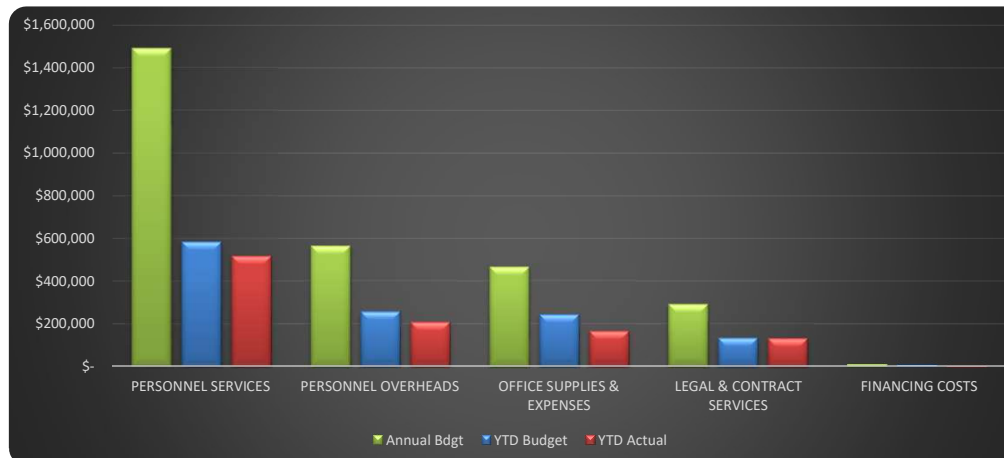
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VERMONT PUBLIC POWER SUPPLY AUTHORITY
OPERATIONAL REVENUE & EXPENSE SUMMARY
2020 YTD ACTUAL VS. BUDGET

Reconciliation Month **May-2020**

		2020	2020	Variance	Variance	2020	YTD Act %
		YTD Budget	YTD Actual	Act vs. Bdgt	Act vs. Bdgt	Annual Bdgt	of Annual
				\$	%		Bdgt
REVENUES:							
	MCNEIL PROJECT #2	\$ 40,809	\$ 40,809	\$ -	0.0%	\$ 97,943	42%
	HIGHGATE PROJECT #3	\$ -	\$ -	\$ -	0.0%	\$ -	0%
	CENTRAL COMPUTER PRJ #4	\$ 20,405	\$ 20,405	\$ -	0.0%	\$ 48,971	42%
	SWANTON PEAKER PRJ #10	\$ 95,710	\$ 86,495	\$ (9,216)	-9.6%	\$ 236,172	37%
	RES PROJECT	\$ 21,212	\$ 21,212	\$ -	0.0%	\$ 50,908	42%
	NET METERING PROJECT	\$ 30,607	\$ 30,607	\$ -	0.0%	\$ 73,458	42%
	AMI PROJECT	\$ 74,240	\$ 74,240	\$ -	0.0%	\$ 89,089	83%
	GIS/MAPPING PROJECT	\$ 26,727	\$ 26,727	\$ -	0.0%	\$ 189,928	14%
	MEMBER REVENUES	\$ 676,975	\$ 662,094	\$ (14,881)	-2.2%	\$ 1,624,740	41%
	NON-MEMBER REVENUES	\$ 89,208	\$ 62,023	\$ (27,185)	-30.5%	\$ 405,088	15%
	TOTAL REVENUES	\$ 1,075,893	\$ 1,024,611	\$ (51,282)	-4.8%	\$ 2,816,297	36%
BILLABLE EXPENSES:							
	PERSONNEL SERVICES	\$ 585,367	\$ 519,150	\$ (66,217)	-11.3%	\$ 1,489,920	35%
	PERSONNEL OVERHEADS	\$ 257,185	\$ 208,223	\$ (48,962)	-19.0%	\$ 562,474	37%
	OFFICE SUPPLIES & EXPENSES	\$ 243,471	\$ 166,365	\$ (77,106)	-31.7%	\$ 464,328	36%
	LEGAL & CONTRACT SERVICES	\$ 134,250	\$ 131,828	\$ (2,422)	-1.8%	\$ 290,000	45%
	FINANCING COSTS	\$ 5,132	\$ 618	\$ (4,515)	-88.0%	\$ 9,575	6%
	TOTAL BILLABLE EXPENSES	\$ 1,225,405	\$ 1,026,184	\$ (199,221)	-16.3%	\$ 2,816,297	36%
	Net Income(Loss)	\$ (149,513)	\$ (1,573)	\$ 147,940			

-  between 39% and 44%
 greater than 44%
 less than 39%



Monthly Financial Report-Variance Analysis
May 31, 2020

NON PROJECT OPERATIONS:

	Actual				Budget	Var (\$)	Var (%)
	Operational (*)	Power Supply	Transco Activities	Other	Total		
Member/NonMember Revenues	\$ 716,933	\$ 12,661,758	\$ -	\$ -	\$ 13,378,691		
Other Revenue Sources	\$ 330,770	\$ 1,577,060	\$ 1,016,597	\$ 34,422	\$ 2,958,849		
Total Revenues	\$ 1,047,703	\$ 14,238,818	\$ 1,016,597	\$ 34,422	\$ 16,337,539	\$ 15,533,428	\$ 804,111 5%
Operational Expenses	\$ (1,026,184)	\$ (14,036,650)	\$ -	\$ (28,108)	\$ (15,090,941)		
Transco Activities	\$ (23,092)	\$ -	\$ (503,842)	\$ -	\$ (526,933)		
Other Expenses	\$ -	\$ -	\$ -	\$ (5,601)	\$ (5,601)		
Total Expenses	\$ (1,049,276)	\$ (14,036,650)	\$ (503,842)	\$ (33,708)	\$ (15,623,476)	\$ (15,152,310)	\$ (471,165) 3%
Net Cash Flow	\$ (1,573)	\$ 202,168	\$ 512,756	\$ 713	\$ 714,064		
Transco Principal (VPPSA)	\$ 46,056	\$ -	\$ -	\$ -	\$ 46,056		
Net Income (Loss)	\$ 44,483	\$ 202,168	\$ 512,756	\$ 713	\$ 760,120	\$ 381,118	\$ 332,946 87%
Primary Drivers	PR & OH's underbudget 13.7% or (\$115K) OS & E under-budget 22% or (\$84K) -comp hard/soft,website, conf/travel, legal, interest, dues; offset by audit, outside svcs other Net Excess (Deficit) Collected to Cover Costs: (\$1,573) (*) - Reconciles to Operational Revenue & Expense Summary						

MCNEIL:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 1,584,965	\$ 2,170,526	\$ (585,561)	-27%
Oper Expenses	\$ (1,786,895)	\$ (2,372,456)	\$ 585,561	-25%
Non-Oper Rev/Exp	\$ 6,520	\$ 12,347	\$ (5,827)	-47%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (195,410)	\$ (189,583)	\$ (5,827)	3%
Primary Drivers	Oper Expenses under-bdgt (\$585,561) or 25% Wood fuel under-bdgt (\$347,928) or 30% Generation 31.1% under-budget, (6,972,444) kwh less than budget			

CENTRAL COMPUTER:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 53,058	\$ 53,058	\$ -	0%
Oper Expenses	\$ (53,058)	\$ (53,058)	\$ -	0%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (0)	\$ (0)	\$ -	0%
Primary Drivers	On-Budget			

PROJECT 10:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 1,239,382	\$ 1,239,382	\$ (0)	0%
Oper Expenses	\$ (973,319)	\$ (916,962)	\$ (56,356)	6%
Non-Oper Rev/Exp	\$ 27,428	\$ 20,000	\$ 7,428	37%
Financing	\$ (274,100)	\$ (274,100)	\$ -	0%
Net Income (Loss)	\$ 19,392	\$ 68,320	\$ (48,928)	-72%
Primary Drivers	Labor & OH -Overbdgt \$1,769 or 4% Materials- Underbdgt (\$2,074) or 48% Legal & OSS - Underbdgt (\$7,400)or 38% Minimal training, No Engineering costs Insurances & Electric overbudget, DC Trip test/relay testing			

AMI Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 126,907	\$ 126,907	\$ (0)	0%
Oper Expenses	\$ (81,740)	\$ (126,907)	\$ 45,167	-36%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 45,167	\$ 0	\$ 45,167	0%
Primary Drivers	Minimal xpenses incurred to date (primarily Limmerhirt invoices not rec'd). Assumed travel expenses that will likely not be incurred.			

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 YTD			

Renewable Energy Standards:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 143,003	\$ 132,503	\$ 10,500	8%
Oper Expenses	\$ (69,241)	\$ (132,503)	\$ 63,262	-48%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 73,762	\$ 0	\$ 73,762	147523340%
Primary Drivers	Budgeted Expenses - Annualized Rebates/Incentives lower than budgeted to date VTRANS invoiced, dealer invoice not rec'd = \$4,000			

Net Metering Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 30,816	\$ 30,816	\$ 0	0%
Oper Expenses	\$ (30,676)	\$ (30,816)	\$ 140	0%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ 140	\$ (0)	\$ 140	-279720%
Primary Drivers	Mileage Expense bdgt'd but minimal incurred to date			

GIS Project:

	Actual	Budget	Var (\$)	Var (%)
Oper Revenues	\$ 82,877	\$ 82,868	\$ 8	0%
Oper Expenses	\$ (87,490)	\$ (120,012)	\$ 32,522	-27%
Non-Oper Rev/Exp	\$ -	\$ -	\$ -	0%
Financing	\$ -	\$ -	\$ -	0%
Net Income (Loss)	\$ (4,613)	\$ (37,143)	\$ 32,530	-88%
Primary Drivers	Direct salaries/overheads bdgt'd to begin in Apr-Actual will begin in June mPower Contract expensed (slightly overbdgt)			

Vermont Public Power Supply Authority
Project Summary Balance Sheet
May 31, 2020

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	AMI	GIS	Total
ASSETS										
Fixed Assets										
Production Plant										
Land & Land Rights	0.00	79,273.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	79,273.96
Structures & Improvements	0.00	4,911,937.88	0.00	0.00	3,699,936.92	0.00	0.00	0.00	0.00	8,611,874.80
Equipment	0.00	17,372,443.26	0.00	0.00	18,688,584.59	0.00	0.00	0.00	0.00	36,061,027.85
Total Production Plant	0.00	22,363,655.10	0.00	0.00	22,388,521.51	0.00	0.00	0.00	0.00	44,752,176.61
Transmission Plant										
Land & Land Rights	0.00	0.00	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	0.00	0.00
Equipment	0.00	0.00	0.00	0.00	1,467,289.54	0.00	0.00	0.00	0.00	1,467,289.54
Total Transmission Plant	0.00	0.00	0.00	0.00	1,467,289.54	0.00	0.00	0.00	0.00	1,467,289.54
Regional Transmission & Market Plant										
Computer Hardware/Software	0.00	0.00	0.00	0.00	138,367.70	0.00	0.00	0.00	0.00	138,367.70
Communication Equipment	0.00	0.00	0.00	0.00	19,074.23	0.00	0.00	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	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	0.00	0.00	141,098.99
Structures & Improvements	710,298.55	0.00	0.00	0.00	562.11	0.00	0.00	0.00	0.00	710,860.66
Meters	91,454.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	91,454.48
Equipment	483,192.59	124,006.09	0.00	0.00	5,561.44	0.00	0.00	0.00	29,767.06	642,527.18
Total General Plant	1,426,044.61	124,006.09	0.00	0.00	6,123.55	0.00	0.00	0.00	29,767.06	1,585,941.31
Total Fixed Assets	1,426,044.61	22,487,661.19	0.00	0.00	24,019,376.53	0.00	0.00	0.00	29,767.06	47,962,849.39
CWIP	117,375.73	109,720.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	227,096.45
Intangible Plant-Net of Amort.	1,905.99	977.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,883.87
Accumulated Depreciation	(1,104,069.91)	(20,428,250.82)	0.00	0.00	(11,213,794.84)	0.00	0.00	0.00	0.00	(32,746,115.57)
Net Utility Plant In Service	441,256.42	2,170,108.97	0.00	0.00	12,805,581.69	0.00	0.00	0.00	29,767.06	15,446,714.14

Vermont Public Power Supply Authority
Project Summary Balance Sheet
May 31, 2020

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	AMI	GIS	Total
Investments:										
Bond Fund Investments	0.00	0.00	0.00	0.00	3,591,524.90	0.00	0.00	0.00	0.00	3,591,524.90
Vt. Transco Investments	33,600,890.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33,600,890.00
Other Investments	265,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	265,000.00
Total Investments	33,865,890.00	0.00	0.00	0.00	3,591,524.90	0.00	0.00	0.00	0.00	37,457,414.90
Current Assets:										
Project Revenue Funds	0.00	348,927.36	12.35	0.00	102,645.85	0.00	0.00	0.00	0.00	451,585.56
Project Construction Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and Working Funds	3,469,945.34	0.00	0.00	(26,321.72)	0.00	137,108.99	139.88	45,166.65	(33,761.41)	3,592,277.73
Cash-Special Deposits-PEx	0.00	0.00	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	0.00	0.00
Temporary Investments	443,371.89	1,919,137.05	0.00	0.00	4,294,016.96	0.00	0.00	0.00	0.00	6,656,525.90
Accounts Receivable	4,179,186.32	373,507.23	0.00	0.00	16,942.21	(108.40)	0.00	0.00	(618.51)	4,568,908.85
Amounts Due From Members	0.00	0.00	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	0.00	0.00
Interest/Distributions Receivable	(35.58)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(35.58)
Inventory	515.00	1,136,416.49	0.00	0.00	239,423.43	0.00	0.00	0.00	0.00	1,376,354.92
Prepayments	20,415.19	0.00	0.00	0.00	151,391.73	0.00	0.00	0.00	0.00	171,806.92
Total Current Assets	8,113,398.16	3,777,988.13	12.35	(26,321.72)	4,804,420.18	137,000.59	139.88	45,166.65	(34,379.92)	16,817,424.30
Other Assets:										
Deferred Debits-Other Reg Assets	0.00	0.00	0.00	0.00	25,000.00	0.00	0.00	0.00	0.00	25,000.00
Deferred Debits	14,845.35	237,812.10	0.00	9,087.22	0.00	0.00	0.00	0.00	0.00	261,744.67
Derivative Instrument Asset	0.00	0.00	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	0.00	0.00
Total Other Assets	14,845.35	237,812.10	0.00	9,087.22	25,000.00	0.00	0.00	0.00	0.00	286,744.67
Total Assets	\$ 42,435,389.93	6,185,909.20	12.35	(17,234.50)	21,226,526.77	137,000.59	139.88	45,166.65	(4,612.86)	70,008,298.01

Vermont Public Power Supply Authority
Project Summary Balance Sheet
May 31, 2020

	Internal	McNeil	Highgate	C.Computer	P10	RES	NetMtr	AMI	GIS	Total
LIABILITIES AND CAPITAL										
Current Liabilities:										
Accounts Payable	2,354,372.18	374,730.12	0.00	(17,236.52)	49,112.03	8,900.00	0.00	0.00	0.00	2,769,877.81
Security Deposits	5,764.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,764.37
Amounts due Members	393,774.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	393,774.96
Short-term Bank Notes Payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Maturities on L/T Debt	3,673,686.05	0.00	0.00	0.00	1,170,000.00	0.00	0.00	0.00	0.00	4,843,686.05
Derivative Instrument Liability	55,128.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55,128.54
Accrued Interest	0.00	0.00	0.00	0.00	273,940.01	0.00	0.00	0.00	0.00	273,940.01
Accrued Taxes Payable	6,250.00	43,485.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49,735.93
Accrued Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accrued Pension Contributions	29,241.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29,241.58
Accrued Payroll Liabilities	5,037.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,037.81
Other Misc. Accrued Liabilities	9,978.07	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,978.07
Total Current Liabilities	6,533,233.56	418,216.05	0.00	(17,236.52)	1,493,052.04	8,900.00	0.00	0.00	0.00	8,436,165.13
Long-Term Debt:										
LTD-Bonds	0.00	0.00	0.00	0.00	13,280,000.00	0.00	0.00	0.00	0.00	13,280,000.00
LTD-Other-HG	0.00	0.00	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	0.00	0.00
LTD-Transco-Members	14,553,057.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,553,057.57
LTD-Transco-HG	1,114,015.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,114,015.08
LTD-Transco-VEC	0.00	0.00	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	0.00	0.00
LTD-Transco-LED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LTD-2019 Building Upgrades	116,666.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	116,666.68
Unamortized Bond Premium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unamortized Loss of Reaq. Debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Long-Term Debt	15,783,739.33	0.00	0.00	0.00	13,280,000.00	0.00	0.00	0.00	0.00	29,063,739.33
Other Liabilities										
Deferred Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Def. Revenues - Members	0.00	0.00	12.13	0.00	0.00	54,338.70	0.09	0.00	0.00	54,350.92
Deferred Vacation Wages	98,915.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98,915.44
Deferred Contract Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Credits-Other Reg Liability	0.00	0.00	0.00	0.00	25,000.00	0.00	0.00	0.00	0.00	25,000.00
Other Deferred Credits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Deferred Credits	98,915.44	0.00	12.13	0.00	25,000.00	54,338.70	0.09	0.00	0.00	178,266.36
Interfund-Project Allocations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Equity										
Unappropriated Retained Earnings	6,403,207.10	5,767,693.16	1,193,836.70	2.03	6,405,714.71	73,761.89	139.79	45,166.65	(4,612.86)	19,884,909.17
Unappropriated Earnings-Distributed	0.00	0.00	(1,193,836.48)	0.00	0.00	0.00	0.00	0.00	0.00	(1,193,836.48)
Appropriated Retained Earnings	13,671,423.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,671,423.02
Other Comprehensive Income	(55,128.54)	0.00	0.00	0.00	22,760.02	0.00	0.00	0.00	0.00	(32,368.52)
Total Retained Earnings	20,019,501.58	5,767,693.16	0.22	2.03	6,428,474.73	73,761.89	139.79	45,166.65	(4,612.86)	32,330,127.19
Total Liabilities & Capital	\$ 42,435,389.91	6,185,909.21	12.35	(17,234.49)	21,226,526.77	137,000.59	139.88	45,166.65	(4,612.86)	70,008,298.01

Vermont Public Power Supply Authority
Project Summary Income Statement
May 31, 2020

	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	Net Mtr	AMI	GIS	Total
REVENUES & OTHER INCOME										
Sales for ReSale	12,812,970.92	1,584,965.08	0.00	0.00	1,239,381.64	0.00	0.00	0.00	0.00	15,637,317.64
Service Revenues	0.00	0.00	0.00	53,058.05	0.00	143,002.72	30,815.55	126,907.00	82,876.74	436,660.06
CDA & Affiliate Revenues	716,932.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	716,932.80
Project Revenues	300,494.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	300,494.37
REC Revenues	1,577,060.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,577,060.00
Service Revenue-Direct Billable	27,107.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27,107.52
VELCO Directorship	4,750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,750.00
Misc. Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating Revenues	15,439,315.61	1,584,965.08	0.00	53,058.05	1,239,381.64	143,002.72	30,815.55	126,907.00	82,876.74	18,700,322.39
EXPENSES										
POWER PRODUCTION										
STEAM POWER PRODUCTION										
Operations	0.00	1,179,621.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,179,621.16
Maintenance	0.00	110,116.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	110,116.33
Total Steam Power Production	0.00	1,289,737.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,289,737.49
OTHER POWER PRODUCTION										
Operations	0.00	0.00	0.00	0.00	127,582.15	0.00	0.00	0.00	0.00	127,582.15
Maintenance	0.00	0.00	0.00	0.00	17,898.21	0.00	0.00	0.00	0.00	17,898.21
Total Other Power Production	0.00	0.00	0.00	0.00	145,480.36	0.00	0.00	0.00	0.00	145,480.36
TRANSMISSION										
Operations	4,776,348.38	3,107.32	0.00	0.00	8.09	0.00	0.00	0.00	0.00	4,779,463.79
Maintenance	0.00	0.00	0.00	0.00	21,596.00	0.00	0.00	0.00	0.00	21,596.00
Total Transmission Expense	4,776,348.38	3,107.32	0.00	0.00	21,604.09	0.00	0.00	0.00	0.00	4,801,059.79
OTHER POWER SUPPLY										
Purchase Power	9,381,026.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,381,026.10
System Control & Load Dispatch	0.00	3,072.29	0.00	0.00	4,094.47	0.00	0.00	0.00	0.00	7,166.76
REC Purchases	0.00	0.00	0.00	0.00	0.00	16,200.00	0.00	0.00	0.00	16,200.00
Total Other PS Expense	9,381,026.10	3,072.29	0.00	0.00	4,094.47	16,200.00	0.00	0.00	0.00	9,404,392.86

Vermont Public Power Supply Authority
Project Summary Income Statement
May 31, 2020

	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	Net Mtr	AMI	GIS	Total
REGIONAL MARKET EXPENSES										
RME-Market Monitor/Compl-Gen	0.00	0.00	0.00	0.00	17,314.53	0.00	0.00	0.00	0.00	17,314.53
RME-Market Monitor/Compl-L&O	0.00	0.00	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	17,314.53	0.00	0.00	0.00	0.00	17,314.53
CUSTOMER SVS & INFORMATION ADV										
Cust Assistance Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cust Svs & Info Adv	344.75	3,706.93	0.00	0.00	0.00	1,500.00	0.00	0.00	0.00	5,551.68
Total Cust Svs & Info Adv.	344.75	3,706.93	0.00	0.00	0.00	1,500.00	0.00	0.00	0.00	5,551.68
SALES EXPENSE										
Sales Expense	4,962.65	1,980.00	0.00	0.00	0.00	23,100.00	0.00	0.00	0.00	30,042.65
Total Sales Expense	4,962.65	1,980.00	0.00	0.00	0.00	23,100.00	0.00	0.00	0.00	30,042.65
ADMINISTRATIVE & GENERAL										
Operations	1,011,207.63	172,886.39	0.00	53,058.10	307,406.82	28,441.00	30,675.74	81,740.35	87,489.60	1,772,905.63
Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total A&G Expense	1,011,207.63	172,886.39	0.00	53,058.10	307,406.82	28,441.00	30,675.74	81,740.35	87,489.60	1,772,905.63
OTHER										
Taxes- In Lieu of Property Taxes	6,250.00	110,321.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	116,571.15
Depreciation Expense	13,365.00	202,083.35	0.00	0.00	477,418.45	0.00	0.00	0.00	0.00	692,866.80
Amortization Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Direct Billable-Pass Thru Exp	28,107.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28,107.52
Total Other Expense	47,722.52	312,404.50	0.00	0.00	477,418.45	0.00	0.00	0.00	0.00	837,545.47
Total Operating Expenses	15,221,612.03	1,786,894.92	0.00	53,058.10	973,318.72	69,241.00	30,675.74	81,740.35	87,489.60	18,304,030.46
Net OPERATING Earnings(Loss)	\$ 217,703.58 (\$ 201,929.84)		0.00	(0.05)	266,062.92	73,761.72	139.81	45,166.65	(4,612.86)	396,291.93

Vermont Public Power Supply Authority
Project Summary Income Statement
May 31, 2020

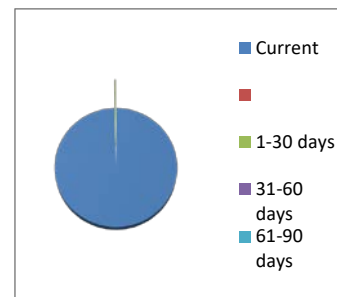
	Non-Project	McNeil	Highgate	C. Computer	Swanton Pkr	RES	Net Mtr	AMI	GIS	Total
NON-OPERATING (INCOME) EXPENSES										
OTHER NON-OPERATING (INCOME) EXPENSES										
Interest/Finance Chg Income	(7,314.03)	(6,673.02)	0.00	0.00	(27,428.30)	0.00	0.00	0.00	0.00	(41,415.35)
TRANSCO Distribution/Income	(1,050,531.35)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,050,531.35)
Transco "Net Settlement" Expense	275,216.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	275,216.03
Misc. Non-Operating Inc-Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Non-Operating Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Non-Operating Exp-DOE Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Non-Operating Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Non-Operating (Inc) Exp	(782,629.35)	(6,673.02)	0.00	0.00	(27,428.30)	0.00	0.00	0.00	0.00	(816,730.67)
FINANCING COSTS										
Interest on LTD-Bonds	0.00	0.00	0.00	0.00	273,940.10	0.00	0.00	0.00	0.00	273,940.10
Interest on LTD-Other	0.00	153.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	153.50
Interest on LTD-Transco	239,595.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	239,595.45
Interest on LTD-2019 Bldg Renov.	617.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	617.53
Interest on Short-term Debt	0.00	0.00	0.00	0.00	159.60	0.00	0.00	0.00	0.00	159.60
Financing Costs on LTD-Swp Rel.	0.00	0.00	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	0.00	0.00
Amortization of Debt Issue Exp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortization of Loss on Reaq.Debt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortization of Bond Premium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Financing Expenses	240,212.98	153.50	0.00	0.00	274,099.70	0.00	0.00	0.00	0.00	514,466.18
Total Non-Operating (Inc) Exp	(542,416.37)	(6,519.52)	0.00	0.00	246,671.40	0.00	0.00	0.00	0.00	(302,264.49)
TOTAL Net Earnings(Loss)	\$ 760,119.95	(\$ 195,410.32)	0.00	(0.05)	19,391.52	73,761.72	139.81	45,166.65	(4,612.86)	698,556.42

Vt. Public Power Supply Authority
Consolidated Balance Sheet
May 31, 2020

	2020	2019
ASSETS		
Electric Utility Plant	47,962,849.39	47,713,267.93
Accumulated Depreciation	(32,746,115.57)	(31,150,669.63)
Utility Plant in Service	15,216,733.82	16,562,598.30
 CWIP-General	117,375.73	0.00
CWIP-McNeil	109,720.72	26,910.82
CWIP-Highgate	0.00	0.00
CWIP-P10	0.00	27,064.00
 Net Electric Plant	15,443,830.27	16,616,573.12
 Intangible Plant-Net of Amort.	2,883.87	977.88
<u>Current Assets:</u>		
Special Funds	4,043,110.46	3,954,473.26
Cash and Working Funds	2,593,935.63	1,183,902.70
Cash - REC's	0.00	0.00
Cash - Vt. Transco	998,342.10	1,732,723.37
Cash - VEV Proceeds	0.00	0.00
Special Deposits-Collateral	0.00	0.00
Temporary Investments	6,656,525.90	6,065,829.21
Investment in Associated Co.	265,000.00	265,000.00
Investment in Vt. Transco	33,600,890.00	41,888,780.00
Accounts Receivable	4,568,908.85	5,176,152.50
Amounts Due From Members	0.00	0.00
Notes Receivable	0.00	0.00
Interest/Distributions Receivable	(35.58)	0.38
McNeil Inventory	1,136,416.49	1,127,369.22
P10 Inventory	239,423.43	231,239.05
Meter Inventory	515.00	515.00
Other Current Assets	171,806.92	170,806.48
 Total Current Assets	54,274,839.20	61,796,791.17
<u>Other Assets:</u>		
Deferred Debits-Other Regulatory Asset	25,000.00	0.00
Deferred Debits-McN	261,744.67	415,519.74
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	286,744.67	415,519.74
 Total Assets	\$ 70,008,298.01	\$ 78,829,861.91

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
May 31, 2020

	2020	2019
LIABILITIES AND CAPITAL		
Unappropriated Retained Earnings	19,884,909.17	19,341,029.53
Unappropriated Earnings-Distributed	(1,193,836.48)	(1,193,836.48)
Appropriated Retained Earnings	13,671,423.02	11,538,484.03
Other Comprehensive Income	(32,368.52)	(50,207.92)
Total Retained Earnings	32,330,127.19	29,635,469.16
<u>Long-Term Debt:</u>		
LTD-P10 Bonds - Series A	12,550,000.00	13,655,000.00
LTD-P10 Bonds - Series B	730,000.00	795,000.00
LTD-Transco 2011 Consolid Refi	7,917,282.89	9,048,323.31
LTD-Transco 2012-2014 Members	2,769,261.68	3,164,870.44
LTD-Vt Transco "16 Members	1,100,290.00	1,310,290.00
LTD-Vt Transco Financing-HG	1,114,015.08	1,273,160.08
LTD-Vt Transco '17 Members	1,381,254.00	1,578,576.00
LTD-Vt Transco '18 Members	937,712.00	1,054,926.00
LTD-Vt Transco '18 VPPSA	60,464.00	68,022.00
LTD-Vt Transco '19 Members	386,793.00	0.00
LTD-LED SFTransco 2010-2020	0.00	2,194,000.00
LD-2019 Building Upgrades	116,666.68	0.00
Unamortized Premium-P10 Bonds	0.00	173,092.97
Unamortiz Loss-Reaqc Debt-P10	0.00	(123,839.00)
Net Long-Term Debt	29,063,739.33	34,191,421.80
Def. Revenues - Members	54,350.92	94,651.74
Def. Credits-Accrued Vac Liab.	98,915.44	83,666.21
Def Credits-LT Salaries Payabl	0.00	0.00
Def Credits-Other Reg Liabilities	25,000.00	0.00
Total Deferred Revenues/Credits	178,266.36	178,317.95
<u>Current Liabilities:</u>		
Accounts Payable	2,769,877.81	2,700,245.93
Amounts due Members	393,774.96	370,331.41
Security Deposits	5,764.37	1,576.75
Short-term Bank Notes Payable	0.00	0.00
Current Maturities on L/T Debt	4,843,686.05	11,327,534.72
Derivative Instrument Liability	55,128.54	49,221.20
Accrued Interest	273,940.01	288,427.01
Accrued Taxes Payable	49,735.93	46,791.67
Accrued Salaries	0.00	0.00
Accrued Pension Contributions	29,241.58	26,864.41
Accrued Payroll Liabilities	5,037.81	3,128.22
Other Misc. Accrued Liabilities	9,978.07	10,531.68
Total Current Liabilities	8,436,165.13	14,824,653.00
Total Liabilities & Capital	\$ 70,008,298.01	\$ 78,829,861.91

Vermont Public Power Supply Authority
Non-Project Operations - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Operating Revenues				
Sales for Resales	12,661,758.01	12,098,589.31	105%	27,841,446.45
Sales for Resales-Standard Offer	151,212.91	259,317.69	58%	1,056,529.37
Serv. Fees, Members & Affiliates	716,932.80	729,673.76	98%	1,787,858.58
Admin Fees Allocated to Projects	256,422.63	229,697.60	112%	551,274.24
Project 10 Labor & OH Revenue	44,071.74	55,981.65	79%	134,355.96
GIS Project Lbr & OH	0.00	30,251.61	0%	100,838.70
VELCO Directorship	4,750.00	4,500.00	106%	18,000.00
Renewable Energy Certificates	1,577,060.00	1,062,339.43	148%	2,721,650.01
Serv. Revenue-Direct Billable	27,107.52	0.00	0%	0.00
Misc. Revenues	0.00	0.00	0%	1,000.00
Total Operating Revenues	15,439,315.61	14,470,351.05	107%	34,212,953.31
Operating Expenses				
Other Power Supply Expense				
OPSE-Purchased Power	9,255,338.85	8,678,634.29	107%	20,585,528.11
OPSE-REC Purchase Exp.	0.00	0.00	0%	0.00
OPSE-Purchase Pwr-'15 SO (Lyn)	74,788.82	74,506.67	0%	197,428.50
OPSE-Purchase Pwr-'17 SO(Trom)	50,898.43	59,074.74	0%	156,536.82
OPGE-Purchase Pwr-'19SO (Hess)	0.00	38,538.63	0%	247,452.58
OPGE-Purchase Pwr-'19SO(Davis)	0.00	38,940.08	0%	250,030.21
Total Other Power Supply Expense	9,381,026.10	8,889,694.41	106%	21,436,976.22
Transmission Expense				
TRSM-Oper-Transm by Others	4,770,697.99	4,477,293.45	107%	9,965,567.35
TRSM-Oper-Misc Transm Exp	5,650.39	5,000.00	113%	12,000.00
Total Transmission Expense	4,776,348.38	4,482,293.45	107%	9,977,567.35
Cust Svs & Informational Expense				
Customer Svs & Informational	344.75	3,393.75	10%	8,145.00
Total Customer Svs & Informational Exp	344.75	3,393.75	10%	8,145.00
Sales Expense				
REC Sales Expenses	4,962.65	0.00	0%	0.00
Total Sales Expense	4,962.65	0.00	0%	0.00
Admin & General Expense				
Salaries	519,149.87	585,366.75	89%	1,489,920.45
Payroll Overheads	44,176.70	51,789.02	85%	115,716.01
Office Supplies & Expense	61,994.26	102,676.68	60%	222,344.00
Outside Services	131,828.20	134,250.00	98%	290,000.00
Insurances	44,244.37	44,634.14	99%	55,650.00
Employee Benefits	164,046.58	205,396.26	80%	446,757.47
Memberships/Dues	32,427.77	33,791.69	96%	36,650.00
Conference & Travel Expenses	12,074.77	43,502.06	28%	104,405.00
Rents	0.00	0.00	0%	0.00
Transportation Expenses	1,265.11	1,458.31	87%	3,500.00
A & G Transferred Credit	0.00	0.00	0%	0.00
Total A & G Expenses	1,011,207.63	1,202,864.91	84%	2,764,942.93

Vermont Public Power Supply Authority
Non-Project Operations - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Other Operating Expenses				
A&G- Billable to Others	0.00	0.00		0.00
A&G-OS&E-PTE-IT Related	18,592.20	0.00		0.00
A&G-OS&E-PTE-Consulting	8,445.42	0.00		0.00
A&G-OS&E-PTE-Supplies	0.00	0.00		0.00
A&G-OS&E-PTE-Misc	1,069.90	0.00		0.00
Other Operating Exp-Direct Pass-Thru	28,107.52	0.00	0%	0.00
Property Taxes	6,250.00	6,250.00	100%	15,000.00
Depreciation Expense	13,365.00	13,365.00	100%	32,076.00
Amortization Expense	0.00	0.00	0%	0.00
Other Operating Expenses-Misc	19,615.00	19,615.00	100%	47,076.00
Total Other Operating Expenses	47,722.52	19,615.00	243%	47,076.00
Total Operating Expenses	15,221,612.03	14,597,861.52	104%	34,234,707.50
Total Operating Income (Loss)	217,703.58	(127,510.47)	-171%	(21,754.19)
Non-Operating (Income) Expenses				
Interest/Finance Chg Income	(7,314.03)	(12,500.00)	59%	(30,000.00)
Vt. Transco Income	(1,050,531.35)	(1,050,576.95)	100%	(4,202,307.80)
Non-Operating Income-Member Purch.	0.00	0.00	0%	0.00
Non-Operating Inc-Gain on Disp of Plant	0.00	0.00	0%	0.00
Misc. Non-Operating Income	0.00	0.00	0%	0.00
Non-Operating Expenses-Member Purchas	0.00	0.00	0%	0.00
Misc. Non-Operating Expenses	0.00	0.00	0%	0.00
Net Other Non-Operating (Inc) Exp	(1,057,845.38)	(1,063,076.95)	100%	(4,232,307.80)
Financing Costs				
Other Interest Expense	0.00	4,075.00	0%	4,075.00
Other Interest Expense-Transco	0.00	0.00	0%	0.00
Interest on LTD-Transco	239,595.45	278,463.31	86%	818,006.62
Interest on LTD-19 Building Upgrades	617.53	1,057.46	58.40	5,500.00
Amort. of Debt Issue Exp-Transco	0.00	0.00	0%	0.00
Transco Net Settlement Exp.	275,216.03	270,852.98	102%	1,104,651.33
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	515,429.01	554,448.75	93%	1,932,232.95
Total Non-Operating (Inc) Exp	(542,416.37)	(508,628.20)	107%	(2,300,074.85)
Total Net Earnings (Loss)	\$ 760,119.95	\$ 381,117.73	199%	\$ 2,278,320.66

Vermont Public Power Supply Authority
McNeil Project #2 - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
<u>OPERATING REVENUES & INCOME</u>				
Sales for ReSale	1,584,965.08	2,170,525.71	73%	5,071,784.95
REC Sales	0.00	0.00	0%	0.00
Total Operating Revenues & Income	1,584,965.08	2,170,525.71	73%	5,071,784.95
<u>OPERATING EXPENSES</u>				
STEAM PWR GENERATION-OPERATIONS				
SPG-Oper- Misc. Steam Power Expens	45,207.06	62,543.25	72%	150,103.80
SPG-Oper-Supv&Engineering	33,219.82	35,781.20	93%	85,874.87
SPG-Oper-Steam Exp-Fuel Oil	6,665.53	848.54	786%	1,146.08
SPG-Oper-Wood Fuel Expense	903,040.15	949,884.11	95%	2,140,055.50
SPG-Oper-Cap Rel Wood Ene Cost	37,551.50	385,479.85	10%	927,431.64
SPG-Oper-Natural Gas Fuel Exp.	5,081.40	10,111.07	50%	24,266.61
SPG-Oper-Steam Expenses	105,667.29	155,544.15	68%	373,305.92
SPG-Oper-Electric Expenses	43,188.41	65,910.85	66%	158,186.06
Total SPG-Operations Expense	1,179,621.16	1,666,103.02	71%	3,860,370.48
STEAM PWR GENERATION-MAINTENANCE				
SPG-Maint-Supv. & Engineering	9,981.36	7,845.35	127%	18,828.81
SPG-Maint-Structures	9,189.91	8,657.25	106%	20,777.45
SPG-Maint-Boiler	35,024.08	122,935.70	28%	295,045.68
SPG-Maint-Electric Plt	54,631.30	52,608.45	104%	126,260.32
SPG-Maint-Steam Plant	1,289.68	4,726.00	27%	11,342.43
Total SPG Maintenance Expense	110,116.33	196,772.75	56%	472,254.69
TRANSMISSION-OPERATIONS				
TRSM-Oper-Station Equipment	0.00	1,646.65	0%	3,952.00
TRSM-Oper-Rent	3,107.32	460.60	675%	1,105.42
Total TRSM Operation Expense	3,107.32	2,107.25	147%	5,057.42
TRANSMISSION-MAINTENANCE				
TRSM-Maint-Station Equipment	0.00	475.00	0%	1,140.00
Total TRSM Maintenance Expense	0.00	475.00	0%	1,140.00
OTHER POWER SUPPLY				
OPSE-Syst. Ctrl & Load Dispa	3,072.29	3,969.40	77%	9,526.60
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	3,072.29	3,969.40	77%	9,526.60
CUSTOMER SVS & INFORMATION				
Cust Svs & Info-Cust Assist.	0.00	0.00	0%	0.00
Cust Svs & Info-Info Adv Exp	3,706.93	5,450.05	68%	13,080.17
Total Cust Svs & Info Expense	3,706.93	5,450.05	68%	13,080.17
SALES EXPENES				
A&G - Sales Expense-REC's-McN	1,980.00	500.00	396%	2,000.00
Total Sales Expense	1,980.00	500.00	396%	2,000.00
ADMINISTRATIVE & GENERAL				
A&G-Salaries-McN	61,991.87	69,900.95	89%	167,762.28

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
A&G-Office Supplies & Exp-McN	12,658.86	21,444.95	59%	51,467.88
A&G-Outside Services-McN	50,449.79	18,669.35	270%	44,806.44
A&G-Property Insurance-McN	33,925.89	43,982.15	77%	105,557.16
A&G-Injuries & Damages-McN	6,405.31	17,177.60	37%	41,226.24
A&G-Safety Meetings&Equip-McN	5,102.43	0.00	0%	0.00
A&G-Environmental Compl.-McN	0.00	0.00	0%	0.00
A&G-Employee Ben Alloc-McN	7,806.60	7,965.25	98%	19,116.60
A&G-Employee Ben-Pension-McN	29,784.02	0.00	0%	0.00
A&G-Employee Ben-McN Health	40,263.45	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	343.10	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	(96,749.16)	0.00	0%	0.00
A & G - Employee Ben-McN Taxes	20,460.49	0.00	0%	0.00
A&G-Misc General Expense-McN	443.77	3,964.35	11%	9,514.44
A&G-Misc. - McN	(0.03)	0.00	0%	0.00
A&G-Maint of General Plant	0.00	1,569.06	0%	3,765.80
Total Administrative Expense	172,886.39	184,673.66	94%	443,216.84
OTHER				
Taxes- In Lieu of Property Taxes	110,321.15	110,321.15	100%	264,770.76
Depreciation Expense	202,083.35	202,083.35	100%	485,000.00
Amortization Expense	0.00	0.00	0%	0.00
Total Other Expenses	312,404.50	312,404.50	100%	749,770.76
Total Operating Expenses	1,786,894.92	2,372,455.63	75%	5,556,416.96
Total Operating Income (Loss)	(201,929.84)	(201,929.92)	100%	(484,632.01)
NON-OPERATING (INCOME) & EXPENSES				
Interest Income-McN	(6,673.02)	(12,500.00)	53%	(30,000.00)
Gain/Loss -Disp of Utility Plt	0.00	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	(6,673.02)	(12,500.00)	53%	(30,000.00)
FINANCING COSTS				
Interest on LTD-McN Bonds	0.00	0.00	0%	0.00
Interest on LTD-McN Other	153.50	0.00	0%	0.00
Amortiz. of Debt Issue Exp-McN	0.00	153.50	0%	368.40
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	153.50	153.50	100%	368.40
Total Non-Operating (Income) & Exp	(6,519.52)	(12,346.50)	53%	(29,631.60)
Total Net Income (Loss)	(\$ 195,410.32)	(\$ 189,583.42)	103%	(\$ 455,000.41)

Vermont Public Power Supply Authority
Highgate Project #3 - Profit & Loss Statement
May 31, 2020

	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
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Bdgt	Annual Budget
Revenues				
Total Project 4 Revenue	53,058.05	53,058.05	100%	127,339.32
Operating Expenses				
A&G-C.Comp-Non Budgeted Exp.	0.00	0.00	0%	0.00
A&G-Computer/Printer Sup.-CC	500.00	500.00	100%	1,200.00
A&G-Comp Hard/Soft Maint.-CC	31,394.25	31,394.25	100%	75,346.20
A&G-Online Charges-CComp	759.30	759.30	100%	1,822.32
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	20,404.55	20,404.55	100%	48,970.92
Depreciation Expense-CC	0.00	0.00	0%	0.00
Total Operating Expenses	53,058.10	53,058.10	100%	127,339.44
Financing Costs				
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	53,058.10	53,058.10	100%	127,339.44
Net Earnings (Loss)	(\$ 0.05)	(\$ 0.05)	100%	(\$ 0.12)

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
REVENUES & OTHER OPERATING INCOME				
Sales for ReSale	1,239,381.64	1,239,381.65	100%	3,130,168.20
Other Revenues	0.00	0.00	0%	0.00
Total Revenues & Operating Income	1,239,381.64	1,239,381.65	100%	3,130,168.20

OPERATING EXPENSES**OTHER PWR GENERATION-OPERATIONS**

OPG-Oper-Superv & Engineer Exp	0.00	0.00	0%	0.00
OPG-Oper-Fuel Oil Exp.	28,616.91	21,531.67	133%	149,276.75
OPG-Oper-Fuel Biodiesel Exp.	0.00	0.00	0%	0.00
OPG-Oper-Fuel-Dem Wtr-P10	0.00	0.00	0%	9,500.00
OPG-Fuel-Starting Diesel	0.00	250.00	0%	600.00
OPG-Oper-Generation Exp-Direct Lbr	23,479.90	20,089.62	117%	52,233.00
OPG-Oper-Generation Exp-Lbr	2,034.00	1,250.00	163%	3,000.00
OPG-Oper-Generation Exp-Direct Eng	0.00	7,692.30		20,000.00
OPG-Oper-Generation Exp-EngLbr	0.00	5,000.00	0%	62,000.00
OPG-Oper-Generation Exp-Materi	84.30	1,250.00	7%	3,000.00
OPG-Oper-Generation Exp-OH	7,371.45	7,407.39	100%	16,535.09
OPG-Oper-Generation Exp-OH-Eng	0.00	3,291.85		8,558.87
OPG-Oper-Misc & Other Gen	0.00	0.00	0%	0.00
OPG-Oper-Misc & Oth Gen-Materi	17.98	500.00	4%	1,200.00
OPG-Oper-Misc & Oth Gen-Tools	18.99	500.00	4%	1,200.00
OPG-Oper-Misc Gen-Comp. Har/So	2,516.79	1,265.00	199%	7,620.00
OPG-Oper-Misc Gen-Permits	262.40	1,025.00	26%	1,645.00
OPG-Oper-Misc Gen-Electric	50,996.87	42,300.00	121%	92,300.00
OPG-Oper-Misc Gen-Ben/Incident	0.00	250.00	0%	600.00
OPG-Oper-Misc Gen-Tel/Internet	2,464.50	2,400.00	103%	5,760.00
OPG-Oper-Misc Gen-Groundskeep	360.08	1,350.00	27%	2,700.00
OPG-Oper-Misc Gen-Transp Exp	0.00	250.00	0%	600.00
OPG-Oper-Misc Gen-Trash Rem	353.15	375.00	94%	900.00
OPG-Oper-Misc Gen-Water	1,002.95	975.00	103%	2,340.00
OPG-Oper-Misc Gen-Waste Tax	0.00	0.00	0%	0.00
OPG-Oper-Misc Gen-Waste Rem	2,980.00	7,000.00	43%	8,400.00
OPG-Oper-Misc Gen-CO2 System	3,526.20	4,520.00	78%	9,240.00
OPG-Oper-Misc & Oth Gen-Train	0.00	6,250.00	0%	15,000.00
OPG-Oper-Misc Gen-Security Sys	802.56	1,750.00	46%	3,900.00
OPG-Oper-Misc Gen-Mileage	27.03	500.00	5%	1,200.00
OPG-Oper-Misc Gen-Admin Supplies	0.00	125.00	0%	300.00
OPG-Oper-Misc Gen-Shop Supplies	34.79	250.00	14%	600.00
OPG-Rents-P10	0.00	250.00	0%	600.00
OPG-Rents-Land Lease-P10	631.30	631.30	100%	1,515.12
Total OPG-Operations Expense	127,582.15	140,229.13	91%	482,323.83

OTHER PWR GENERATION-MAINTENANCE

OPG-Maint-Superv & Eng Exp.	0.00	0.00	0%	0.00
OPG-Maint-Structures	0.00	750.00	0%	1,800.00
OPG-Maint-Gen&Elec Eq-Dir Lbr	9,753.51	10,817.50	90%	28,125.46
OPG-Maint-Gen & Elec Eq-Labor	2,603.85	2,500.00	104%	34,266.00
OPG-Maint-Gen & Elec Eq-Materi	2,073.97	2,500.00	83%	6,000.00
OPG-Maint-Gen & Elec Eq-OH	3,466.88	3,988.58	87%	8,903.51
OPG-Maint-Misc. Oth Pwr Gen Pl	0.00	250.00	0%	600.00
Total OPG Maintenance Expense	17,898.21	20,806.08	86%	79,694.97

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
May 31, 2020

	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	250.00	0%	13,100.00
Transm-Oper-Ovhd Lines Exp	0.00	125.00	0%	300.00
Transm-Oper-Transm. by Others	8.09	100.00	8%	240.00
Transm-Oper-Misc Transm Exp	0.00	0.00	0%	0.00
Total TRSM Operation Expense	8.09	475.00	2%	13,640.00
TRANSMISSION-MAINTENANCE				
Transm-Maint-Structures	0.00	250.00	0%	600.00
Transm-Maint-Station Equip.	21,596.00	12,750.00	169%	29,440.00
Transm-Maint-Overhead Lines	0.00	250.00	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	21,596.00	13,250.00	163%	30,640.00
OTHER POWER SUPPLY				
OPSE-Power Supply - P10	0.00	0.00	0%	0.00
OPSE-Sys Cntrl & Ld Disp - P10	4,094.47	4,000.00	102%	9,600.00
Total Other PS Expense	4,094.47	4,000.00	102%	9,600.00
REGIONAL MARKET EXPENSES				
RME-Market Monitor/Compl-Gen	17,314.53	12,500.00	139%	30,000.00
RME-Market Monitor/Compl-L&O	0.00	0.00	0%	0.00
Total Reg. Market Expense	17,314.53	12,500.00	139%	30,000.00
ADMINISTRATIVE & GENERAL				
A & G - Salaries - P10	21,576.05	21,576.05	100%	51,782.48
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	4.49	250.00	2%	600.00
A&G-Local Meals Exp-P10	0.00	125.00	0%	300.00
A & G-Utilities- P10	0.00	0.00	0%	0.00
A & G-Telephone- P10	0.00	0.00	0%	0.00
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	264.99	0.00	0%	0.00
A&G-Office Supp&Exp - P10 Alloc	7,738.80	7,738.80	100%	18,573.12
A&G-Outside Svs Legal-P10	1,600.50	2,500.00	64%	6,000.00
A&G-Outside Svs Other-P10	10,500.00	17,000.00	62%	51,300.00
A&G-Outside Svs-P10 Admin	4,833.35	4,833.35	100%	11,600.00
A&G-Property Insurance-P10	221,550.00	138,000.00	161%	138,000.00
A&G-Prop Insurance-P10 Admin	0.00	0.00	0%	0.00
A&G-Pollution Insurance-P10	(7,892.23)	7,892.23	-100%	7,892.23
A&G-General Liability Ins-P10	21,260.44	22,240.68	96%	19,884.52
A&G-Injuries & Damages-P10	15,111.37	15,142.62	100%	13,546.32
A&G-P10 W/C Insurance	2,521.56	3,153.01	80%	2,344.79
A&G-P10 Safety Mtg & WC Related	222.20	1,000.00	22%	2,400.00
A&G-Employee Benefits-P10	8,115.30	8,115.30	100%	19,476.75
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	307,406.82	249,567.04	123%	343,700.21

Vermont Public Power Supply Authority
Swanton Peaker Project #10 - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
OTHER OPERATING EXPENSES				
Property Taxes	0.00	0.00	0%	22,000.00
Depreciation Expense	477,418.45	476,135.00	100%	1,142,724.00
Amortization Expense	0.00	0.00	0%	0.00
Total Other Operating Expenses	477,418.45	476,135.00	100%	1,164,724.00
Total Operating Expenses	973,318.72	916,962.25	106%	2,154,323.01
Net Operating Income (Loss)	266,062.92	322,419.40	83%	975,845.19
NON-OPERATING INCOME/EXPENSES				
OTHER NON-OPERATING (INCOME) EXPENSE				
Insurance Settlement (net)	0.00	0.00	0%	0.00
Net Realized (Gain)Loss on Investmen	0.00	0.00	0%	0.00
Interest Income-P10	(27,428.30)	(20,000.00)	137%	(48,000.00)
Net Other Non-Operating (Inc) Exp	(27,428.30)	(20,000.00)	137%	(48,000.00)
FINANCING COSTS				
Interest on LTD-P10 Bonds	273,940.10	273,940.10	100%	634,096.86
Interest on LTD-P10 Other	0.00	159.60	0%	383.00
Other Interest Expense-P10	159.60	0.00	0%	0.00
Amortiz of Debt Issue Exp	0.00	0.00	0%	0.00
Amortiz of Loss on Req Debt	0.00	0.00	0%	0.00
Amortiz. of Premium-P10	0.00	0.00	0%	0.00
Net Financing Expenses	274,099.70	274,099.70	100%	634,479.86
Total Non-Operating (Inc) Exp	246,671.40	254,099.70	97%	586,479.86
TOTAL P10 INCOME (LOSS)	\$ 19,391.52	\$ 68,319.70	28%	\$ 389,365.33

Vermont Public Power Supply Authority
Renewable Energy Standards Project - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-RES Tier 1	\$ 9,403.80	\$ 9,403.80	100%	22,569.12
Service Revenue-RES Tier 2	76,854.55	76,854.55	100%	184,450.92
Service Revenue-RES Tier 3	46,244.37	46,244.30		
Service Rev-RES Tier 3-SOVt Incentive	10,500.00	0.00	0%	110,986.32
Total RES Operating Revenue	143,002.72	132,502.65	108%	318,006.36
Operating Expenses				
OTHER POWER SUPPLY EXPENSE				
OPSE-REC Purchase Exp-Tier 1	0.00	7,898.40	0%	18,956.16
OPSE-REC Purchase Exp-Tier 2	16,200.00	64,551.40	25%	154,923.36
OPSE-REC Purchase Exp-Tier 3	0.00	0.00	0%	0.00
Total Other Power Supply Expense	16,200.00	72,449.80	22%	173,879.52
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	1,500.00	4,729.15	32%	11,350.00
Total Cust Svs & Info Expense	1,500.00	4,729.15	32%	11,350.00
SALES EXPENES				
Sales-Misc Sales Exp-RES T1	0.00	0.00	0%	0.00
Sales-Misc Sales Exp-RES T2	0.00	0.00	0%	0.00
Sales-Misc Sales Exp-RES T3	16,600.00	28,570.50	58%	68,569.20
Sales-Misc Sales Exp-RES T3-SOVt	6,500.00	0.00	0%	0.00
Total Sales Expense	23,100.00	28,570.50	81%	68,569.20
ADMINISTRATIVE & GENERAL				
A&G-Salaries-AdminAlloc-RES T1	765.65	765.65	100%	1,837.56
A&G-Salaries-AdminAlloc-RES T2	6,257.30	6,257.30	100%	15,017.52
A&G-Salaries-AdminAlloc-RES T3	3,765.10	3,765.10	100%	9,036.24
A&G-Office Supplies & Ex-REST1	0.00	0.00	0%	0.00
A&G-Office Supplies & Ex-REST2	0.00	0.00	0%	0.00
A&G-Office Supplies & Ex-REST3	0.00	416.65	0%	1,000.00
A&G Computer Hard/Soft-RES T3	4,500.00	4,500.00	100%	10,800.00
A&G-O S&E-AdminAlloc-RES T1	280.30	280.30	100%	672.72
A&G-O S&E-AdminAlloc-RES T2	2,290.65	2,290.65	100%	5,497.56
A&G-O S&E-AdminAlloc-RES T3	1,378.30	1,378.30	100%	3,307.92
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

Vermont Public Power Supply Authority
Renewable Energy Standards Project - Profit & Loss Statement
May 31, 2020

A&G-Outside Svs-Legal RES-T3	2,729.50	625.00	437%	1,500.00
A&G-Outside Svs-RES T1 Admin	171.50	171.50	100%	411.60
A&G-Outside Svs-RES T2 Admin	1,401.70	1,401.70	100%	3,364.08
A&G-Outside Svs-RES T3 Admin	843.40	843.40	100%	2,024.16
A&G-Employee Ben Alloc-RES T1	287.95	287.95	100%	691.08
A&G-Employee Ben Alloc-RES T2	2,353.50	2,353.50	100%	5,648.40
A&G-Employee Ben Alloc-RES T3	1,416.15	1,416.15	100%	3,398.76

Total Administrative Expense	28,441.00	26,753.15	106%	64,207.60
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%	0.00
Total Other Expenses	0.00	0.00	0%	0.00

Total Operating Expenses	69,241.00	132,502.60	52%	318,006.32
Total Operating Income (Loss)	73,761.72	0.05	0%	0.04

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

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) & Expense	0.00	0.00	0%	0.00
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Total Net Income (Loss)	\$ 73,761.72	\$ 0.05	147523440%	\$ 0.04
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Vermont Public Power Supply Authority
Net Metering Project - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-Net Metering	\$ 30,815.55	\$ 30,815.50	100%	73,957.20
Total Net Metering Operating Revenue	30,815.55	30,815.50	100%	73,957.20
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 EXPENSES	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	15,566.55	15,566.59	100%	37,359.76
A&G-Local Mileage Reimb-NM	68.54	208.31	33%	500.00
A&G-OS&E-Admin Alloc-NM	5,698.50	5,698.50	100%	13,676.40
A&G-Outside Services-Legal-NM	0.00	0.00	0%	0.00
A&G-Outside Svs-Other-NM	0.00	0.00	0%	0.00
A&G-Outside Svs-NM Admin	3,487.15	3,487.15	100%	8,369.11
A&G-Employee Benefits Alloc-NM	5,855.00	5,855.00	100%	14,051.99
A&G-Misc - NM	0.00	0.00	0%	0.00
Total Administrative Expense	30,675.74	30,815.55	100%	73,957.26
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	30,675.74	30,815.55	100%	73,957.26
Total Operating Income (Loss)	139.81	(0.05)	-279620%	(0.06)

Vermont Public Power Supply Authority
Net Metering Project - Profit & Loss Statement
May 31, 2020

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) & Exp	0.00	0.00	0%	0.00
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Total Net Income (Loss)	\$ 139.81 (\$ 0.05)	-279620% (\$ 0.06)		
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Vermont Public Power Supply Authority
AMI Project - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-AMI	\$ 126,907.00	\$ 126,907.02	100%	152,288.42
Total Net Metering Operating Revenue	126,907.00	126,907.02	100%	152,288.42
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 EXPENSES	0.00	0.00	0%	0.00
Total Sales Expense	0.00	0.00	0%	0.00
ADMINISTRATIVE & GENERAL				
A&G-Salaries-Admin Alloc-AMI	37,758.05	37,758.05	100.00	45,309.66
A&G-Office Supplies & Expense	0.00	10,000.00	0.00	12,000.00
A&G-Local Mileage Exp-AMI	0.00	1,000.00	0.00	1,200.00
A&G-Computer Hard/Soft Equip	0.00	0.00	0.00	0.00
A&G-Office Sup & Exp-Admin-AMI	13,822.15	13,822.15	100.00	16,586.58
A&G-Outside Svs-Legal AMI	0.00	0.00	0.00	0.00
A&G-Outside Services-Other AMI	7,500.00	41,666.65	18.00	50,000.00
A&G-Outside Svs-Admin-AMI	8,458.35	8,458.35	100.00	10,150.02
A&G-Employee Benefit-Admin-AMI	14,201.80	14,201.80	100.00	17,042.16
A&G-Misc-AMI	0.00	0.00	0.00	0.00
Total Administrative Expense	81,740.35	126,907.00	64%	152,288.42
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	81,740.35	126,907.00	64%	152,288.42
Total Operating Income (Loss)	45,166.65	0.02	225833250%	0.00

Vermont Public Power Supply Authority
AMI Project - Profit & Loss Statement
May 31, 2020

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) & Expense	0.00	0.00	0%	0.00
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Total Net Income (Loss)	\$ 45,166.65	\$ 0.02	225833250%	\$ 0.00
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Vermont Public Power Supply Authority
GIS Project - Profit & Loss Statement
May 31, 2020

	Year to Date Actual	Year to Date Budget	Actual as % of Budget	Annual Budget
Revenues				
Service Revenue-GIS/Mapping	\$ 82,876.74	\$ 82,868.43	100%	276,227.80
Total Net Metering Operating Revenue	82,876.74	82,868.43	100%	276,227.80
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 EXPENSES	0.00	0.00	0%	0.00
Total Sales Expense	0.00	0.00	0%	0.00
ADMINISTRATIVE & GENERAL				
A&G-Salaries-GIS Direct	0.00	23,333.34	0%	70,000.00
A&G-Salaries-Admin Alloc-GIS	13,592.91	13,592.91	100%	45,309.70
A&G-OS&E-Local Mileage-GIS	47.15	150.00	31%	500.00
A&G-OS&E-Comp H/S Maint-GIS	48,994.90	45,000.00	109%	48,000.00
A&G-Utilities-Telephone-GIS	0.00	450.00	0%	1,500.00
A&G-OS&E-Office Furn&Equip-GIS	0.00	3,900.00	0%	4,000.00
A&G-OS&E-Computer Hard/Soft-GI	1,650.82	4,600.00	36%	4,600.00
A&G-OS&E-Admin Alloc-GIS	4,975.95	4,975.95	100%	16,586.50
A&G-Outside Services Other-GIS	10,070.00	2,000.00	504%	7,500.00
A&G-Outside Sv-Admin Alloc-GIS	3,045.00	3,045.00	100%	10,150.00
A&G-Empl Benefis- Direct-GIS	0.00	9,251.61	0%	30,838.70
A&G-Empl Benefis-AdmAlloc-GIS	5,112.87	5,112.87	100%	17,042.90
A&G-OS&E-Gen Advertising-GIS	0.00	2,200.00	0%	2,200.00
A&G-OS&E-Conference & Trav-GIS	0.00	2,400.00	0%	8,000.00
Total Administrative Expense	87,489.60	120,011.68	73%	266,227.80
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	87,489.60	120,011.68	73%	266,227.80
Total Operating Income (Loss)	(4,612.86)	(37,143.25)	12%	10,000.00

Vermont Public Power Supply Authority
GIS Project - Profit & Loss Statement
May 31, 2020

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) & Expense	0.00	0.00	0%	0.00
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Total Net Income (Loss)	(\$ 4,612.86)	(\$ 37,143.25)	12%	\$ 10,000.00
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Memorandum

To: Board of Directors
From: Crystal Currier, Controller
Date: June 26, 2020
Subject: **Agenda Item #10a** - Audit RFP Results

In 2017, VPPSA solicited bids for audit services and subsequently selected Graham & Graham as the audit firm and entered into a three (3) year term for those services. As that term ended with the 2019 audit that was completed in April of this year, I sent out an RFP soliciting bids for another three (3) year term. The firms and the responses are listed below.

Firm	Response Y/N	Interest Y/N	Estimated Cost	Notes
Sullivan Powers & Co.	Y	N	NA	not in a position to provide services
Mudgett, Jennett & Krogh-Wisner, P.C.	N	NA	NA	
Graham & Graham PC	Y	Y	\$37Kavg	proposal attached
Gallagher, Flynn & Company, LLP	N	NA	NA	
AM Peisch & Company LLP	Y	N	NA	not enough resources
Davis & Hodgdon Associates, CPAs. PLC	N	NA	NA	
KPMG	N	NA	NA	
McSoley, McCoy & Co.	N	NA	NA	
Grippin Donlan Pinkham	N	NA	NA	
Bilodeau, Wells & Company, PC	N	NA	NA	
Kittell, Branagan & Sargent	Y	N	NA	too many of members creating potential conflict
Pieciak & Company, PC	Y	Y	NA	interested but can't meet deadline
JMM & Associates	Y	N	NA	doesn't do munis
Fothergill Segale & Valley	N	NA	NA	
Pace & Hawely	Y	N	NA	previous commitments
BerryDunn	N	NA	NA	

As noted in the data above, the RFP was sent to sixteen (16) firms, seven (7) responses were received and only one (1) proposal was received. That proposal from Graham and Graham is attached.

Motion:

Action will be requested at August BOD meeting.

Graham & Graham, P.C.

Certified Public Accountants

Business Advisors & Management Consultants

The Solution Group

Proposal for Audit Services



Steven Veroff, CPA, Director of Assurance Services
Graham and Graham, PC
sveroff@grahamcpa.com

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May 27, 2020

Vermont Public Power Supply Authority
Crystal Currier, Controller
5195 Waterbury-Stowe Rd.
Waterbury Center, Vermont 05677

Dear Ms. Currier:

The management and staff of Graham and Graham, PC are pleased to present our proposal to provide professional services to Vermont Public Power Supply Authority, Inc. ("VPPSA"). Our Firm has experienced continuous growth and success as we meet and exceed client expectations. Our overall goal is to provide responsive, innovative services of the highest quality to our clients.

We understand we add value to the audit by providing specialized resources and technical proficiency. Our expertise in governmental auditing and accounting combined with our vast access to resources empowers us to solve challenges encountered during the audit. Our highly trained engagement team will maintain a knowledgeable, yet, non-intrusive, approach to the audit, and in this way, deliver an audit of exceptional quality requiring few disruptions in the conduct of the VPPSA's on-going operations.

I can attest that our firm is a legal entity in the States of New Hampshire, Vermont and Maine and has performed continuous CPA services for over thirty years. We are members in good standing of both the American Institute and Vermont and New Hampshire Societies of Certified Public Accountants.

As a Director listed on this proposal, I am authorized to make representations for and to bind our firm. Should you have any questions, I encourage you to contact me via telephone at (603) 225-2944 or email at sveroff@grahamcpa.com. You may also contact Jeffrey Graham at (603) 527-8721 or email at jeff@grahamcpa.com.

I am confident that our proposal addresses your needs and look forward to discussing and reviewing its content with you. We would welcome this opportunity to differentiate our Firm from our competition and further discuss our approach in providing quality service.

This proposal is a firm and irrevocable offer for a period of 60 days.

Sincerely,

Steven Veroff, CPA
Steven Veroff, CPA
Director of Assurance Services

Jeffrey A. Graham, CPA
Jeffrey A. Graham, CPA
President and Owner

COMPANY PROFILE

Graham and Graham, PC was founded in 1982 and is a locally established and respected full-service accounting and auditing firm offering audit, tax, consulting, litigation support, business valuations, and forensic accounting services. Our commitment to our clients has enabled the firm continued growth and success at developing and maintaining strong professional relationships.

We separate ourselves from our competition by:

- ◇ Extensive Partner involvement on each engagement
- ◇ Manager and/or Partner always on-site during fieldwork
- ◇ Consistent and experienced staff
- ◇ Timeliness of communications
- ◇ Proactive approach in addressing complex issues early in the engagement
- ◇ Availability to clients as a specialized resource
- ◇ Professionalism with understanding

Our industry specialization includes governmental, not-for-profit, for-profit, and retirement plans. Our clients range from small organizations to organizations with over \$50 million in assets. As voluntary members of the American Institute of Certified Public Accountants, the New Hampshire and Vermont Government Finance Officers Association we have access to the latest developments in accounting, auditing, and the various rules and regulations that affect the different industries. Membership in these centers provides our firm with additional resources designed to enhance our audit quality and apply best audit practices to our engagements.

Our firm consists of well-trained professionals; we have full time governmental audit staff members, of which three (3) will be dedicated to the VPPSA should services be awarded to our firm. We have office locations in Laconia, New Hampshire and Springfield, Vermont. While the majority of audit engagements are performed out of the Laconia office, our various office locations allow us to expand our services throughout the States of New Hampshire, Vermont and Maine. If awarded, work will be performed out of our Springfield, Vermont office.

Our firm undergoes a peer review every three years as established by the American Institute of Certified Public Accountants. Our last peer review was completed in June 2019 and resulted in a pass rating (the highest rating possible) on our system of quality control for accounting and auditing. This quality control review included a review of specific government engagements. A copy of this peer review report is included in this proposal for your review.

We have NOT had any Field Reviews, Desk Reviews or Disciplinary actions taken against, or pending against, the Firm.

We believe our unique combination of technical expertise, combined with our philosophy of total client commitment throughout all phases of the engagement provides our clients the highest quality service and products available.

SCOPE OF SERVICES

We understand that the VPPSA requires timely audit services and we are committed to meeting all terms, conditions, and requirements as addressed in the request for proposal. With our experience and expertise, we fully understand the audit requirements, as well as your expectations.

The period covered will be for the year ending December 31, 2020 with the option to extend the contract for four (4) additional years. It is our understanding the scope of services will be the following:

1. Audit the financial statements and submit our audit report to the management and Board of Directors of the VPPSA, to include all applicable footnotes.
2. Assist, review and provide recommendations to the VPPSA in their preparation of the annual financial report, to be completed and delivered to the VPPSA on or before March 15, 2021.
3. Prepare Management letter, to include a statement of audit findings and recommendations affecting the financial statements, internal control structure, accounting procedures, accounting systems, legality of actions, and any instances of non-compliance with laws and regulations and any other material matters.
4. Attend VPPSA Board of Directors meeting when audited financial statements are presented.

The audit will be performed in accordance with generally accepted accounting principles; generally accepted auditing standards as set forth by the *American Institute of Certified Public Accountants*; Generally Accepted Government Auditing Standards ("Yellow Book") as set forth by the *U.S. Government Accountability Office* and the standards applicable to single audits contained in *Government Auditing Standards*, issued by the OMB in accordance with the Uniform Guidance.

THE AUDIT APPROACH

Our audit process begins with the assignment of staff to the engagement. Our engagement team has the expertise to provide a level of service desired and deserved by your organization. Our engagements are supervised by the engagement partner and the manager. As high-level involvement is vital to a quality audit, the partner and manager's time will account for approximately 30% of total hours spent on the engagement. Our team's approach is to be efficient yet non-intrusive.

We believe on-going communication throughout the entire audit will ensure that all aspects of the audit are thoroughly addressed. We encourage regular communications throughout the year, not just during fieldwork. As such, we do not anticipate any potential audit problems to arise during our engagement.

Audit Planning

Our audit planning process includes a risk assessment of the VPPSA and review of the control environment. We begin with a pre-planning meeting to ensure that management's expectations and our expectations are communicated prior to commencing the audit. We will confirm our understanding of the engagement deadlines and ensure these are met timely. In addition, we will provide a list and samples of schedules specifically tailored to the VPPSA to aid the VPPSA's staff in preparing schedules and providing audit documentation.

Risk Assessment

As part of our extensive planning phase, the engagement team will discuss with management and the VPPSA Council issues surrounding the applicable industry, the VPPSA's internal & external environment, significant events, as well as economic, political, and social factors to determine and document areas of risk. Once areas of risk have been identified, the next process will be to review the control environment.

Control Environment

We will document and test the following control processes to evaluate their effectiveness in preparing reliable financial statements:

- ◇ Disbursements
- ◇ Receipts
- ◇ Payroll
- ◇ Financial reporting
- ◇ Journal entry process
- ◇ IT and general computer controls
- ◇ Grant compliance and reporting

Based on our understanding of the VPPSA's risks and control environment, we will design our substantive procedures and communicate our audit approach to management. As part of our review and documentation of the control environment, we may have recommendations for enhancing controls and/or efficiencies. These recommendations will be discussed with management prior to any comments included in a formal management letter.

Substantive Procedures

Substantive audit procedures are designed based on our risk assessment process. Complex and high-risk accounts will be identified early in the audit process and these accounts will be assigned to the manager and/or partner for actual testing. Our substantive audit procedures will include the following:

- ◇ Tests of account details
- ◇ Analytical procedures
- ◇ Use of data analysis software
- ◇ Unpredictability tests
- ◇ Review of management's estimates
- ◇ Review of subsequent events and contingencies

Audit Sampling

Audit sampling provides the auditor an appropriate basis on which to conclude on an audit area by examining evidence from a sample of a population. We utilize both statistical and non-statistical sampling techniques as described in the AICPA's Audit Sampling Guide, depending on the type of testing being performed. Internal control, substantive and compliance testing samples are generally selected using non- statistical techniques. Sample sizes are determined by risk assessment and nature of the population. We may use statistical sampling to assist with forensic testing in areas which have a higher risk of misstatement due to fraud.

Preparation of Audit Report and Review

Audit workpapers are reviewed throughout the audit by the manager and engagement partner. Before we leave your offices, the file will be substantially reviewed and any issues will be discussed and resolved. The financial statements are prepared by the audit manager. All reports are reviewed by the engagement partner and concurring partner. Upon approval, we will issue drafts of all reports based on a predetermined schedule allowing adequate time for review and distribution of reports.

Technological Advantages

We utilize the latest technology, including virtual servers, smart devices and online libraries to provide us with the most up-to-date information to better serve our clients. First, our online client portal ShareFile gives us the capability of sending and receiving information to and from our clients faster and more securely. As portals are encrypted and use password protection to ensure that data can only be viewed by the appropriate client, we are dedicated to protecting the VPPSA's confidential information.

Furthermore, we streamline our audit process and organize support documents through use of the Thomson Reuters program Workpapers CS. By effectively reviewing large volumes of data through these programs, we are able to develop a better understanding and gain a broader view of the VPPSA. These technologies enable us to increase both the scope of our engagement and the reliability of our audit opinion more efficiently, as a larger amount of information can be processed, analyzed and interpreted in a short time frame.

Work Paper Retention

Audit programs, workpapers and reports will be retained for a period of seven (7) years after the completion of the audit and made available for inspection by the VPPSA, oversight or cognizant agencies, parties designated by the federal or state governments, auditors of entities of which the VPPSA is a sub recipient of grant funds, and additional auditors if requested by VPPSA management.

THE ENGAGEMENT TEAM

The team assigned to perform the audit of the VPPSA is composed of highly trained professionals with extensive experience in audit engagements. Our small, efficient working group will maintain a knowledgeable, yet non-intrusive, approach to the audit, and in this way, deliver an audit of exceptional quality requiring few disruptions in the conduct of the VPPSA's on-going operations. The technical qualifications of Graham and Graham, PC personnel selected for this audit ensures service of the highest quality. Engagements at Graham and Graham, PC, are conducted under the supervision of an engagement partner and manager, which assures that we maintain quality control standards and meet all professional client requirements.

We propose the following audit team:

JEFFREY A. GRAHAM, CPA, CFF, CSEP Engagement Partner
 STEVEN VEROFF, CPA, Director
 TO BE DETERMINED, Staff/senior auditor

Our commitment to governmental accounting is further amplified by our involvement with respected organizations. The proposed Engagement Partner, Jeffrey A. Graham, and Steven Veroff, Director, are presenters for the New Hampshire and Vermont Government Finance Officers Association as well as the Vermont Municipal Clerks' and Treasurers' Association and New Hampshire Municipal Association. In addition, Jeffrey Graham is a current New Hampshire Board of Accountancy Board member and past Board member of the Vermont Board of Public Accountancy, the New England Peer Review Committee, and adjunct professor for Southern New Hampshire University and Institute of Forensic Accounting and Forensic Examination Certificate Program.

The Firm's Principal, Director and managers have been involved in the implementation of GASB financial reporting requirements. In addition to auditing and assisting with the preparation of GASB financial statements, all audit partners and managers have provided hands-on assistance with implementation of new GASB financial reporting requirements.

The U.S. Government Accountability Office's Yellow Book, Government Auditing Standards, requires auditors to maintain their professional competence through continuing professional education. Each auditor performing work under generally accepted government accounting standards is required to complete a minimum of 80 hours of continuing professional education every two years; 24 of the 80 hours must be directly related to government auditing or the government environment. All of our staff exceeds the required educational hours, receiving governmental and OMB Uniform Guidance-specific training throughout the year through external conferences hosted by the New Hampshire and Vermont Societies of Public Accounting and internal training provided by our Firm. Furthermore, all engagement team members, including audit staff, have current OMB Uniform Guidance single audit experience. *All staff receives governmental and Uniform Guidance-specific training throughout the year through external conferences hosted by the NHSCPA and VTSCPA as well as other recognized CPE providers in addition to internal training provided by our Firm.*

Our Firm takes great pride in not only selecting high quality staff members, but also in providing them an environment designed for their success and betterment. With that said, all audit management staff have been with our firm for no less than five years. We believe our history of low staff turnover is an asset we are proud to present to the VPPSA.

JEFFREY A. GRAHAM, CPA, CFF, CSEP

Engagement Partner

Jeffrey's professional career includes more than 30 years of public and private accounting experience, of which more than 30 years has been heavily concentrated on audits of governmental, not-for-profits, employee benefit plans and privately held businesses throughout Vermont and New Hampshire. Jeffrey will serve as partner in charge for the audit engagement.

INDUSTRY EXPERIENCE:	Special Districts Cities Not-for-profit Privately held businesses Retirement/employee benefit plans Single Audit
OTHER EXPERTISE:	GASB implementation Board of Director/Selectmen training Federal Uniform Guidance grant compliance Federal and State compliance and financial reporting Fraud investigations Internal control implementation Peer reviews
RELEVANT ENGAGEMENT EXPERIENCE:	Vermont Public Power Supply Authority Vermont Telecommunications Authority Hardwick Electric Department, Vermont Town of Wardsboro, Vermont Village of Hyde Park, Vermont Town of Coventry, Vermont Campton Village Precinct Town of Ludlow, Vermont Village of Ludlow, Vermont Barton Village, Vermont Village of Orleans, Vermont Village of Johnson, Vermont Town of Plymouth, Vermont
DESIGNATIONS:	Certified Public Accountant (CPA) Certified in Financial Forensics (CFF) Certified Specialist in Estate Planning (CSEP)
PROFESSIONAL MEMBERSHIPS:	American Institute of Certified Public Accountants Vermont Society of Certified Public Accountants NH Society of Certified Public Accountants National Association of Certified Valuation Analysts
EDUCATION:	Accounting Plymouth State College (University)
COMMUNITY SERVICE:	Previous Treasurer and Board Member, Lakes Region Rotary

STEVEN VEROFF, CPA

Director of Assurance Services

Steven manages the Audit practice of Graham and Graham, PC. He has specialized in auditing for over 20 years, focusing on such industries as for-profit companies, governmental, non-profit and employee benefit plans. As an experienced fraud examiner, Steven has provided expert insight in the areas of fraud prevention, detection and implementing processes/internal controls to hinder fraud from happening.

INDUSTRY EXPERIENCE:

Cities
 Special Districts
 Not-for-profit
 Privately held businesses
 Retirement/ employee benefit plans
 Single Audit

OTHER EXPERTISE:

Board retreats and trainings
 Consulting on new accounting and auditing pronouncements
 Federal and grant compliance
 Financial reporting
 Fraud engagements
 Review and evaluation of internal controls

RELEVANT ENGAGEMENT EXPERIENCE:

Vermont Public Power Supply Authority
 Village of Orleans, Vermont
 Hardwick Electric Department, Vermont
 Town of Wardsboro, Vermont
 Town of Williamstown, Vermont
 Town of Coventry, Vermont
 Campton Village Precinct
 Town of Ludlow, Vermont
 Village of Ludlow, Vermont
 Barton Village, Vermont
 Town of Plymouth, Vermont
 Village of Johnson, Vermont
 Town of Monroe, New Hampshire
 Town of Merrimack, New Hampshire

DESIGNATIONS:

Certified Public Accountant (CPA)

EDUCATION:

Bachelor of Science, Business Administration - Accounting
 Northeastern University w/Honors, Magna Cum Laude
 KPMG Peat Marwick Alumni, audit training through
 Manager level – Boston, MA
 Ernst & Young – senior and manager audit training –
 Las Vegas, NV and Columbus Ohio training Center

CONTINUING PROFESSIONAL EDUCATION

Continuing education is a top priority for Graham and Graham PC. Each of our team members receives a wide variety of annual training and content updates from highly qualified instructors, ensuring that they remain on the forefront of issues that could potentially impact our clients.

Individuals who work on audits subject to Government Auditing Standards must obtain, every two years, at least 80 hours of CPE that directly enhance the auditor's professional proficiency to perform audits and/or attestation engagements. At least 20 of the 80 hours must be obtained annually. Individuals responsible for conducting substantial portions of the fieldwork, planning, directing, or reporting on audits subject to Government Auditing Standards must obtain 24 of those hours in subjects directly related to the government environment and government auditing.

All member of the VPPSA's engagement team meet all continuing education requirements of Federal, State and Applicable professional organizations.

LISTING OF RECENT SIMILAR PROJECTS

Graham and Graham, PC has extensive experience in providing audit services for several other governmental entities that are similar to that which is requested by the VPPSA is a list of current and prior relevant projects.

Clients	Scope of Services
Town of Monroe, NH	Town Audit, CAFR
Town of Merrimack, NH	Town Audit, CAFR
Town of Ludlow, VT	Town Audit, Single Audit, CAFR
Town of Williamstown, VT	Town Audit, CAFR
Village of Orleans, VT	Village and Enterprise Fund Audit, CAFR
Campton Village Precinct, NH	Water District Audit
Ashland Water & Sewer Dept	Water and Sewer District Audit
Town of Coventry, VT	Past Audit, Current Compilation and Fraud Exam
Vermont Public Power Supply Authority	Audit, Single Audit, CAFR, VT Component Unit
Village of Ludlow, VT	Village Audit, CAFR
Town of Wardsboro, Vermont	Town Audit, Single Audit
Town of Plymouth, Vermont	Town Audit, CAFR, forensic examination
Town of Johnson, Vermont	Town Audit, Single Audit

CLIENT REFERENCES

Below are current relevant clients who can attest to our services and work performed on their behalf.

We welcome the VPPSA to contact any of our references listed below.

Clients	Name and Position	Scope of Services
Village of Orleans, VT	John Morley, Village Manager, Marilyn Prue Office Manager (802) 754-8584	• Village audit • CAFR
Town of Merrimack, NH	Paul Micali, Finance Director (603) 424-7075	• Town audit • CAFR • MS-535
Town of Monroe, NH	Diane Gibson Smith Administrative Assistant (603)486-7361	• Single audit • CAFR • MS-535
Town of Williamstown, VT	Jennifer Allard-Treasurer Town of Williamstown treas@williamstownvt.org Phone: 802-433-5455 ext.205	• Town audit • CAFR

COST PROPOSAL

TOTAL MAXIMUM PRICE FOR AUDIT SERVICES (ALL-INCLUSIVE)

In accordance with the Request for Proposal for Audit Services issued by the VPPSA, we hereby submit the following cost proposal:

Service	2020	2021	2022
Audit the financial statements of the VPPSA and assist in preparing the CAFR	\$34,650	\$35,675	\$36,750
Management Letter	Included	Included	Included
Out-of-Pocket Expenses (travel, admin)	1,525	1,525	1,525
Total	<u>\$36,175</u>	<u>\$37,200</u>	<u>\$38,275</u>

Reimbursement Requirements – We require reimbursement of out-of-pocket expenses (lodging, travel, meals, administrative, etc.) up to a maximum of \$1,525. Out-of-pocket expenses incurred beyond the maximum will not be charged.

Additional Professional Services

Graham and Graham, PC may also furnish other accounting services, which may include advisory and system accounting services as requested by the VPPSA. If it should become necessary for the VPPSA to request Graham and Graham, PC to render any additional services to either supplement the services requested to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the VPPSA and Graham and Graham, PC. Any such additional work agreed to between the VPPSA and Graham and Graham, PC shall be performed at the quoted hourly rates listed below:

Position	Standard Hourly Rates
Partner	\$ 260
Director	230
Senior Staff	175
Staff	110

Work Schedule and Estimated Hours

Task	Staff	Time Est.	Est. Cost
Engagement Letter & Audit Schedule Finalized	Jeffrey A. Graham CPA, CSEP, CFF,	1 hrs	\$260
Pre-Audit work commences from Auditor information filing	Steve Veroff, CPA, Staff auditor (TBD)	24 hrs	\$5,400
Pre-Audit work completed	Steve Veroff, CPA, Staff auditor (TBD)	8 hrs	\$1,510
Year-end review with management and staff schedules, reports and work papers	Jeffrey A. Graham, and Steve Veroff	4 hrs	\$920
Cut-off Statements issued	Staff auditor (TBD)	6 hrs	\$1,050
Walk through of Audit documents, Accounting issues discussion, and sequence of audit	Steve Veroff	20 hrs	\$3,500
Fieldwork commences	Jeffrey A. Graham, Steve Veroff, Staff auditor (TBD)	80 hrs	\$14,365
Fieldwork concludes	Jeffrey A. Graham, Steve Veroff, and Staff auditor (TBD)	5 hrs	\$940
Draft of all reports, letters and trial balances presented	Steve Veroff and Staff auditor (TBD)	24 hrs	\$4,950
Draft Review completed	Jeffrey A. Graham	2 hrs	\$520
Exit conference with Audit Committee and Management/Accounting Staff	Jeffrey A. Graham, and Steve Veroff	3 hrs	\$715
Final reports are provided	Jeffrey A. Graham	2 hrs	\$520
Total		179 hrs	\$34,650

PEER REVIEW



Report on the Firm's System of Quality Control

June 28, 2019

To the Owner of Graham & Graham, P.C.
and the Peer Review Committee of the New England Peer Review, Inc.

We have reviewed the system of quality control for the accounting and auditing practice of Graham & Graham, P.C. (the firm) in effect for the year ended November 30, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Graham & Graham, P.C. in effect for the year ended November 30, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Graham & Graham, P.C. has received a peer review rating of *pass*.

Love, Cody & Company, CPAs, P.C.

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(802) 442-5552 • (800) 894-5511
Facsimile: (802) 442-7314 • e-mail: mail@lovecody.com
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CERTIFICATIONS

License to Practice

Graham and Graham, PC is a properly licensed, certified public accounting firm in the States of New Hampshire, Vermont and Maine. All certified public accountants involved in audit engagements of the Firm are licensed to practice in the State of New Hampshire and have received at least the minimum number of continuing professional education hours required by the State Board of Accountancy and American Institute of Certified Public Accountants.

Independence

Graham and Graham, PC is independent of VPPSA as defined by U.S. generally accepted auditing standards and the *U.S. Government Accountability Office's Government Auditing Standards* (latest edition).

Graham and Graham, PC is independent of all associated agencies of the VPPSA, as defined by U.S. generally accepted auditing standards and the *U.S. Government Accountability Office's Government Auditing Standards*.

If Graham and Graham, PC shall enter into a professional relationship that would present a conflict of interest during the period of engagement with the VPPSA; a written notice will be presented to the VPPSA defining such conflict, if any.

Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: June 26, 2020
Subject: **Agenda Item #10b** - Strategic Plan Status

VPPSA held a two-day strategic retreat on June 23rd and 24th. The first day was a review of priorities with the Board and the second day was a refinement of Value Statements and Goals by the staff. A powerpoint presentation is attached containing the results of the discussions.

In general, the Board indicated that the FY20 strategic plan remained valid and the identified strategic priorities should continue. There was a suggestion for staff to focus more clearly on addressing the differing needs of small members versus large members, and a request that staff add a new priority grouping around Technology Competence. The Board was also supportive of staff adding Value Statements to the plan rather than just using on-word Values.

In the second day staff reviewed the Board's input to make sure it was understood and any questions were answered. Some time was then spent developing the value statements. Staff then reviewed the Strategic Priority groupings and updated each description. The bulk of the day was spent reviewing the FY20 Goal list and updating them for FY21. The attached presentation reflects where discussions ended.

Going forward staff will use its bi-weekly all hands staff meetings to continue refining the plan with an expectation of brining a near-final version for the Board to approve at the August Board meeting. This will then allow staff to utilize the plan in preparing the first FY21 budget draft to be presented in October.



Strategic Planning Goals

Table of Contents

- 1. Mission and Vision**
- 2. Values and value statements**
- 3. Board ideas for new initiatives**
- 4. Strategic Priorities**
- 5. Updates to 2019 Goals**

Mission and Vision

Mission:

To promote, advance, and celebrate public power communities in Vermont and beyond

Vision:

To deliver exceptional value to community-owned utilities by advocating, educating, collaborating, and providing guidance through the changing economic, technological, and regulatory landscape

Current VPPSA Values:

- **Responsiveness**

One day response, responsive to member needs, responsive/adaptive to changing political climate,

- We are responsive to our members and stakeholders changing needs
- We adapt to the external environment in which we operate

- **Integrity**

Transparent in our operations, willing to disclose errors, honesty, attention to detail, members customers needs in mind

- We demonstrate honesty, transparency and attention to detail
- We make & support business decisions through experience & good judgement

- **Sustainability**

Environmental stewardship, we want our members and our communities to thrive so they can continue to exist. Market consolidation, public power model, managing risk and keeping the public power viable

- We enhance the vibrancy of our member communities
- We manage risk enabling public power to thrive

- **Collaboration**

Work well together, listening to each other, internal vs. external collaboration, partnership, breaking down the silos, interdepartmental, collective efforts to further our mission, leverage unique skillset, encourage member engagement and share best practices

- We act collectively to further our mission supporting each other in practicing our value
- **Leadership**

Areas for consideration in updating VPPSA's strategic plan:

- Board and staff brainstorm around small vs. large members, different needs to be taken into consideration, VPPSA or members offering services to other members, **possible goal**
- Broadband, proceed with a strategic plan **goal within technology**
- Perception of the Legislature, differing business models **within existing goals some modifications**
- Increase in data and utilization of the data **goal within technology**
- Roles and relationships VPPSA plays with interacting with the member and retail/CI customers, broader conversation with members and guiding EVT, key account programs (Relationship with EVT, greater collaboration) **is this measurable**

Current VPPSA Strategic Priorities/End Statements:

- **Financial Strength** (Leverage VPPSA's capabilities to improve the financial strength of its members)
- **Policy Leadership** (Proactively create a positive ~~proactive~~ operating environment ~~that recognizes the unique attributes and accomplishments of our for~~ member communities)
- **Organizational Excellence** (Establish a sustainable company culture based on unity, initiative, and critical thinking)
- **Board Priorities** (Leverage VPPSA's capabilities to provide additional services to its members)
- **Technology Competence** (Cybersecurity, AMI, GIS, Website, Billing) Utilize appropriately and effectively, centralized, standardized, meeting the changing business requirements and culture

Deploy and integrate centralized, standardized and effective member centric business systems

Deploy centralized technological platform/solutions to meet members emerging business and regulatory requirements

Financial Strength

Leverage VPPSA's capabilities to improve the financial strength of its members

1. Increase retail sales ~~for each member~~ by 1% annually ~~in aggregate~~ beginning in ~~2020~~ **2021** without increasing peak load levels
 Change the date, expand to the entire membership, if going to cross membership need broken out, grow load for everyone, move to aggregate? Focus on C&I, consider lengthening the term and not annually
2. Add 1 new technical service **chosen by the members** per year beginning in 2020 to VPPSA's service offerings
3. Add 1 new member by the end of ~~2020~~ **2021**
4. Increase **VPPSA revenues** from non-members by 10% per year between 2020 and 2023 and then maintain it at the **2023** level ~~higher level~~
5. By the end of 2020 develop a **preliminary** roadmap to implementing customer responsive rates **in consultation with VPPSA members**
 (define the meaning of roadmap)

Policy Leadership

Create a positive operating environment for member communities

1. Identify, sponsor, and obtain passage of at least ~~3~~ 2 Bills in consultation with members that support members business needs ~~public power~~ by the end of the 2024/2025 legislative session
2. Have at least one legislative representative from each member's territory attend a VPPSA sponsored event annually beginning in 2020
- ~~3. Develop an outreach program to legislators by the beginning of the 2019/2020 legislative session, Define the metrics to gauge the effectiveness by the end of the session Evaluate the effectiveness of the 2019/2020 legislative outreach and use the results to develop and expand the program for the 2020/2021 legislative session~~
4. Have established annual recurring meetings with the Chairs of relevant Legislative committees, the House Speaker, the Senate President Pro Temp, and the Governor's office prior to the 2025 Legislative session

Policy Leadership

Create a positive operating environment for member communities

5. ~~Establish~~ Continue quarterly standing meetings with the Commissioner of Public Service and annual meeting with the Public Utility Commission ~~by the end of 2019~~
6. Develop at least 1 VPPSA position paper on a topic of significant importance to public power each year beginning in 2020
7. NEW GOAL AROUND - Collaboration with external entities (EVT)

Organizational Excellence

Establish a sustainable company culture based on unity, initiative and critical thinking

1. Develop a succession plan for each department by the end of 2021
2. **Each Dept.** document critical tasks completed by each position, backups for each task, and develop a cross-training plan by the end of 2020
- ~~3. Develop formal professional development plans looking forward for 5 years for each staff member by June 1, 2020~~
4. Have every staff member attend training and educational events in accordance with their approved professional development plans each year beginning in 2021 subject to any unforeseen budgetary constraints.

Organizational Excellence

Establish a sustainable company culture based on unity, initiative and critical thinking

5. Have at least 3 staff members do presentations at conferences each year beginning in 2020. (consider combining with #6) (tracking how much we appear in the press)
6. Have VPPSA or one of its staff members receive an award from a local, regional, or national organization by the end of 2022.
- ~~7. Have each department operate for 1 week without being physically in the office, and develop a plan for addressing any operational deficiencies identified before the end of 2020. Update HR policies, processes, procedures and technologies to continue work from home by 6/30/21~~
8. Have each employee make at least one presentation to the Board of Directors each year beginning in 2020.

Organizational Excellence

Establish a sustainable company culture based on unity, initiative and critical thinking

- ~~9. Make sure each member has both a primary and alternate Director in place by the April, 2020 Annual meeting. Conduct member survey annually by end of 2020~~
10. Have at least 10 members participate in each Board meeting ~~during 2020, and have a quorum at every committee meeting.~~

Technology

Have not drafted goals yet

Memorandum

To: Board of Directors

From: Ken St. Amour, Manager of Information Systems and Support Services

Date: June 26, 2020

Subject: **Agenda Item #10c** - AMI Update

After receiving the RFP responses from the three finalists (Hometown Connections, Aclara and Landis & Gyr, the AMI evaluation committee decided to eliminate Landis & Gyr. They were eliminated based on major concerns with the integration of the Meter Data Management system that was eventually included in the bid.

The two finalists:

- Hometown Connections
- Aclara

Next, interviews were held with two customers of Hometown Connections and three customers of Aclara. A third customer was added to Aclara to gauge the effectiveness of their multi-tenet capabilities. We interviewed a representative of the Innovative Energy Alliance Cooperative in North Dakota, who runs an AMI system for their members for this purpose.

The interviews were beneficial but lacking operational details. Each of the customers were happy with the vendors on a general level. However, I feel like we may still need to follow up with a visit to a customer location. Admittedly, that will be difficult in the current environment. The evaluation committee will have to determine next steps based on these constraints.

Vendor demonstrations are scheduled for June 30 (Hometown Connections) and July 1 (Aclara). I will discuss general findings in those meetings on Wednesday morning.

On Wednesday afternoon, the committee will meet at 2 PM to discuss the vendor demonstrations and determine next steps. All are welcome to participate in this virtual meeting after the Board Meeting. Goals will be set to:

1. Decide on final vendor
2. Decide next evaluation steps (site visits?)
3. Develop plan for contract negotiations
4. Gather inventory information (meters, poles, other structures) for final propagation analysis
5. Negotiate contract and schedule

Memorandum

To: Board of Directors

From: Ken St. Amour, Manager of Information Systems and Support Services

Date: June 26, 2020

Subject: **Agenda Item #10d** - Cybersecurity Update

As you recall the initial Cybersecurity Program consists of these 3 disciplines:

1. Patch Management
2. SOC (Security Operations Center) as a Service
3. User Anti-Phishing Training

1. Syxsense: The information systems staff acquired the licensing and has implemented the Patch Management software at:

- VPPSA Office
- Project 10 (Business LANs)
- Hardwick
- Enosburg Falls

We have had great success in utilizing Syxsense, the patch management tool that we have chosen. We will be moving forward with installs at Orleans and Swanton next. We will be contacting everyone else over the next month to re-introduce the capabilities and setting schedules.

2. Crowdstrike: The information systems staff acquired the licensing and has set up an on-boarding meeting with Crowdstrike Security Operations Center Staff. We will coordinate the implementation details over the next two to three weeks. In the meantime, we have installed the endpoint protection software at:

- VPPSA Office
- Project 10 (Business LANs)
- Hardwick
- Enosburg Falls

3. Knowbe4: We will start implementation of this training program in the August-September timeframe. However, we have been successfully using the software at the VPPSA Office, Project 10 (Dave), and all users at Enosburg Falls. The program has been very successful and well liked at these locations. We look forward to including everyone in the valuable training.

Memorandum

To: VPPSA Legislative and Regulatory Affairs Committee
From: Melissa Bailey
Date: July 1, 2020
Subject: **Agenda Item #11a** - Legislative Update

VPPSA continues to monitor activities of the Vermont Legislature that may impact electric utilities. While the session began with a strong focus on climate initiatives, these have been tabled as the Legislature grapples with the impacts of the COVID-19 pandemic. Before adjourning until August, the legislature is expected to pass a bill allocating most of the federal funds for addressing COVID. Most of these funds were allocated through two bills **H.965** (health care/human services package) and **H.966** (housing/broadband/hazard pay/economic development). The current version of the COVID Recovery Package includes:

- Economic Recovery Grants for businesses - \$75-80 M
- Utility Arrears - currently \$8 Million allocated for a program to be run through the Department of Public Service. May revisit the need in August.
- Broadband - Roughly \$20 Million allocated for:
 - \$ 17.4M for COVID-Response Accelerated Broadband Connectivity Program giving the DPS Commissioner broad discretion to fund across the following programs:
 - o Up to \$2m of this for line extensions;
 - o Get Vermonters Connected Now Initiative;
 - o Temporary Broadband Lifeline Program;
 - o Wi-Fi Deployment.
- \$800,000 for the Connected Community Resiliency Program
- \$500,000 for a COVID -Response Telecommunication Recovery Plan
- \$800,000 for a COVID - Telehealth Connectivity Program

The following is the status of energy related bills from earlier this session

- S.190 - Ryegate Extension- *Passed Senate, pending in House Energy and Technology*
- S.337 - All Fuels Pilot - *Passed Senate, pending in House Energy and Technology*
- S.267 Proposal to increase Vermont's Renewable Energy Standard - *tabled*
- H.688 - Global Warming Solutions Act - *Passed House, pending in Senate Natural Resources*
- H. 742 - Language requiring a pilot to implement per kWh fees on EV charging and implementation of EV rates by 2024 was removed from the Transportation Bill.
- H. 573 - The Departments' proposed bill that would allow municipal and cooperative utilities to offer "innovative pilot rates" for a up to 18 months has not been taken up.

Memorandum

To: VPPSA Board of Directors
From: Melissa Bailey
Date: July 1, 2020
Subject: **Agenda Item #11b** – Regulatory Update

VPPSA is closely monitoring and actively participating in multiple proceedings underway at the Public Utility Commission.

- a) **Case # 19-3272 EVT Demand Resources Plan Proceeding** – VPPSA continues to work to influence the outcome of Efficiency Vermont's Demand Resources Plan for the upcoming three years. VPPSA and EVT filed in April a Memorandum of Understanding focused on the need for utility equity in EEC spending and the need for greater coordination between VPPSA and EVT in program planning and implementation. In June, the two parties Executed Operating Protocol No. 1 under the MOU. This Operating Protocol establishes principles of agreement on EVT's role in "flexible load management" activities and calls for a distribution utility working group that will influence EVT's activities in this area and identify and address "cost-shifting" concerns.
- b) **Case # 20-0097 Net Metering Biennial Update** – The PUC has put on pause its proceeding to update net metering compensation levels, which ordinarily occurs every two years. The PUC plans to pick up this proceeding in August. Utilities will be required to report net metering installations that have occurred between January and July 1, 2020 **by August 3, 2020.**
- c) **Case # 17-4999 Vermont's Residential Disconnect Rule** –The PUC has expanded this case to include standards and billing practices; credit, collections, and deposits; and both residential and nonresidential accounts. The Department of Public Service provided a draft comprehensive rule by March 16 that would replace Rules 3.200, 3.300, and 3.400. A webinar was held in early June to discuss the DPS Proposal and VPPSA will comment in writing on this draft rule.
- d) **Case # 20-0203 Investigation into the establishment of reduced rates for low-income residential ratepayers of Vermont electric utilities** – Initial comments and reply comments have been filed in this proceeding. The next steps in this case are unclear.
- e) **Case # 20-0703 Disconnect Moratorium** – The current Moratorium remains in place through July 31. Utilities filed their Post-Moratorium Disconnect Plans on June 19th and comments on utilities' plans are due on **July 10, 2020.**

Memorandum

To: VPPSA Board of Directors Meeting
From: Julia Leopold
Date: July 1, 2020
Subject: **Agenda Item #11 c & d** - Legislative and Regulatory Items

c. **Renewable Energy Standard Update-** VPPSA submitted its Tier 3 compliance report to the Department of Public Service. The Department of Public Service normally audits rebates in person; however due to COVID-19, the audit was conducted electronically this year. No issues have been raised and our 2019 prescriptive and custom savings have been approved.

VPPSA generally saw a slowdown of rebate submissions during the COVID-19 pandemic. With the economy beginning to reopen, we did see an increase of submissions in late May and throughout June. VPPSA is embarking on a cold climate heat pump rebate outreach campaign to further increase awareness of our Tier 3 incentive offerings.

d. **Key Account Program Framework Proposal-** a subset of VPPSA's staff has been working on strategies to increase each member's electric load by 1%. The group very quickly came to the realization that the most cost-effective path forward is through projects that involve commercial and industrial accounts. Simultaneously, VPPSA has been working on a new partnership structure with Efficiency Vermont that enables VPPSA to steer Efficiency Vermont's outreach in VPPSA member territories. A Key Accounts Program can help VPPSA and member utilities get a seat at the table when major customers are planning projects. VPPSA is proposing developing a Key Accounts program that meets customer needs, benefits municipal utilities, and helps communities thrive.



Key Accounts Program Pitch

Why Have a VPPSA Key Accounts Program?

We started with a problem...

Efficiency Vermont was working on projects with major C&I customers without notifying the utility.

To address it, we asked for feedback from C&I customers.

In September 2019, VPPSA hosted a C&I focus group, led by GreatBlue Research.



Why Have a VPPSA Key Accounts Program?

Key Findings from September 2019 C&I Focus Group:

- **High satisfaction with reliability of electric service**
- **Heavy reliance on communicating with one tenured utility employee**
- **Lack of awareness of utility/VPPSA programs and services unless it impacts business negatively (ie. demand charges)**
- **Utility is only for reliable power; Efficiency Vermont provides all other programs and services that can benefit the business**

Why Have a VPPSA Key Accounts Program?

We developed solutions to get a seat at the table:

- Meeting with Efficiency Vermont account managers and energy consultants to stay informed about C&I projects
- Signed an MOU that allows VPPSA to steer Efficiency Vermont's targeted programs



Why Have a VPPSA Key Accounts Program?

We created a goal...

Increase each member's retail sales 1% annually without increasing peak loads.

To reach it, we need to develop load growth programs and services.

Where do we focus our efforts?
Residential or C&I?



Why Have a VPPSA Key Accounts Program

What does 1% load growth look like for each utility?

Utility	# New Residential Customers	# New Commercial Customers	# New Industrial Customers
Barton	1,945	183	1
Enosburg Falls	1,528	149	1
Hardwick	4,066	381	1
Jacksonville	658	51	1
Johnson	802	96	1
Ludlow	3,045	704	1
Lyndonville	4,842	872	1
Morrisville	3,568	648	1
Northfield	1,610	176	1
Swanton	582	65	1
Orleans	3,259	509	1

Why Have a VPPSA Key Accounts Program?

A Key Accounts Program supports the major businesses within your municipality.

Economic Development

- Protect at-risk revenue
- Help current businesses grow
- Attract new customers

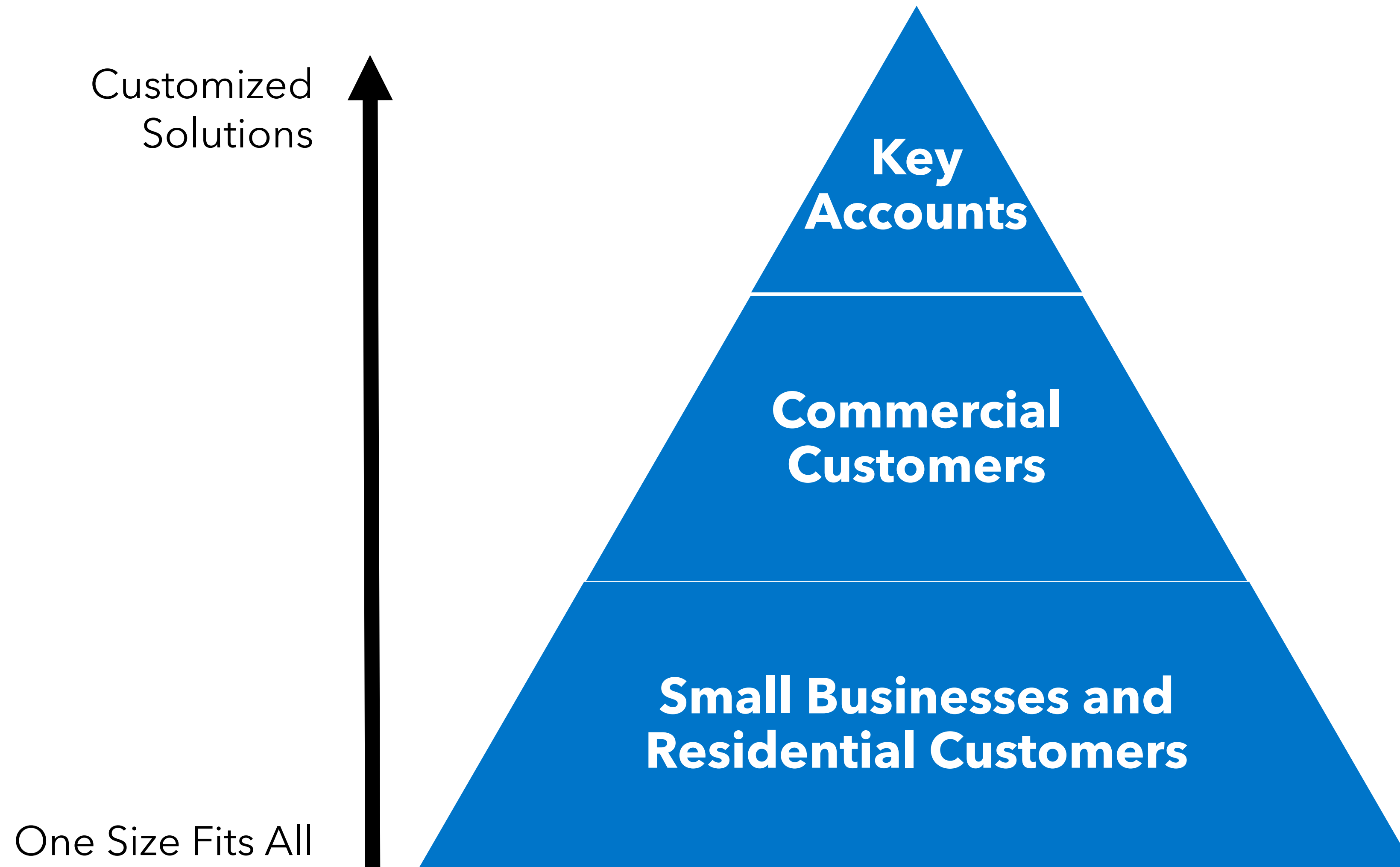
Provide a Unifying Thread to our Goals

- Implementation mechanism for tools developed in 1% goal
- Potential source for demand response

How Key Accounts Can Lead to Load Growth

- **Program offerings can be structured around electrification**
- **Puts us in closer contact with customers that can provide the most cost-effective electrification projects**
- **Act as the mechanism for implementing tools that encourage load growth**
- **Allows for tiered approach to include prescriptive options for a wider customer base**

How Key Accounts Can Help Meet the 1% Goal



What Program Development Will Look Like

Who is Involved:

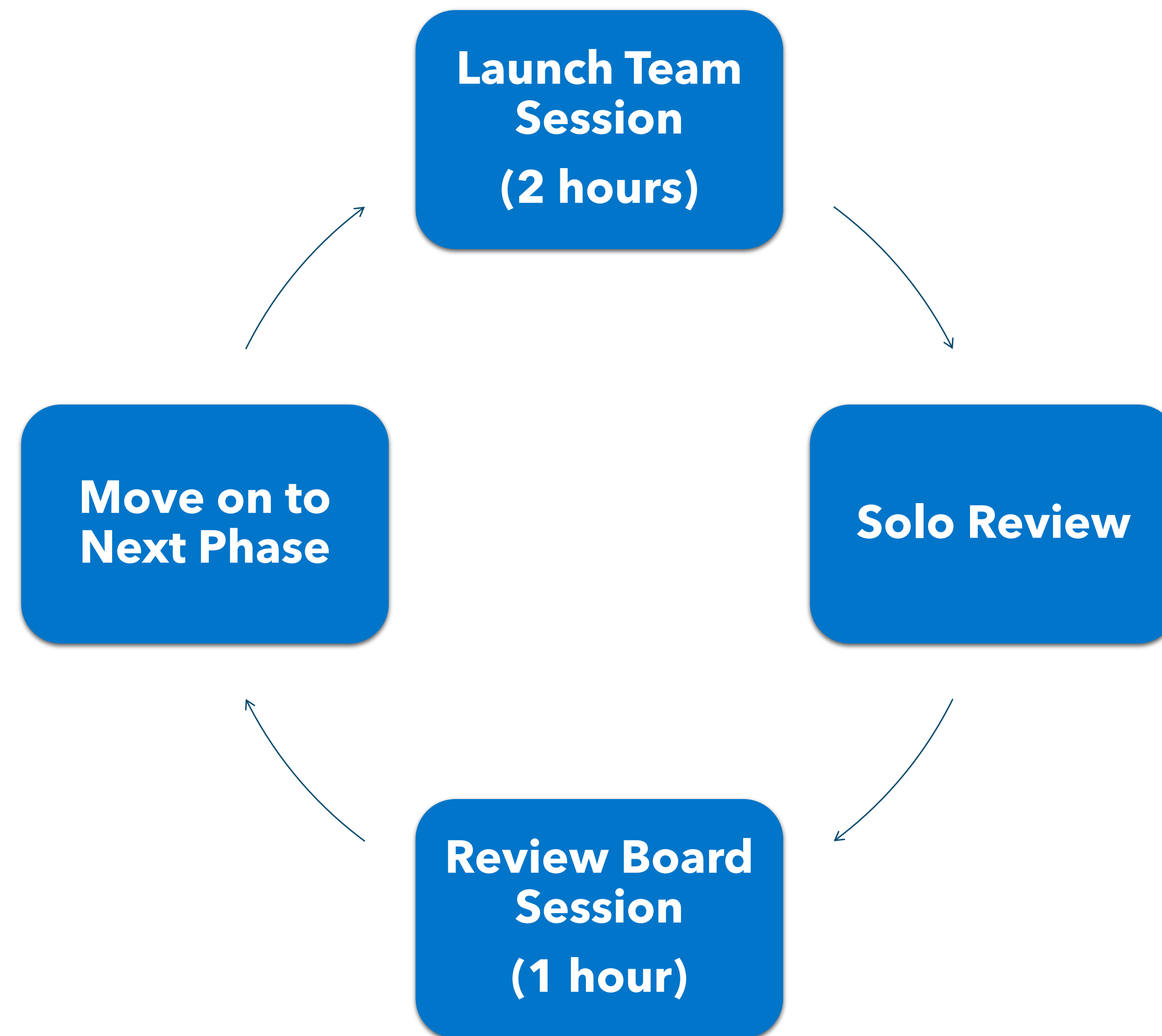
- **Launch Team:** includes 3-5 VPPSA staffers (and potentially member utility staffers)
- **Review Board:** includes 3-5 decision-makers (VPPSA management and a few directors)

What Program Development Will Look Like

Phases of Program Development:

- 1. Identity Phase:** identify key accounts, conduct an at-risk-revenue analysis, identify stakeholders, research needs, determine mission, vision, and values
- 2. Clarity Phase:** research political landscape, determine strategic direction
- 3. Roadmap Phase:** determine program goals, interdepartmental goals, and identify resources
- 4. Validation Phase:** complete a business plan

What Program Development Will Look Like



Memorandum

To: Board of Directors
From: Crystal Currier/Shawn Enterline
Date: June 26, 2020
Subject: **Agenda Item #12a (i) (ii)** - Project 10 Updates

The attached slides represent Project #10 activities - they include:

- a. (i) Updates related to Capital and/or Major Maintenance activities
 - Significant progress on capital upgrades and/or major maintenance projects
 - Capital and major maintenance activities primarily under-budget to-date
- a. (ii) Update of Budget vs. Actual/Market Revenues
 - Project 10's total market revenues are 2.8% below budget through May 2020. This is primarily due to lower energy market revenues, which are a result of lower-than-budgeted operation. This variance should be mostly offset by lower fuel costs.

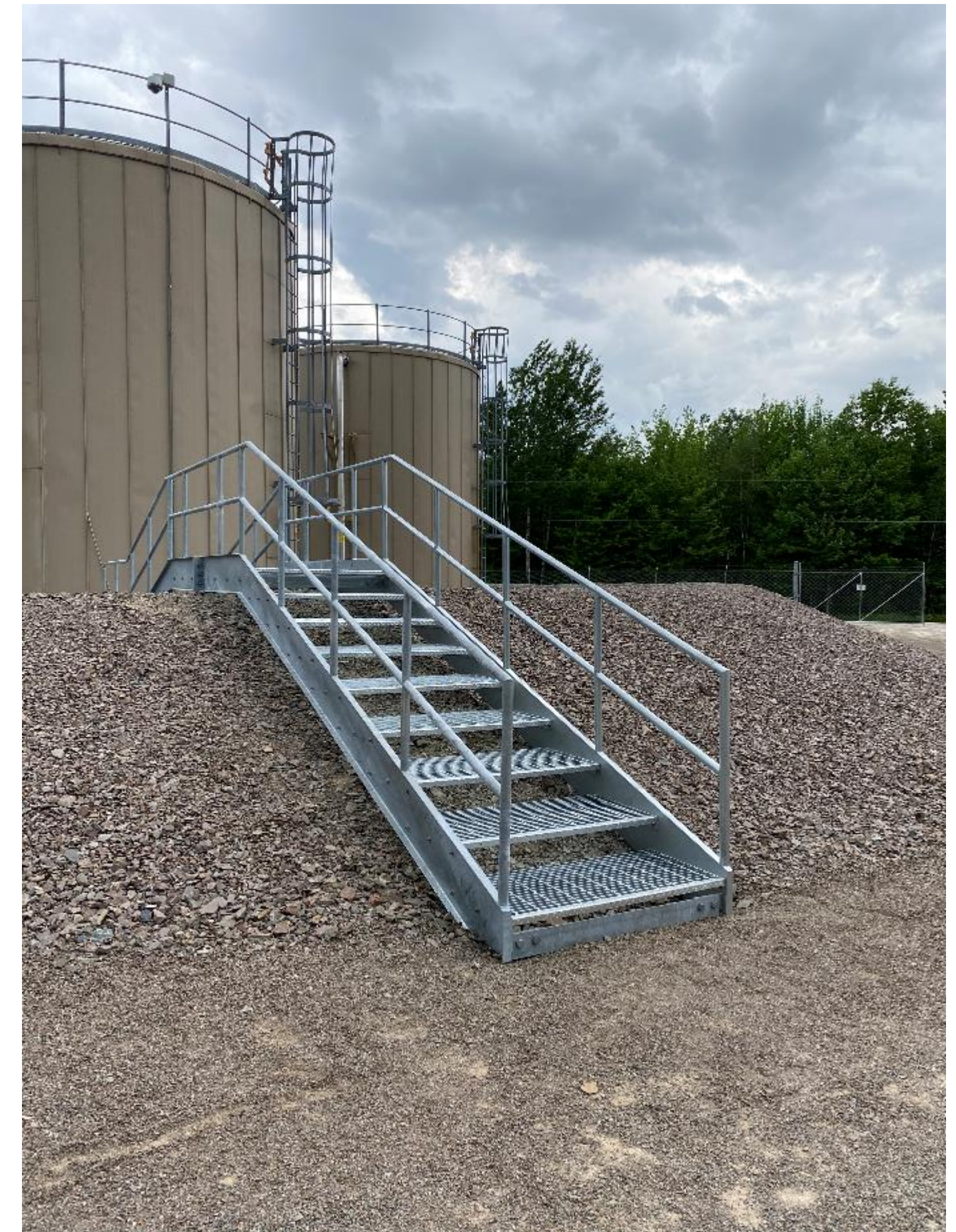
12. a.i. - P10 Capital & Major Maintenance

Capital:

Task	Status	Budget	Actual
Fuel Stairs/Bridge Rebuild	Complete	\$ 45,000	\$ 38,800
HMI Upgrade	In Process	\$ 150,000	\$115,800
HMI Backup System	In Process	\$ 40,000	
Vido Surveillance System Upgrade	98% Complete	\$ 15,000	\$ 15,537
Back-Up Generators	Not started	\$ 250,000	
		\$ 500,000	\$170,137



*P10
bathroom*



Fuel area stairs/bridge rebuild

12.a.i - P10 Capital & Major Maintenance

Major Maintenance:

Task	Status	Budget	Actual
Relay Testing	Complete	\$ 12,500	\$ 10,824
DC Functional Trip Test	Complete	\$ 12,000	\$ 10,772
Borescope	Fall Outage	\$ 26,000	\$ -
Annual Transformer Work	Sep/Oct/Nov timeframe	\$ 28,840	\$ -

12.a.ii P10's Budget to Actual Market Revenues (YTD)

Capacity Credits

- 1.2% lower than budget.

Energy Credits

- 94% lower than budget.
- But fuel costs are down too.

Other Credits (Reserves)

- 3.6% lower than budget

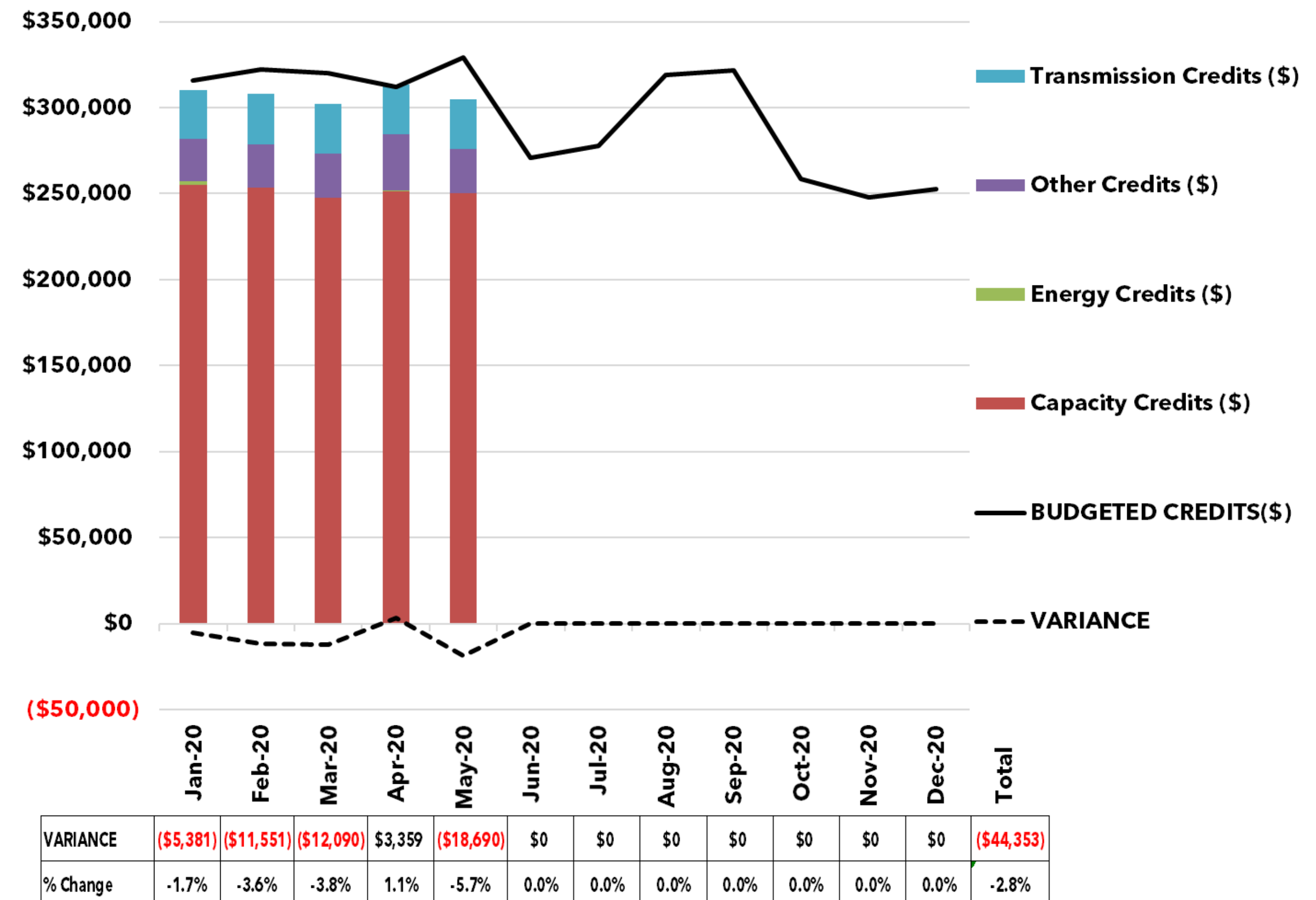
Trans. Credits (Blackstart)

- 2.3% more than budget

Total

- 2.8% (or \$44K) less revenue than budget

2020 Market Revenues - Budget to Actual



Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: June 26, 2020
Subject: **Agenda Item #12(a)(iv)** - P10 Wetlands Permit

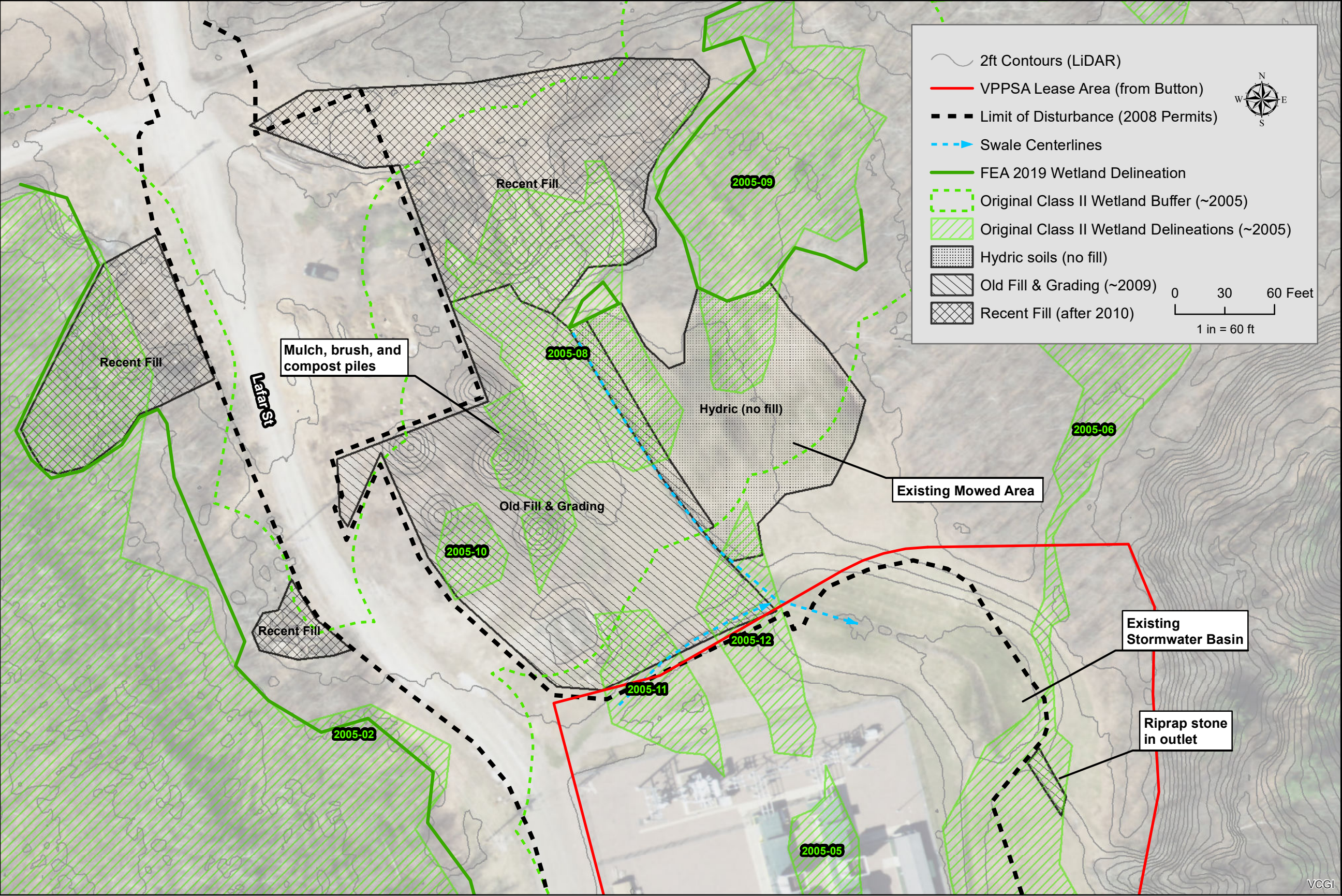
As the Board may recall, VPPSA learned of a Wetland Permit non-compliance issue at Project 10 last fall. The issue dates back to the construction of Project 10 when VPPSA obtained a wetland permit related to a roughly 3-acre parcel north of the plant to use a lay down area. The permitted area had identified limits of use that were supposed to be protected, and the area was supposed to be returned to pre-construction status after the plant was built. The boundaries were not followed and the area was not restored. This was exacerbated by VPPSA then turning the land back to Swanton, while still being obligated for the permit, and Swanton then using the land for a composting operation which created further violations.

VPPSA and Swanton began discussing methods for coming back into compliance with ANR and the Army Corps last fall. We jointly hired Fitzgerald Environmental to represent us in discussions. As part of the effort Fitzgerald Environmental has obtained documentation from the construction period, completed a delineation of the wetlands and buffers, identified a remediation plan, evaluated an alternate parcel that Swanton had offered as an offset, and estimated the likely work requirements and fees that would be associated with resolving the violations.

A proposed remediation plan was provided to the regulators last week, and we are awaiting their review and response. Swanton and VPPSA are evaluating the proper split of costs given each party's contribution to the underlying issue, and are working toward an arrangement where VPPSA contributed funds to cover the regulatory fees and Swanton provides in kind service through their highway crew to restore the wetlands.

Once the regulators provide their feedback on the proposal Fitzgerald Environmental will be preparing applications to amend VPPSA's permit to reflect the new requirements, and to split the permit between VPPSA and Swanton so that each party becomes responsible for the permit on parcel it controls.

A copy of the proposal map is attached.



Fitzgerald Environmental Associates, LLC.

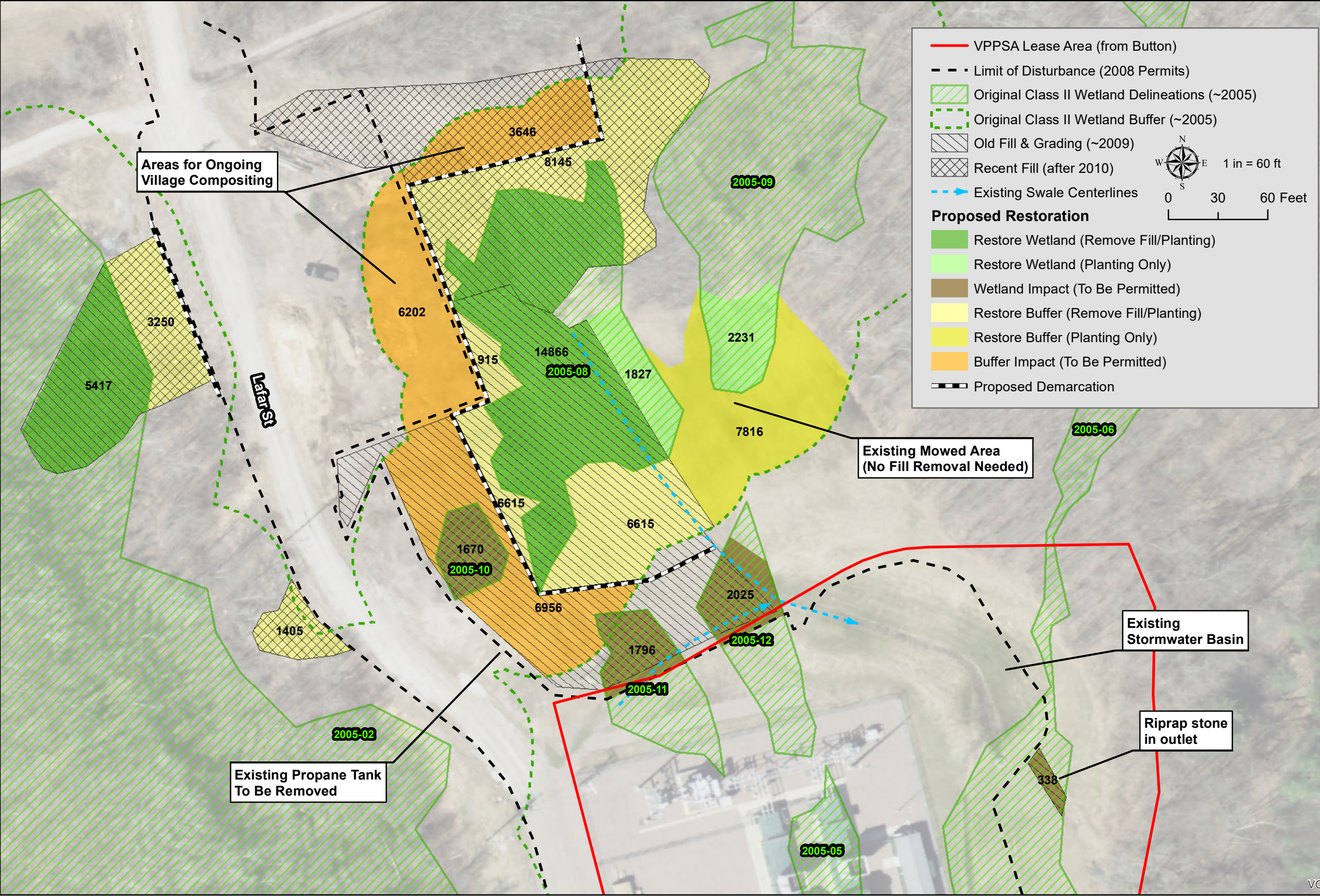
18 Severance Green, Suite 203
Colchester, VT 05446
Tel: 802.876.7778
www.fitzgeraldenvironmental.com

- Notes:**
- Wetland delineation carried out by FEA on 10/3/19
 - VCGI color imagery from 2018
 - Features located with cm-grade GPS unit
 - Limit of disturbance according to plans by VHB/Pioneer, dated 1/29/08

Existing Conditions

Swanton Village/VPPSA
Lafar Street
Swanton, VT

RFS	EPF
Map by	Checked by
1 in = 60 ft	
Scale	
6/25/2020	
Date	
SHEET 1	
SHEET NO.	



Fitzgerald Environmental Associates, LLC.

18 Severance Green, Suite 203
Colchester, VT 05446
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Notes:

- Wetland delineation carried out by FEA on 10/3/19
- VCGI color imagery from 2018
- Features located with cm-grade GPS unit
- Limit of disturbance according to plans by VHB/Pioneer, dated 1/29/08

Preliminary Wetland Restoration Plan

Swanton Village/VPPSA
Lafar Street
Swanton, VT

RFS	EPF
Map by	Checked by
1 in = 60 ft	
Scale	
6/25/2020	
Date	
SHEET 2	
SHEET NO.	

Memorandum

To: Board of Directors
From: Heather D'Arcy
Date: June 26, 2020
Subject: **Agenda #12b** -Solar Project Updates

Progress for all solar projects were slowed due to coronavirus but work is progressing again. The two Standard Offer Program projects were also delayed during the CPG process. Salvage Yard was issued the CPG. Because Center Road was held up for the same reason as Salvage Yard, the DPS is no longer contesting that project. However, a recent PUC order changed the accounting requirements for the Standard Offer Program provider block so that it is no longer economic for VPPSA to bid into the provider block.

After the first year with Tier III obligation it is clear we will need more Tier II RECs to comply in future years. Therefore, we are revamping our solar economic analysis to see how these projects could help.

Motion:

None at this time.

12.b -Solar Updates

VPPSA Solar:

- Trombley Hill (Morrisville): Goldman Sachs created an addendum to the contract. In review with Bill.
- Lawrence Brook (Morrisville): Conservative estimated completion date 9/25/20
- Bone Hill (Northfield): CPG expected soon, Conservative estimated completion date 12/9/20
- Billings Road (Hardwick): CPG expected soon, Conservative estimated completion date 12/24/20

Standard Offer Solar:

- Salvage Yard Hess (Morrisville, 2019 Award): CPG issued, Conservative estimated completion date 12/21/20
- Center Road Davis (Hardwick, 2019 Award): CPG not issued yet but DPS is not contesting this project due to PUC decision on Salvage Yard, Conservative estimated completion date 12/14/20

12.b-Solar Updates

Future Projects:

- No future projects at this time but we are looking at the feasibility of solar projects for Tier II and Tier III compliance
- Standard Offer Program: Essentially unable to work through standard offer provider block due to new accounting standard which no longer allows utilities to bid in excess of their anticipated costs.

Memorandum

To: Board of Directors
From: Shawn Enterline
Date: June 26, 2020
Subject: **Agenda Item #12c** - Battery Storage

Battery Storage (5 slides)

An RFP has been drafted using the 2017 Solar RFP as a model. The slides are designed to get the Board's feedback on four topics.

1. RFP Purpose, Structure & Timing
2. Financial Terms
3. Physical Terms
4. Modes of Operation

Motion:

None at this time.

12.c Battery Storage (Overview)

Purpose of this Agenda Item = Gather Board Feedback

1. RFP Purpose, Structure & Timing
2. Financial Terms
3. Physical Terms
4. Modes of Operation

The following slides are a series of “Straw-men”

- They represent a starting, high-level proposal for you to react to and comment on.

12.c Battery Storage (RFP Purpose, Structure & Timing)

RFP PURPOSE, STRUCTURE & TIMING	
PURPOSE #1	Identify an experienced and trusted development partner.
PURPOSE #2	Identify & develop potential sites and cost-saving, permittable projects.
STRUCTURE	Same as Solar RFP; two rounds. Round 1: RFQ, non-binding, intended to narrow the field. Round 2: RFP, potentially binding, intent is to build a storage project.
TIMING	Round 1: Issue RFQ by October 2020. Conclude by early/mid December. Round 2: Issue RFP by February 2021. Conclude by April 2021.

12.c Battery Storage (Financial Terms)

FINANCIAL TERMS	
BUYER	Vermont Public Power Supply Authority and/or VPPSA Municipal Utilities
SELLER	To be determined (TBD)
TERM	10 years. Longer terms will be considered.
OWNERSHIP & O&M	A PPA is preferred where O&M is the responsibility of the Seller. Other structures, including direct ownership, may be considered.
PRICE	A fixed \$/kW-month charge is preferred. Other price structures will be considered.

12.c Battery Storage (Physical Terms)

PHYSICAL TERMS	
LOCATION	1. Distribution systems of VPPSA municipal utilities, and/or 2. Renewable generators on municipal distribution systems, or 3. Large customers of VPPSA municipal utilities.
CAPACITY	100 – 5,000 kW. Larger capacities will be considered.
DURATION	4+ hours
ENERGY	TBD based on the optimal capacity and duration of the system.
ISO-NE	Unless greater value can be captured by participating in ISO-NE markets, the storage system will operate independent of ISO-NE energy, capacity and ancillary markets.

12.c Battery Storage (Modes of Operation)

MODES OF OPERATION	
PEAK LOAD REDUCTION	<u><i>Required.</i></u> The primary purpose of the storage system is to reduce coincident monthly and annual peaks, which reduce transmission and capacity costs for VPPSA's municipal utilities.
RENEWABLES INTEGRATION	<u><i>Desired.</i></u> The secondary purpose of the storage system is to manage the distribution system in the presence of increasing levels of behind-the-meter renewable generation (primarily hydro and solar).
MICROGRID & RESILIENCY	<u><i>Desired.</i></u> This mode of operation is desired if the location of the facility is near critical facilities and they can be cost-effectively incorporated into a microgrid for use during emergencies.
OTHER MODES	<u><i>Optional.</i></u> Other value-added modes of operation will be considered.

Memorandum

To: Board of Directors
From: Heather D'Arcy
Date: July 7, 2020
Subject: **Agenda #12d**-Load Reducers

The capacity value of load reducing hydros in the first half of the year was nonexistent for all VPPSA members except Swanton and Lyndonville as those were the only units with generation at the time of the annual peak. The capacity commitment period (CCP) is June-May therefore the prices and generation at the time of the peak will change for all members this June. Capacity value per kW decreased but all members had generation at the time of the system peak therefore there's more value in aggregate for the second half of the calendar year.

Generation during the monthly transmission peak has more value currently and for the foreseeable future. The value per kW of reduced load is greater and it is easier to achieve generation month to month as the ISO peak can often come when rivers are dry.

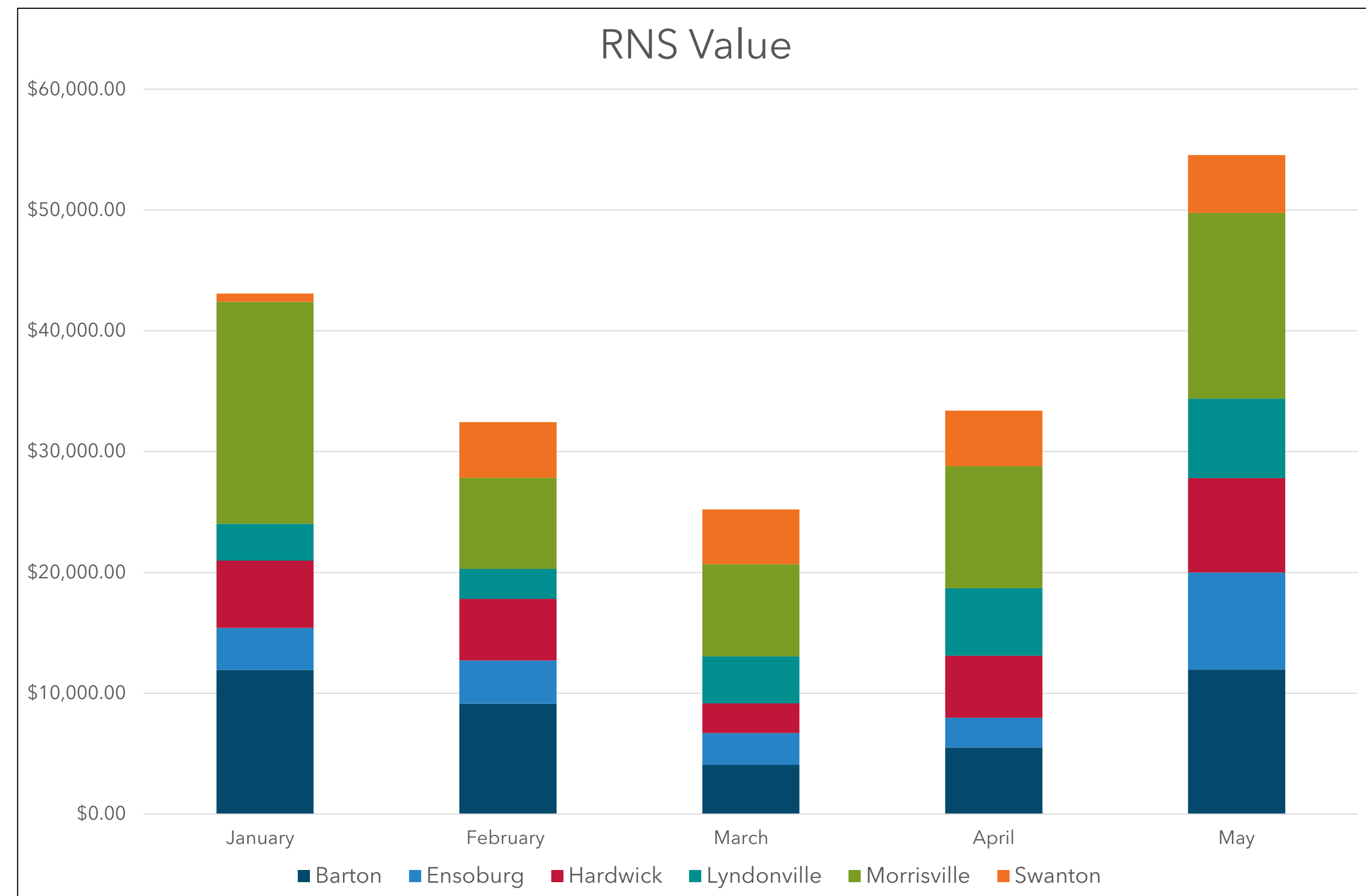
Motion:

None at this time.

12.d-Load Reducing Hydro: Transmission Value (YTD)

Transmission Value

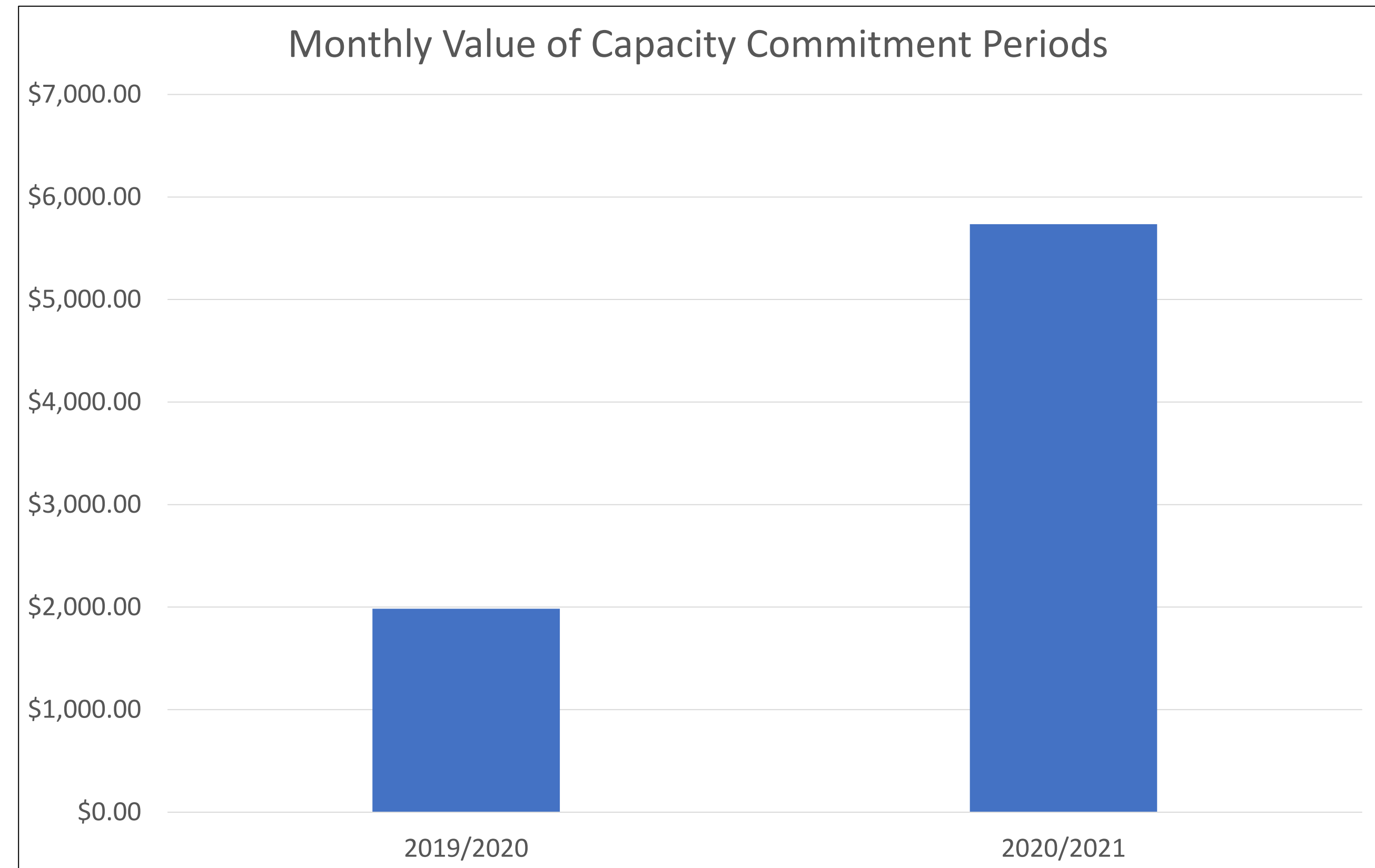
- Transmission value exceeds capacity value by a wide margin.
- We expect this to continue for years.



12.d-Load Reducing Hydro: Transmission Value

Capacity Value

- Capacity value per month changes between commitment periods
- Capacity value can change significantly from year to year



Memorandum

To: Board of Directors
From: Ken Nolan, General Manager
Date: June 26, 2020
Subject: **Agenda Item #12e** - Phase I Contract Extension

As the Board may recall, several members signed contracts with VELCO (the Vermont Participation Agreement) in the 1980's to obtain "use rights" over the Phase I transmission line between Quebec and Massachusetts. These contracts were originally signed to support delivery of the original Hydro-Quebec contract. The members who are participants are as follows:

Member		Phase I %	Phase II %	Combined %
Enosburg Falls Water & Light Department ³		0.03142	0.0000	0.01084
Hardwick Electric Department ³		0.06290	0.0000	0.02170
Ludlow Electric Department ³		0.05757	0.0000	0.01986
Lyndonville Electric Department ³		0.10768	0.0000	0.03715
Morrisville Water & Light Department ³		0.09811	0.0000	0.03385
Northfield Electric Department ³		0.05378	0.0000	0.01855
Swanton Electric Department ³		0.09219	0.0000	0.03181

That original Phase I Support Agreement expires in November, 2020 and VPPSA has been working with VELCO (and through VELCO with the other New England utilities) for several months to extend the contract for another 30-years. While the line is no longer needed to deliver Hydro-Quebec power it does bring two key economic benefits:

- 1) Participating utilities are entitled to a share of Hydro-Quebec Interconnection Capability Credits (HQICC's) based on their percent entitlement in the line. This is a credit that directly offsets capacity costs as a result of ISO New England's ability to bring emergency power over the line when needed.
- 2) There is growing interest in third parties leasing rights from rights holders to bring renewable energy into New England to meet RPS requirements in southern New England, or to flow renewable resources through to New York and/or PJM.

Either one of these revenues streams independently has historically been worth substantially more than the support costs for maintaining the line – making continuing the contracts profitable.

We are now reaching the final stages of negotiation, and VELCO has convened a weekly meeting among the attorneys to get discussions over the finish line. VELCO is now looking for each of the signing entities to begin their own internal approval process.

Since each of the participating members signed the contract directly with VELCO, VPPSA will be providing a supporting role in each one getting authorizations to sign. However, once the extension is in place VPPSA will likely be asking each participant to assign their rights to VPPSA so that an aggregated lease of the transmission space can be entered to maximize value. Additional discussions on the aggregation process will be on future Board agendas.

Memorandum

To: Board of Directors
From: Crystal Currier/Shawn Enterline/Heather D'Arcy
Date: June 26, 2020
Subject: **Agenda Item #12f** - Power Supply Future Items

As the Power Supply group looks out to the future there are a few items on our horizon that may be included in future Board discussions.

Three items for consideration are listed on the attached slide. P

1. Storage RFP
2. NextEra 2018-2022 PPA
3. PECO's Wind Letter of Intent

Please let us know if there are any other topics that we should be looking at or if there are areas where you would like to have a more detailed discussion.

Motion:

None at this time.

12.f Future Items

1. Storage RFP

- Send feedback to VPPSA Power Supply.
- Review RFP Version 2.0 at next BOD mtg.

2. NextEra 2018-2022 PPA

- Power Supply to make proposal(s), after last IRP is submitted; Fall 2020.
- Go/No-Go Decision

3. PECO's Wind Letter of Intent

- Review specs of the wind turbine.
- Discuss business case(s).
- Identify locations.
- Go/No-Go Decision

4. Other Items

- Are there any other Generation & Assets items that the Board wishes to place on future agendas?