

BLOCK ISLAND UTILITY DISTRICT



Verizon recently spent time transferring their facilities to the new poles installed during the winter of 2020. BIUD crews are now removing the abandoned pole stubs. Verizon is fully paid up for their ownership share of the new poles and has paid us their share of the removal costs. Verizon pays between \$600 and \$810 per new pole (depending on the size), \$121 for each new anchor and \$243 for the removal cost of the retired poles.

**BOARD OF COMMISSIONERS MEETING
NOVEMBER 21, 2020**

**Block Island Utility District
Regular Meeting of Board of Commissioners
November 21, 2020 @ 11:00 AM**

***Meeting Held Remotely by Zoom due to Corona-19
Town of New Shoreham Emergency Order***

1. Public Input
2. Commissioner's Report
3. Approve Minutes:
 - a. July 11, 2020 Meeting Minutes
 - b. July 17, 2020 Meeting Minutes
 - c. October 10, 2020 Meeting Minutes
4. Receive and Act on Treasurer's Report
 - a. Review Financials - YTD Ending 9/31/2020
5. Receive Update from Block Island Solar Initiative Program Activities (@ 12:15 PM)
6. Receive and Act on President's Report
 - a. Review Standard Offer/Transmission Rates
 - b. Efficiency Plan Update
 - c. TNS Broadband Project – BIUD's Role
 - d. Cell Tower Upgrade
 - e. System Charge Tariff – Member Concern
 - f. Housing Project
7. Review and Act Upon 2021 Operating and Capital Budgets

Posted: November 12, 2020

Join Zoom Meeting

<https://us02web.zoom.us/j/2505454073>

Meeting ID: 250 545 4073

One tap mobile 1-312-626-6799

AGENDA ITEM 1
PUBLIC INPUT

(THIS PAGE INCLUDED FOR NOTES)

AGENDA ITEM 2
COMMISSIONER'S REPORT

(THIS PAGE INCLUDED FOR NOTES)

AGENDA ITEM 3
APPROVE REGULAR MEETING MINUTES
July 11, 2020
July 17, 2020
October 10, 2020

**Block Island Utility District
June 11, 2020
11:00 AM**

HELD REMOTELY VIA ZOOM DUE TO COVID-19 AND TOWN OF NEW SHOREHAM
EMERGENCY ORDER

Minutes

Participating BOD Members Present via ZOOM: Barbara MacMullan, Bill Penn, Everett Shorey and Mary Jane Balser. Elliot Taubman joined at 11:26 AM.

Also Present: President Jeffery Wright, Chris Warfel and a representative from the BI Times.

Barbara MacMullan called the meeting to order at 11:05 AM.

1. Public Input

- Chris Warfel made public comment requesting access to the Zoom recordings of the BIUD BOD meetings, particularly the May meeting. Jeffery Wright explained that they were recorded but not posted and he could forward them if requested.

2. Commissioner's Report

- Chair Barbara MacMullan reported that she had participated in a Zoom meeting with RI-OER with Jeffery Wright. The meeting was an introduction to the Governor's recent executive order requiring RI be 100% renewable by 2030. She reported that RI-OER would be hosting more meetings in the fall to discuss strategies to get there.

3. Approve Minutes from the May 11, 2020 and June 13, 2020 Regular Meetings

- Chair Barbara MacMullan moved to approve the meeting minutes from May 11, 2020 and June 13, 2020 as presented. Bill Penn seconded the motion and the motion pass unanimously.

4. Treasurer's Report

- Treasurer Bill Penn reported that he has reviewed the May, 2020 disbursements and all was in accordance with the BIUD financial policies and procedures.
- Treasurer Bill Penn presented the financials for the period ending May 31, 2020, on record.
- Jeffery Wright reported that June sales were better than expected and despite July starting slow, sales were improving due to the heat.
- Chair Barbara MacMullan moved to accept the Treasurer's Report. Mary Jane Balser seconded the motion and the motion pass unanimously.

5. President's Report

- President Jeffery Wright presented the current impacts of the COVID19 pandemic on operations and financial projections.
- Jeffery Wright reported that the CFC Letter of Credit for ISO-NE financial assurance is up for renewal and is not ready for this meeting so a meeting will be requested for Thursday July 17th so the BOD can approve the Certificate of Incumbency and Resolution.

- Jeffery Wright reported that the net metering statute amendment had been passed by the Senate Committee and not yet by the House. He reported that when it was fully approved that he would publish a notice in the BI Times announcing a new tariff filing and that the filing would be submitted to the RI-PUC. Chris Warfel voiced his concern that there be more opportunity for public input. Jeffery Wright described the timeline of the BIUD approval of the proposed tariff and explained that the PUC would hold a public hearing. Chair Barbara MacMullan requested that the proposal be discussed in a BIUD meeting again prior to filing. Everett Shorey and Elliot Taubman also requested that Chris Warfel put his concerns and comments in writing.
- Jeffery Wright reported that BIUD is still waiting for a meeting with RI-DEM about the timing of the soil mitigation project.
- Chair Barbara MacMullan moved to accept the President's Report. Mary Jane Balser seconded the motion and the motion pass unanimously.

6. Review and Act Upon Financial Policy Revision

- Jeffery Wright presented a proposed addition to the BIUD Financial Policy and Procedure to include more detail pertaining to procurement, on record.
- Elliot Taubman moved to approve the proposed changes to the policy. Mary Jane Balser seconded the motion and the motion pass unanimously.

7. Review and Act on Employee Housing Project

- A discussion was had regarding the offer from the Block Island Solar Initiative for a free solar array and all electric appliances. Legal advice was requested before a decision was made on acceptance.
- It was recommended that two groups be formed; an RFP committee (Elliot, Everett and Jeff) and a second to work on the house design (Bill, Barbara and Mary Jane).
- A motion was made by Barbara MacMullan to seek a legal opinion on the acceptance of accepting gifts. Bill Penn seconded the motion and it was approved unanimously.
- Mary Jane Balser made the motion to create a RFP committee comprised of Elliot Taubamn, Everett Shorey and Jeff Wright. The motion was seconded by Elliot Taubman and was approved unanimously.

Mary Jane Balser moved to enter closed session to discuss agenda items 8 and 9. The motion was seconded by Elliot Taubman and passed unanimously.

8) Gravel Pit Solar PPA - pursuant to RIGL 42-46-5 (a) (7) which is "A matter related to the question of the investment of public funds, which includes any investment plan or matter related thereto, where the premature disclosure would adversely affect the public interest."

9) Litigation pursuant to RIGL 42-46-5(2) (Litigation: Howell Conant v. Block Island Power Company)

The BOD came out of executive session at 1:15 PM and announced it had authorized President Jeffery Wright to execute the Gravel Pit Solar PPA.

Barbara MacMullan moved to adjourn the meeting at 2:18 PM, seconded by Bill Penn. The motion passed unanimously.

APPROVED:

POSTED:

Block Island Utility District
July 17, 2020
8:00 AM

HELD REMOTELY VIA ZOOM DUE TO COVID-19 AND TOWN OF NEW SHOREHAM
EMERGENCY ORDER

Minutes

Participating BOD Members Present via ZOOM: Barbara MacMullan, Bill Penn, Everett Shorey, Elliot Taubman and Mary Jane Balser.

Also Present: President Jeffery Wright, Tony Pappas (representing BI Solar Initiative), Chris Warfel and a representative from the BI Times.

Barbara MacMullan called the meeting to order at 8:00 AM.

1. Review and Act Upon CFC Letter of Credit for ISO-NE Financial Assurance

- President Jeffery Wright presented the Board with a CFC Certificate of Resolutions and Incumbency (on record) for consideration that would authorize President Jeffery Wright, Chair Barbra MacMullan or Treasurer Bill Penn to execute the necessary CFC agreements to renew the Utility District's CFC Letter of Credit for \$250,000 that is issued to ISO-NE for Financial Assurance purposes.
- Treasurer Bill Penn moved the resolution. Secretary Elliot Taubman seconded the motion and it passed unanimously.

2. Review and Act Upon Employee Housing and Block Island Solar Initiative Donation

- BI Solar Initiative Representative Tony Pappas presented an offer to donate the appliances and solar arrays for the Employee Housing Project. A condition of this offer was that all of the appliances needed to be electric with the exception of the cooktop which could be propane as long as the BIUD somehow offset the carbon emissions from the cooktop with offsetting carbon credits or another form of offset. An additional stipulation was made that a gas fireplace was not allowed.
- Several clarifying questions of Mr. Pappas were asked of and a long and robust debate was had by the Commissioners.
- BIUD member Chris Warfel voiced his objection to the offer in general and stated that he would be filing a complaint to the RI Secretary of State and PUC alleging a conflict of interest and a violation of procurement laws.
- Further discussions were had regarding BIUD's acceptance of a gift in general.
- Chair Barbara MacMullan moved to politely decline the offer, tabling the discussion until BIUD could seek legal advice from Partridge, Snow and Hahn. Everett Shorey seconded the motion and the motion passed unanimously.

Barbara MacMullan moved to adjourn the meeting at 9:15 AM, seconded by Everett Shorey. The motion passed unanimously.

APPROVED:

POSTED:

**Block Island Utility District
October 10, 2020
11:00 AM**

HELD REMOTELY VIA ZOOM DUE TO COVID-19 AND TOWN OF NEW SHOREHAM
EMERGENCY ORDER

Minutes

Participating BOD Members Present via ZOOM: Barbara MacMullan, Everett Shorey, Elliot Taubman and Mary Jane Balser.

Absent: Treasurer Bill Penn

Also Present: President Jeffery Wright, David Lewis, Tony Pappas, Chris Warfel and a representative from the BI Times.

Barbara MacMullan called the meeting to order at 11:05 AM.

1. Public Input

- There was no public input.

2. Commissioner's Report

- Chair Barbara MacMullan did not present a report.

3. Approve Minutes from the August 22, 2020 Annual Meeting

- Elliot Taubman moved to approve the meeting minutes from the August 22, 2020 Annual Meeting with one minor typo to be corrected. Mary Jane seconded the motion and the motion passed unanimously.

4. Treasurer's Report

- President Jeffery Wright informed those present that Bill Penn could not be at this meeting due to his wife's illness.
- Jeffery Wright reported that Bill Penn had reviewed the August and September disbursements and had found all in accordance with BIUD's financial policies and procedures.
- Jeffery Wright also presented the financials ending July 31, 2020 and August 30, 2020 and answered several questions. The highlights focused on stronger than anticipated sales and an equity ratio of approximately 16%.
- Chair Barbara MacMullan moved to approve the Treasurer's Report. Mary Jane seconded the motion and the motion passed unanimously.

5. President's Report

- President Jeffery Wright reported that the analysis of the Standard Offer and Transmission collections was still ongoing and he'd have something to review for the next meeting. He reported that he and David Bebyn had had preliminary discussions with John Bell from the DPUC.
- He reported that the ISO-NE was considering rules changes regarding behind-the-meter generation and the load calculations used to determine capacity and transmission charges.

Although the rules are being debated now and will most likely result in litigation at FERC there is enough uncertainty that he is putting a hold on the diesel engines peak shaving initiatives.

- He reported on the efficiency plan schedule.
- He reported on a pending cell tower upgrade that may be necessary to ensure compliance with the latest loading standards. He reported that a tower survey has been scheduled which will then provide an accurate baseline for the upgrades necessary.
- He reported that they still had not scheduled a meeting with DEM to discuss the soil mitigation but were hoping to meet soon.

6. Review and Discuss Chris Warfel Correspondence

- Jeffery Wright explained that he had received (included in the BOD packet) correspondence from Chris Warfel regarding a variety of topics and asked Mr. Warfel to explain the various materials he had provided and further asked him to clarify his request of BIUD and the Board of Commissioners.
- Mr. Warfel first thanked BIUD for providing the information he received.
- Mr. Warfel further explained that he thought the BIUD policies pertaining to renewable energy were flawed and lacked forward thinking in terms of advancing customer owned generation. He further explained that he encouraged the BIUD to hire consultants to perform a load management study and to investigate sub-metering of customer loads to maximize the benefits of the BIUD DSM program.
- The BIUD Board of Commissioners thanked Mr. Warfel for his input and explained that they would further consider his suggestions.

Chair Barbara MacMullan moved to enter closed session to discuss agenda items 7, 8 and 9. The motion was seconded by Mary Jane Balser and was passed unanimously.

7) Employee Housing - pursuant to RIGL 42-46-5 (a) (7) which is "A matter related to the question of the investment of public funds, which includes any investment plan or matter related thereto, where the premature disclosure would adversely affect the public interest."

8) Cabot/Turners Falls PPA - pursuant to RIGL 42-46-5 (a) (7) which is "A matter related to the question of the investment of public funds, which includes any investment plan or matter related thereto, where the premature disclosure would adversely affect the public interest."

9) Litigation pursuant to RIGL 42-46-5(2) (Litigation: Howell Conant v. Block Island Power Company)

The BOD came out of executive session at 12:35 PM and announced it had authorized President Jeffery Wright to execute the Cabot/Turner's Falls PPA.

Everett Shorey moved to adjourn the meeting at 12:36 PM, seconded by Mary Jane Balser. The motion passed unanimously.

APPROVED:

POSTED:

AGENDA ITEM 4
RECEIVE AND ACT ON TREASURES REPORT
FINANCIALS YTD SEPTEMBER 30, 2020

Block Island Utility District
Balance Sheet
September 30, 2020

ASSETS

	September 30, 2020	September 30, 2019
<u>Property and Equipment</u>		
Land	\$ 867,685.78	\$ 840,271.79
Buildings	550,224.70	464,663.03
Machinery & Equipment	1,923,142.83	1,973,972.46
Distribution System	2,462,910.52	2,026,708.07
Office System, Furniture & Fixture	288,964.68	273,068.10
Transportation Equipment	19,945.60	19,945.60
Construction Work in Progress-Distribution	549,303.56	228,919.28
	<hr/>	<hr/>
Total Property and Equipment	6,662,177.67	5,827,548.33
Total Accumulated Depreciation	<377,455.62>	<133,344.00>
	<hr/>	<hr/>
<i>Net Utilities Plant</i>	6,284,722.05	5,694,204.33
 <u>Current Assets</u>		
Cash - Main Checking	1,492,193.32	957,906.27
Cash - Sweep Acct	0.00	0.00
Accounts Receivable Elect	189,857.09	340,632.88
Allowance For Bad Debt	(19,587.93)	(19,587.93)
Accounts Receivable-Other	3,120.61	16,199.22
AR-Cash due from BIPCo	16,090.16	6,422.12
AR-Blackrock Acct due from BIPCo	0.00	143,813.56
Unbilled Revenue	533,132.00	652,074.26
Plant Material & Operation	403,363.01	236,962.96
Fuel Inventory	45,439.02	55,827.45
Prepaid Expenses	20,281.39	82,425.73
	<hr/>	<hr/>
<i>Total Current Assets</i>	2,683,888.67	2,472,676.52
 <u>Deferred Assets</u>		
Def. Regulatory Asset-retiremt	202,750.88	197,585.35
Def. Regulatory Asset-Eng.Res	0.00	0.00
Def. Regulatory Asset-RateCase	106,838.77	0.00
Def.Regulatory Asset-Interconnection	120,184.12	151,181.76
	<hr/>	<hr/>
<i>Total Deferred Assets</i>	429,773.77	348,767.11
Total Assets	<u>\$ 9,398,384.49</u>	<u>\$ 8,515,647.96</u>

Block Island Utility District
Balance Sheet
September 30, 2020

LIABILITIES AND CAPITAL

	September 30, 2020	September 30, 2019
<i>Current Liabilities</i>		
Accounts Payable Trade	\$ 315,112.82	\$ 110,561.10
AP-NISC Admin Software	0.00	0.00
A/P - Customer Deposits	79,147.92	70,569.00
Accrued Purchase Power Expenses	157,122.06	296,885.77
Accrued Other Expenses	10,118.21	30,831.81
DSI Surcharge Payable	0.00	11,744.80
Capital Fund	68,470.69	0.00
PPP Loan	149,837.00	0.00
Accrued Payroll and Withholdings	0.00	0.00
Total Current Liabilities	779,808.70	520,592.48
<i>Deferred Credits</i>		
Deferred Revenue	486,846.46	210,494.48
SOLAR RESTRICTED ACCOUNT	4,684.10	0.00
VOLTAGE CONVERSION RESTRICTED	35,114.44	0.00
SCR & Engine Maint Reserve	0.00	380,714.63
Total Deferred Credits	526,645.00	591,209.11
<i>Long-Term Liabilities</i>		
Line of Credit	350,000.00	365,943.22
Retirement Obligations	202,750.88	197,585.35
CFC Acquisition LOAN	5,748,387.21	5,800,000.00
Total Long-Term Liabilities	6,301,138.09	6,363,528.57
Total Liabilities	7,607,591.79	7,475,330.16
<i>Capital</i>		
Retained Earnings	815,649.00	(24,050.53)
Net Income	975,143.70	1,064,368.33
Total Capital	1,790,792.70	1,040,317.80
Total Liabilities & Capital	\$ 9,398,384.49	\$ 8,515,647.96

Block Island Utility District
Income Statement
For the Nine Months Ending September 30, 2020

	Current Month Actual	Current Month Prior Year	Year to Date Actual	Year to Date Budget
Revenues				
<u>Revenue from Rates</u>				
Residential Sales	\$ 85,851.26	\$ 82,133.69	\$ 832,538.67	\$ 748,105.00
Commercial Sales	18,444.40	21,796.42	181,535.41	239,302.00
Demand Electric	79,534.68	159,607.99	825,485.40	878,391.00
Public Authority	-	20,998.73	31,166.93	35,805.00
Street Lighting	584.03	584.03	5,256.27	5,256.27
Customer Charge	22,820.00	26,264.17	223,052.16	225,552.00
Demand - All Rates	26,316.25	71,795.53	157,897.38	160,890.00
Efficiency Charges	5,423.81	-	53,036.90	52,530.00
System Charge	19,350.00	14,613.99	92,275.00	91,375.00
RI Renewable Fund	411.93	-	2,029.12	3,989.72
<u>Other Revenue from Operations</u>				
Grant Revenue-Solar Project	-	-	329,885.00	-
Biller Penalty (Interest on Delinquent Accts)	-	-	6,567.50	16,033.50
Rent - Antennas	18,891.68	15,891.71	170,025.12	170,025.12
Rent - Tower	800.00	800.00	7,200.00	7,200.00
Rent - Property	2,400.00	6,497.54	21,600.00	21,600.00
Misc. Income (Misc., Interest & Connections)	-	-	10,225.71	2,870.25
Total Revenues	280,828.04	420,983.80	2,949,776.57	2,658,924.86
Expenses				
Total Generation-Operating Expense	14,683.53	14,667.05	130,348.47	167,377.50
Total Generation-Maintenance Expense	12,987.70	-	74,072.10	131,025.00
Total Distribution-Operating Expense	19,367.49	17,753.22	133,136.29	256,703.25
Total Distribution-Maintenance Expense	15,173.45	9,955.70	240,040.66	272,546.25
Total Customer Accounts/Customer Service	6,474.95	4,739.00	50,618.75	50,065.50
Total Administrative/General Expenses	78,535.92	89,390.77	912,774.78	800,765.25
Total Depreciation Expenses	22,203.00	21,647.00	177,624.00	-
Total Interest Exp on Line & Long- term debt	77,418.14	59,333.30	206,902.40	182,850.00
Total Miscellaneous Expense	(4,492.24)	346.65	1,961.69	92,007.00
Total Taxes	4,869.55	3,587.76	47,153.73	45,287.25
Total Expenses	247,221.49	221,420.45	1,974,632.87	1,998,627.00
Net Profit Before Fuel Rev./Exp.	33,606.55	199,563.35	975,143.70	660,297.86
<u>Fuel Expenses/(Revenue)</u>				
Fuel/Standard Offer/Transmission income	(274,073.95)	(233,591.84)	(1,914,451.10)	(1,547,399.00)
Purchase Power Expenses	183,061.39	266,623.65	1,552,732.04	1,474,819.00
Net SO/TC due to ratepayers	91,012.56	(33,031.81)	361,719.06	72,580.00
Net Fuel Expense/(Revenue)	0.00	-	-	-
Net Income	\$ 33,606.55	\$ 199,563.35	\$ 975,143.70	\$ 660,297.86
<u>Reserves Expenditures</u>				
Remove Depreciation Adj (A)	(22,203.00)	(21,647.00)	(177,624.00)	-
Debt Service Principal (includes CAT)	-	-	52,084.92	52,084.92
Inventory Purchased	-	-	111,273.94	69,750.00
Capital Exp - Work In Progress	9,321.46	3,189.99	549,303.56	277,080.75
Capital Exp - Distrib Work	-	-	-	-
Capital Exp - Other Assets	-	-	-	-
Total Reserve for Exp.	(12,881.54)	(18,457.01)	535,038.42	398,915.67
Net Income Cash Budgetary Basis	\$ 46,488.09	\$ 218,020.36	\$ 440,105.28	\$ 261,382.19

Block Island Utility District
Supplemental Information Statement
For the Nine Months Ending September 30, 2020

	September 2020	September 2019	YTD September 2020	YTD September 2019
Rate Revenues				
Residential Sales	\$ 85,851.26	\$ 82,133.69	\$ 832,538.67	\$ 545,055.66
Commercial Sales	18,444.40	21,796.42	181,535.41	174,715.88
Demand Electric	79,534.68	159,607.99	825,485.40	1,063,352.69
Public Authority	-	20,998.73	31,166.93	128,054.49
Street Lighting	584.03	584.03	5,256.27	5,251.12
Customer Charge	22,820.00	26,264.17	223,052.16	235,281.89
Demand - All Rates	26,316.25	71,795.53	157,897.38	369,255.87
System Charge	19,350.00	14,613.99	92,275.00	77,369.12
Total Revenues	252,900.62	397,794.55	2,349,207.22	2,598,336.72
	-36.42%		-9.59%	
Rate Revenues -KWH Usage				
Residential Sales	602,465	344,451	4,282,368	3,021,304
Commercial Sales	107,862	108,414	1,512,295	1,560,929
Demand Electric	682,789	774,692	4,495,139	5,456,966
Public Authority	-	105,843	972,263	1,484,783
Total Revenues	1,393,116	1,333,400	11,262,065	11,523,982
	4.48%		-2.27%	
Rate Revenues -Customer Counts				
Residential Sales	1,520	1,263	12,362	11,546
Commercial Sales	298	286	6,553	6,611
Demand Electric	145	359	6,000	6,910
Public Authority	-	33	5,088	5,341
Total Revenues	1,963	1,941	30,003	30,408

	September 2020	September 2019	YTD September 2020	YTD September 2019
Payroll				
Capital Exp - Work In Progress				
Capitalized Labor	\$ 9,321.00	\$ 3,189.99	\$ 84,333.04	\$ 115,969.90
Generation-Maintenance Expense				
Inside Maintenance	-	-	-	3,816.00
Maint of Station Equipment	9,792.30	6,647.04	108,120.18	108,007.67
Distribution-Operating Expense				
Overhead lines	4,279.48	2,719.40	15,334.76	37,737.62
Distribution-Maintenance Expense				
Overhead Lines	14,736.82	9,561.61	144,662.66	63,915.93
tree trimming	-	-	2,115.43	-
Customer Accounts/Customer Service				
Records & Collections	5,035.80	4,739.00	44,830.80	47,102.80
Administrative/General Expenses				
Vacation Pay	4,495.76	1,819.20	24,386.82	23,121.48
Holidays worked	2,179.04	2,089.44	14,782.08	10,418.32
Holidays not worked	-	-	-	-
Sick Leave	385.92	5,590.08	5,693.90	18,551.13
Personal time	-	-	3,251.93	3,141.24
CEO Salary	12,122.60	11,826.92	116,848.77	111,767.38
Total	\$ 62,348.72	\$ 48,182.68	\$ 564,360.37	\$ 543,549.47

AGENDA ITEM 5
RECEIVE UPDATE FROM BLOCK ISLAND SOLAR INITIAVE

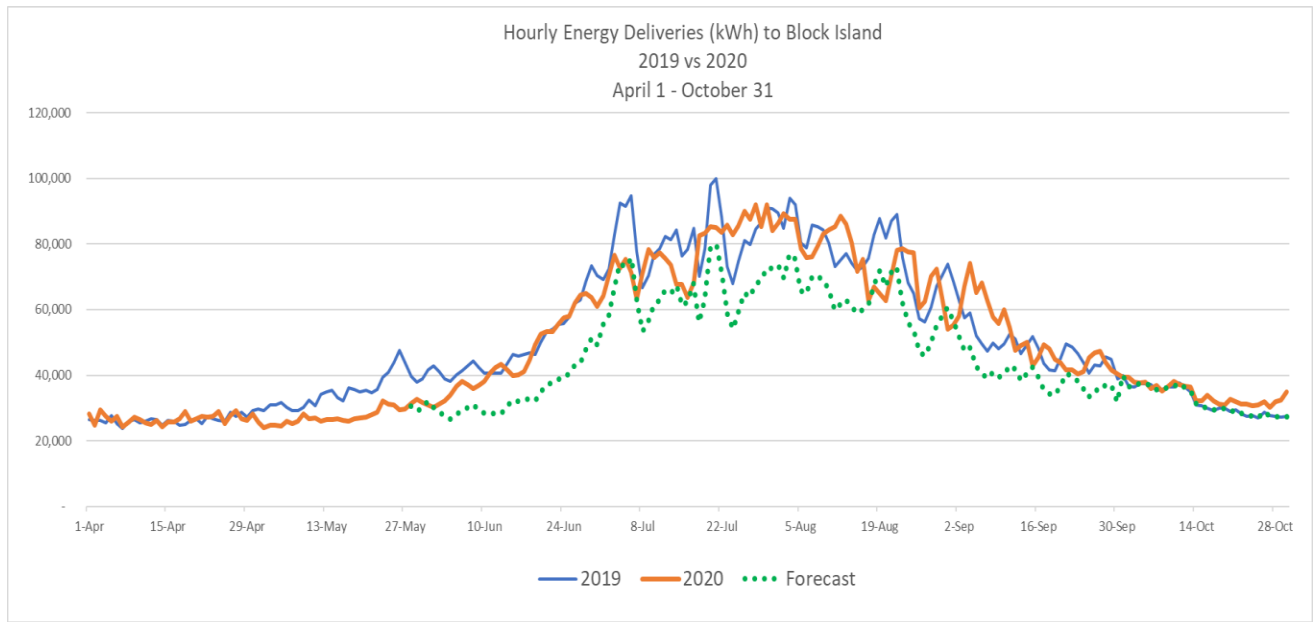
AGENDA ITEM 6
RECEIVE AND ACT ON PRESIDENTS REPORT

PRESIDENT'S UPDATE

NOVEMBER 21, 2020

Update on Sales

As shown in the chart below, electric sales recovered to a near normal level after about mid-July. Retail sales through the October billing (November 1st) are within 2% of last years sales.



Standard Offer/Transmission Rate (Under/Over Collections)

We have calculated a surplus (Deferred Revenue) of roughly \$270K. We committed to refiling for an adjustment to Standard Offer and Transmission “In the event the projected reductions don’t materialize, BIUD should consider returning to the PUC for a reduction in rates, particularly if the projected October 2020 over-collections exceeds \$94,000 by \$50,000 or more.”

<i>Deferred Credits</i>		
Deferred Revenue	486,846.46	210,494.48
SOLAR RESTRICTED ACCOUNT	4,684.10	0.00
VOLTAGE CONVERSION RESTRICTED	35,114.44	0.00
SCR & Engine Maint Reserve	<u>0.00</u>	<u>380,714.63</u>
Total Deferred Credits	526,645.00	591,209.11

We are clearly at a point where we need to consider refiling for an adjustment. We are going to submit this information to John Bell at the DPUC for an informal discussion on these following options:

- 1) Refile a reconciliation.
 - Pros: We reduce rates and stop over-collecting in December-April.
 - Cons: The winter ratepayers benefit from the summer over-collections.
- 2) Maintain the refiling schedule and adjust the rates effective May 1, 2021. Propose a reserve fund using the existing over-collection.
 - Pros: We have a fully funded reserve fund to be used for situations such as COVID or to cover fuel expenses during a cable outage in which National Grid refuses to reimburse BIUD for fuel expenses.
 - Cons: We continue to over-collect during December-April.
- 3) File a reconciliation now with some level of reserve built in using existing over-collections and then adjust the rates for December-April. – MY RECOMMENDATION.
 - Pros: We reduce rates now going forward and use the past overcollections to fund a proposed reserve.
 - Cons: Other than the cost of an off-cycle filing, there really aren't any cons.

Efficiency Plan Update

Our DSM plan began November 1st. The Johnson Group has started developing our reporting metrics and associated database which will be used for our quarterly reporting and annual filings.

ENE has started performing energy audits. They have completed two at this time and have another three scheduled next week. They are all residential consumers to date.

We are finalizing rebate forms for the various program offerings and continuing to promote the program using the BI Times and bill stuffers.

TNS Broadband Project

The TNS Broadband Project is underway and make-ready surveys are being done now. We have calls scheduled with the project team to discuss make ready work that they identify with the goal of getting as much advance notice as we can. They have a very aggressive schedule despite being cautioned that make ready work could impact their schedule.

The TNS has requested space on our tower to install two permanent micro-wave dishes. This additional load will make our current loading problem worse and the tower upgrades will need to take this into account. We are waiting for the tower upgrade recommendations before starting negotiations with the Town to rent space.

Cell Tower Upgrade

Northeast Towers conducted their on-site tower inspection last week and is in the process of producing an inspection report and an updated asset location drawing. This will be the basis of the upgrades recommended. I expect this to be identified by the end of the year. We have funds budgeted in the capital budget to fund this work.

System Charge – Member Concern

Jeff Cowles has raised a concern about how our System Charge Tariff is designed.

The application methodology, shown below, is included in our residential tariff.

APPLICATION OF SYSTEM CHARGE

The System Charge of \$25.00 will be applied in each summer billing month (June through September) to each customer whose kilowatt-hour (kWh) use in a summer billing month exceeds two (2) times the customer's Average Kilowatt-Hour Use in the preceding eight (8) winter billing months (October through May). Average Kilowatt-Hour Use for the preceding winter billing months is computed by dividing the aggregate use for each customer during the most recent October - May billing months by eight (8). The denominator of eight (8) is used irrespective of the number of months in which the customer received electric service or for which the customer was billed during that period.

Each year BIUD collects approximately \$90,000 through its System Charge. Roughly half of our members fall into the System Charge calculation. The schedule from our last rate case shown below details the revenue sources.

Proposed Rates - Detail of Revenues by Source, Schedule DGB-RP-5
Tariff & Rate Class - REVENUE PROOF
BLOCK ISLAND UTILITY DISTRICT

	(DGB-RY-2d) Count or Usage	(DGB-RP-1) Proposed	Rate Year Proof
<u>System Charge</u>			
<i>Residential (Rate "R")</i>			
June	566	\$ 25.00	\$ 14,150
July	882	\$ 25.00	\$ 22,050
August	967	\$ 25.00	\$ 24,175
September	620	\$ 25.00	\$ 15,500
	<u>3,035</u>		<u>\$ 75,875</u>
<i>Commercial General Srv. (Rate "G")</i>			
June	120	\$ 25.00	\$ 3,000
July	174	\$ 25.00	\$ 4,350
August	194	\$ 25.00	\$ 4,850
September	132	\$ 25.00	\$ 3,300
	<u>620</u>		<u>\$ 15,500</u>
<i>Total (All Rate Classes)</i>			<u>\$ 91,375</u>

Roughly 2/3rds of our net metering members (33 of 52) are subject to this charge. Jeff is one these.

Jeff's concern is that net metered consumers should be exempt from the tariff. His correspondence is included below:

System Charge

The flaw in the System Charge for a renewable energy customer is that the tariff is calculated by the Block Island Utility District using incomplete data. the BIUD uses the net kWh usage to figure the load average to calculate the eight month off peak usage. The data BIUD does not have is the total kWh I produce. With out that figure an accurate total load can not be calculated. I figure my total load every month using the total kWh my solar system produces and it looks like this

Example: Bill from 6/20

kWH bought = 271

kWH sold = 96

kWH made = 228

Bought - Sold = Net: $271 - 96 = 121$

Made - sold = Used: $228 - 96 = 132$ This is the kWh I use of what I make

Used + Net = Total Used: $132 + 121 = 253$ Total Used

This "Total Used" figure is the load the house uses as if I had no renewable energy system and is the true kWh load that should be used to calculate the System Charge. Let's look at that for the eight month off peak avg.

Example: 10/19 through 5/20

Month / Year	Total kWh Used
10/19	164
11/19	135
12/19	287
1/20	162
2/20	129
3/20	116
4/20	130
5/20	100

Total kWh Used = $1223 \div 8 = 152.87 \times 2 = 305.75$

This is the kWh threshold that if I exceeded in the four summer months I would receive a \$25.00 penalty. I received this penalty twice this year for using 222 kWh in July and 277 kWh in August.

This is how the BIUD figured my kWh usage for the same time period .

Example: 10/19 through 5/20

Month / Year	Total Net kWh Used
10/19	136
11/19	120
12/19	65
1/20	225
2/20	87
3/20	51
4/20	26
5/20	40

Total kWh Used = $732 \div 8 = 91.5 \times 2 = 183$

This is the kWh threshold that I was charged for exceeding.

This demonstrates the flaw in the BIUD tariff on renewable energy customers where Net is used to calculate usage. I should receive a credit for the tariff imposed for July and August 2020 and 2019 for a total of \$100.00.

Jeff Cowles

Box 937

Block Island, RI 02807

Changing the tariff would require a PUC filing and justification that net metered customers should be exempt.

We had considered entirely removing this charge during the last rate case but we made the decision to address it in the next rate case due to the fact we were already removing the Residential Demand charge and wanted to limit the amount of cost shift to the other residential accounts.

I would recommend that we do not change the tariff at this time but consider it again as part of our next rate case after we perform another cost of service study and rate adjustment. I am open to further discussion at our meeting.

Notice to Renters to Stockpile Appliances

I am aware that renters are being encouraged to stockpile spare appliances for the summer of 2021 given a continuing shortage due to the COVID impacts. There could be an immediate and significant impact to our summer-time peak and promote inefficiencies on the behalf of our members. Should the BIUD take a position on this?

Housing Project

DiPrete Engineering is scheduled next week to do some survey work at BIUD and will stake out the house and modify the drawings as necessary. Following that, we can file our HDC application and finish the RFP.

The debt filing is ready to file once we get close to deciding to move forward.

BI Solar Initiative – EV Grant

The BI Solar Initiative has selected my wife Linda and I as a recipient. I would like to have a discussion about the Board's opinion of any conflict of interest with us accepting this grant.

Other

As you know, the RI-OER has made a \$250,000 matching grant available to Pascoag and BIUD for non-wires alternative projects that are renewable or include technology that could enable the further development of renewables. We have a call scheduled with OER next week to discuss the grant requirements and application, which requires an offsetting "wires" project. The project could include a battery storage project, the development of renewable generation or some combination of both. I will have more to report after our meeting and may have a project concept or two to consider.

One concept could be distributed solar on our distribution system. Relieving a significant percentage of circuit loading could defer the voltage conversion possibly. It would all have to be controllable by remote disconnect but it could be a feasible project but as we all know usable space on the island is hard to come by. Some utilities are using pole mount solar to accomplish this and it

is possible here too if the aesthetics of the panels are acceptable and if they held up to the punishing winds.

The BI Solar Initiative has made some panels and mounts available to us to try. We plan to install them on ten poles at and around the power company to test their durability and to demonstrate how they would look. After we install them, we can evaluate their applicability on Block Island and possibly consider adding more.

I have attached an article that shows what they look like on a distribution line in the PSEG system in New Jersey and how they are benefitting from them.

PSE&G pole-top solar power initiative wins POWERGRID International honors

2.3.15

POWERGRID International magazine has named Public Service Electric and Gas Co.'s ([PSE&G](#)) innovative pole attached solar initiative as project of the year in the renewable grid integration category of their annual award program. The announcement was made during a recent awards gala held at the DistribuTECH Conference and Exhibition in San Diego, California.

The pole attached [solar power](#) initiative is a major part of PSE&G's 125 MW-dc Solar 4 All program. By using specially designed solar units and more than 174,000 utility poles, PSE&G was able to install 40 MW-dc of solar capacity in New Jersey and save more than 170 acres of open space.

"By using the vertical space on utility poles, PSE&G has installed enough solar capacity to power about 6,500 homes a year," said Joe Forline, vice president – customer solutions, PSE&G. "The pole attached solar project also helped New Jersey reach its [renewable energy](#) goals, created jobs and saved open space, so it is a great honor for POWERGRID International magazine to recognize our efforts with this award."



The pole attached solar units are comprised of a solar panel, micro-inverter and communication module mounted on a patented racking system. A two-person crew installs the solar units, which connect directly into the PSE&G power grid that serves homes and business.

The pole-attached initiative also includes a communications system that monitors the performance of each unit using a self-correcting mesh network. PSE&G uses this system data for reporting energy production and for identifying under-performing units requiring maintenance.

“This year we considered many innovative renewable integration projects for the POWERGRID International Project of the Year, but PSE&G’s pole-top solar project combined creativity and common sense in a way we haven’t seen before,” said Teresa Hansen, the magazine’s editor in chief and DistribuTECH chairwoman. “This is a project that utilities across the nation will look to as a model.”

PSE&G collaborated with Petra Solar of South Plainfield, NJ who designed, patented and manufactured the solar units to refine the design to meet stringent safety requirement. Riggs Distler of Cherry Hill, NJ performed the installations using IBEW lineman and URS Corporation of Princeton, NJ provided engineering consulting and project management services.

Solar 4 All is a 125 MW-dc program that utilizes rooftops, parking lots, solar farms, utility poles and landfills/brownfields for large-scale, grid-connected solar projects. In addition to the pole-attached solar units, the Solar 4 All program has 26 grid connected, centralized solar projects in service including seven solar farms built on reclaimed landfills and brownfields. There are more than 101 MW-dc of solar capacity in service through the program, which is enough to power more than 16,000 homes annually.

AGENDA ITEM 7
REVIEW AND ACT UPON OPERATING AND CAPITAL BUDGETS

**BLOCK ISLAND UTILITY DISTRICT
2021 BUDGET SUMMARY**

The 2021 budget is broken into three components: Revenues, Expenses and Capital.

- 1) Revenues: We are projecting revenues (electric sales and rents) consistent with recent years – equal to the 2020 budget.
- 2) Operating Expenses: The 2021 Operating and Maintenance Budget is based on the 2020 Budget with line item adjustments made based on end of year projections. The total operating expenses are flat from 2020 to 2021. The budget includes a Net Operating Reserve of \$54,062.
- 3) Capital Budget: The \$400,000 capital budget is funded through rates. Additional budget items that will require new debt include employee housing (approved in Jan 2020), spare transformer (approved in Jan 2020) and voltage conversion.

BLOCK ISLAND UTILITY DISTRICT
2021 BUDGET PROPOSAL
SUMMARY

	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
TOTAL REVENUE	\$ 5,488,343	\$ 5,488,343	\$ 5,525,999	\$ 5,525,999
TOTAL EXPENSES	5,316,423	5,316,423	5,525,999	5,525,999
NET OPERATING INCOME	\$ 171,920	\$ 171,920	\$ 0	\$ 0

**BLOCK ISLAND UTILITY DISTRICT
2021 BUDGET PROPOSAL
REVENUES**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
REVENUE					
<i>Operating Revenue---Rate Revenue</i>					
440-001	Residential-Plant/Distribution Charge	\$ 658,024	\$ 658,024	\$ 927,743	\$ 927,743
442-101	Commercial-Plant/Distribution Charge	255,806	255,806	286,653	286,653
442-201	Demand Customers-Plant/Distribution Charge	1,157,135	1,157,135	931,831	931,831
444-001	Public Authority-Plant/Distribution Charge	147,006	147,006	(0)	(0)
445-000	Street Lighting	6,985	6,985	6,985	6,985
456-001	Customer Charge- All Rate Classes	312,867	312,867	285,576	285,576
456-002	Demand - All Rate Classes	408,898	408,898	337,884	337,884
456-003	Efficiency Charges	0	0	60,089	60,089
456-004	System Charge- All Rate Classes	82,867	82,867	91,375	91,375
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		3,029,588	3,029,588	2,928,136	2,928,136
<i>Operating Revenue---Pass Through</i>					
440-002	Residential Fuel Adjustment	19,796	19,796	26,680	26,680
440-003	Residential Standard Offer	380,154	380,154	546,239	546,239
440-004	Residential Transmission Chrg	286,144	286,144	455,025	455,025
442-102	Commercial Fuel	6,328	6,328	7,540	7,540
442-103	Commercial Standard Offer	130,496	130,496	154,372	154,372
442-104	Commercial Transmission Chrg	96,737	96,737	128,594	128,594
442-202	Demand Fuel	38,219	38,219	23,780	23,780
442-203	Demand Standard Offer	600,385	600,385	486,865	486,865
442-204	Demand Transmission Chrg	430,364	430,364	405,565	405,565
444-002	Public Authority Fuel	4,503	4,503	0	0
444-003	Public Authority Standard Off	92,405	92,405	0	0
444-004	Public Auth. Transmission Chrg	70,020	70,020	0	0
<i>Total Operating Revenue---Pass Through</i>		2,155,550	2,155,550	2,234,659	2,234,659
<i>Other Revenue</i>					
419-000	Interest Income	920	920	920	920
421-002	Miscellaneous Income	1,418	1,418	1,418	1,418
421-004	Pole Accidents	564	564	564	564
421-007	Biller Penalty	21,378	21,378	21,378	21,378
421-012	Forgiveness on CAT Debt	(0)	(0)	(0)	(0)
421-013	(Gain) on Sale of Asset	(0)	(0)	(0)	(0)
421-014	Gain on Insurance Proceeds	0	0	0	0
451-002	Connection Charge	925	925	925	925
<i>Grant Revenue-Solar Project</i>					
	Efficiency grant			60,000	60,000
456-006	RENT - TOWER ATTN LEASE	239,600	239,600	239,600	239,600
456-007	RENT - POLE ATTN LEASE	9,600	9,600	9,600	9,600
456-008	RENTAL INCOME-PROPERTY	28,800	28,800	28,800	28,800
<i>Total Other Revenue</i>		303,204	303,204	363,204	363,204
TOTAL REVENUE		\$ 5,488,343	\$ 5,488,343	\$ 5,525,999	\$ 5,525,999

**BLOCK ISLAND UTILITY DISTRICT
2021 BUDGET PROPOSAL
EXPENSES**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
EXPENSES					
<i>Power Production/Purchase-Pass thru Expenses</i>					
408-062	Gross Receipts Tax-Fuel Portion	\$ 83,898	\$ 83,898	\$ -	\$ -
547-101	Fuel	0	0	0	0
	Mics Purchase Power				
	Solar Purchases			15,132	15,132
547-102	Purch.Power-SO-Energy	559,940	559,940	476,030	476,030
547-103	Purch.Power-SO-ISO	342,938	342,938	548,456	548,456
547-104	Purch.Power-SO-ENE	68,109	68,109	76,528	76,528
547-105	Purch.Power-SO-BIPCo Other	57,247	57,247	45,542	45,542
547-106	Purch.Power-TC-ISO	257,463	257,463	315,604	315,604
547-107	Purch.Power-TC-NGrid	533,828	533,828	661,870	661,870
547-109	Urea Expense	0	0	0	0
548-102	Fuel Procurement	1,085	1,085	0	0
548-104	Fuel Procurement-Assoc Comp	0	0	0	0
	Deferred Revenue	182,197	182,197	37,497	37,497
550-101	Engine rental & Assoc. (FAC)	0	0	0	0
553-225	DSI Surcharge funding	68,846	68,846	58,000	58,000
<i>Total Power Production/Purchase-Pass thru Expenses</i>		2,155,552	2,155,552	2,234,659	2,234,659
				0	
<i>Operating Expense---Power Production</i>					
549-103	Inside Maint. P/R Only	74,860	74,860	107,119	110,333
549-108	Maint Station Equip. P/R Only	67,355	67,355	96,380	99,271
549-102	Freight	3,190	3,190	3,190	3,200
548-103	Lubrication	21,274	21,274	10,000	6,500
549-109	Miscellaneous	406	406	406	406
549-111	Uniforms	6,074	6,074	6,074	7,000
555-100	Purchased Power	0	0	0	0
<i>Total Operating Expense---Power Production</i>		173,160	173,160	223,170	226,710
<i>Operating Expense---Distribution</i>					
583-101	Overhead Lines - P/R Only	148,996	148,996	206,981	213,190
583-102	Overhead Lines	11,415	11,415	11,415	11,415
584-102	Underground Lines	0	0	0	0
586-101	Meters - P/R Only	4,695	4,695	6,522	6,718
586-102	Meters-Maintenance	8,210	8,210	8,210	6,500
586-103	Meters-Data Services	24,658	24,658	24,658	32,000
588-103	Misc Distrib. Expense	43,060	43,060	43,060	42,419
589-100	Lease - Motor Vehicle	35,426	35,426	41,426	58,226
<i>Total Operating Expense---Distribution</i>		276,459	276,459	342,271	370,467
<i>Operating Expense---Customer Service</i>					
903-000	Rec & Collection - P/R Only	49,023	49,023	54,653	56,293
916-001	Education and Training	12,101	12,101	12,101	14,000
<i>Total Operating Expense---Customer Service</i>		61,767	61,767	66,754	70,293
<i>Operating Expense---Administrative</i>					

**BLOCK ISLAND UTILITY DISTRICT
2021 BUDGET PROPOSAL
EXPENSES**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
920-001	Office Salaries - P/R Only	13,166	13,166	14,678	15,118
920-003	Accrued Vacation	5,610	5,610	5,610	5,610
920-012	Admin & Management - PR Only	152,481	152,481	157,597	162,325
921-001	Office supplies and Expense	36,449	36,449	36,449	32,000
921-004	Trash Removal	5,785	5,785	5,785	6,200
921-005	Plant Expense	12,771	12,771	12,771	10,000
921-006	Utilities Expense	13,008	13,008	13,008	14,000
921-007	Telephone Expense	30,240	30,240	30,240	34,500
923-000	O/S-Outside Services	7,239	7,239	7,239	7,239
923-005	O/S-Payroll Processing	4,583	4,583	4,583	4,583
923-006	O/S-General Regulatory Accounting	26,430	26,430	26,430	26,430
923-013	O/S-General Regulatory Legal	33,986	33,986	33,986	33,986
923-009	Legal & Accounting Rate Case	0	0	0	0
923-012	O/S-Legal-General	71,000	71,000	35,500	35,500
923-019	Accounting	37,027	37,027	37,027	37,027
923-020	Accounting-Audit	30,580	30,580	30,580	30,580
923-022	Accounting-Bookkeeping	30,281	30,281	30,281	30,281
923-024	Accounting-Taxes	5,213	5,213	0	0
923-025	Board Clerk	0	0	7,200	5,500
924-000	General Liability Ins	185,000	185,000	185,000	198,000
926-001	Employee Pension	91,500	91,500	91,500	91,500
926-002	Travel And Misc. Expense	5,345	5,345	5,345	5,345
926-003	Employee Benefits	83,196	83,196	94,971	97,500
926-005	Wellness Program	0	0	0	0
926-006	Benefits-coshare	(11,845)	(11,845)	(16,680)	(16,680)
926-007	Health Ins-Deductible Payable	3,913	3,913	3,913	3,913
928-001	Reg Comm Exp	29,954	29,954	29,954	24,000
928-002	Rate Case Expense	0	0	50,000	50,000
930-020	Employer 401k contribution	21,708	21,708	23,220	23,917
930-021	Bad Debt	(0)	(0)	(0)	(0)
930-023	Management Fee Bonus	0	0	0	0
930-025	Environmental	53,824	53,824	53,824	40,000
	<i>(Operating Expense---Administrative Continued)</i>			0	0
930-029	Web Design	0	0	0	0
931-000	Software & Billing Service	16,323	16,323	57,820	75,000
<i>Total Operating Expense---Administrative</i>		1,069,188	1,069,188	1,067,829	1,083,373
<i>Maintenance Expense---Power Production</i>					
551-201	Supervision - P/R Only	3,252	3,252	0	0
553-203	Maintenance Of Struct P/R Only	6,528	6,528	0	0
551-202	Maint. Of Gen & Elect Plt	8,568	8,568	8,568	5,000
553-201	Small Tools	6,383	6,383	6,383	5,000
553-202	Tank Testing & Fuel Maint	0	0	25,000	25,000
553-204	Maint. Of Structures	4,718	4,718	4,718	4,500
553-206	Maint General Plant	9,762	9,762	9,762	8,500
553-209	General Maintenance	6,464	6,464	6,464	6,000
549-114	SCR & Engine Maint Res.Exp.	230,000	230,000	90,000	90,000
553-200	Major Engine Maintenance	2,405	2,405	2,405	2,405
553-213	General Engine Maintenance	5,856	5,856	5,856	5,856
553-221	Haz. Waste Store/Remove/Hd	5,210	5,210	5,210	9,500

**BLOCK ISLAND UTILITY DISTRICT
2021 BUDGET PROPOSAL
EXPENSES**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
553-222	Cellular Tower Maint & Expense	9,328	9,328	9,328	5,000
554-203	Misc.	1,006	1,006	864	864
<i>nance Expense---Power Production</i>		299,480	299,480	174,558	167,625
<i>Maintenance Expense---Distribution System</i>					
590-200	Supervision - P/R Only	0	0	0	0
593-202	Overhead Lines - P/R Only	93,641	93,641	130,083	133,986
549-104	Truck Repair	26,546	26,546	26,546	24,000
549-105	Supplies	20,663	20,663	20,663	15,000
593-203	Tree Trimming	76,494	76,494	120,000	120,000
593-204	Fire Damage Repairs	(0)	(0)	(0)	(0)
593-206	Storm Damage Repairs	55,978	55,978	55,978	55,978
554-201	Gasoline	10,125	10,125	10,125	12,000
<i>Total Maintenance Expense---Distribution System</i>		286,108	286,108	363,395	360,963
<i>Taxes</i>					
408-010	Property Taxes	16,136	16,136	0	0
408-030	Payroll Taxes	63,809	63,809	59,543	61,329
	(Taxes Continued)			0	0
408-050	RI Sales Tax	9,740	9,740	(0)	(0)
408-061	RI Gross Earnings Tax	135,138	135,138	(0)	(0)
408-071	Registrations	841	841	841	841
409-010	Federal Income Tax	171,707	171,707	(0)	(0)
410-010	Net Change In Deferred Tx	0	0	0	0
<i>Total Taxes</i>		397,370	397,370	60,383	62,169
<i>Depreciation</i>					
	Depreciation	0	0	0	0
<i>Total Depreciation</i>					
<i>Other Deductions</i>					
426-052	Advertising	274	274	274	274
426-054	Misc other expenses	112	112	112	112
426-056	Bank Service Fees	2,142	2,142	2,142	2,142
426-057	Finance Charges	147	147	147	147
	Efficiency Program	0	0	120,000	120,000
<i>Total Other Deductions</i>		2,676	2,676	122,676	122,676
<i>Debt Service and Capital Expenditures</i>					
427-001	Interest on RUS Loan	106,222	106,222	(0)	(0)
427-003	Interest - Other	14,476	14,476	14,476	14,476
	Interest on CFC Loan			184,455	184,455
	Principal Paid on CFC Loan (Previously RUS)	202,425	202,425	113,064	113,064
				0	0
	Net Operating Reserve	0	0	95,868	54,062
	Voltage Conversion Capital Fund	0	0	62,441	61,006
	Capital Fund-Inventory Purchased & Used	93,000	93,000	93,000	93,000
	Capital Fund-Capitalized Expenditures	20,000	20,000	307,000	307,000
<i>Total Debt Service and Capital Expenditures</i>		594,662	594,662	870,304	827,062

BLOCK ISLAND UTILITY DISTRICT
2021 BUDGET PROPOSAL
EXPENSES

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2018 BUDGET	2019 BUDGET	2020 BUDGET	2021 BUDGET
<i>TOTAL EXPENSES</i>		5,316,423	5,316,423	5,525,999	5,525,999

**BLOCK ISLAND UTILITY DISTRICT
2021 PAYROLL BUDGET
(PROPOSED)**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2020 BUDGET	2021 BUDGET
EXPENSES			
<i>Power Production/Purchase-Pass thru Expenses</i>			
<i>Operating Expense---Power Production</i>		\$ -	\$ -
549-103	Inside Maint. P/R Only	\$ 107,119	\$ 110,333
549-108	Maint Station Equip. P/R Only	\$ 96,380	\$ 99,271
<i>Operating Expense---Distribution</i>		\$ -	\$ -
583-101	Overhead Lines - P/R Only	\$ 206,981	\$ 213,190
586-101	Meters - P/R Only	\$ 6,522	\$ 6,718
587-100	Customers Install P/R Only	\$ -	\$ -
588-101	St Lights & Sign P/R Only	\$ -	\$ -
588-102	Misc Distrib. P/R Only	\$ -	\$ -
<i>Operating Expense---Customer Service</i>		\$ -	\$ -
902-000	Meter Reading - P/R Only	\$ -	\$ -
903-000	Rec & Collection - P/R Only	\$ 54,653	\$ 56,293
<i>Operating Expense---Administrative</i>		\$ -	\$ -
920-001	Office Salaries - P/R Only	\$ 14,678	\$ 15,118
920-004	Vacation Pay - P/R Only	\$ -	\$ -
920-005	Holiday Pay - P/R only	\$ -	\$ -
920-006	Holiday Not Worked - P/R Only	\$ -	\$ -
920-007	Sick Leave Pay - P/R Only	\$ -	\$ -
920-008	Personal Pay - P/R Only	\$ -	\$ -
920-012	Admin & Management - PR Only	\$ 157,597	\$ 162,325
<i>Maintenance Expense---Power Production</i>		\$ -	\$ -
551-201	Supervision - P/R Only	\$ -	\$ -
553-203	Maintenance Of Struct P/R Only	\$ -	\$ -
<i>Maintenance Expense---Distribution System</i>		\$ -	\$ -
593-202	Overhead Lines - P/R Only	\$ 130,083	\$ 133,986
<i>Debt Service and Capital Expenditures</i>		\$ -	\$ -
	Capitalized Labor	\$ -	\$ -
TOTAL EXPENSES		774,014	797,234

Block Island Utility District
Short Term Capital Plan
2021-2024
(Excludes Voltage Conversion Engineering and Construction)

PROJECT		COMMENTS	PROJECT TOTAL	2021			
DISTRIBUTION SYSTEM				Q1	Q2	Q3	Q4
Pole Replacements (125-150/year)			\$ 2,094,264.00	\$ 100,000.00	\$ 250,000.00		\$ 67,132.00
(Verizon Joint Ownership Contribution)			\$ (490,000.00)		\$ (20,000.00)	\$ (65,000.00)	
(Restricted Solar Fund)			\$ (378,300.00)	\$ (15,132.00)			
Cap Bank Installations			\$ 50,000.00	\$ 40,000.00			
Reconductor East Circuit to Bridge Gate Square		Deferred to 2024 due to cap bank installations.	\$ 50,000.00				
Reconductor East Circuit from Bridge Gat Sq to Rotary		Deferred due to cap bank installations.	\$ 100,000.00				
Reconductor New Harbor Circuit - Extend to Champlain's Marina		Requires Voltage Conv and Contribution from Champlins	\$ 100,000.00				
(Contribution from Champlins)			\$ (75,000.00)				
Reconductor High Street Circuit to Town Hall		Deferred due to cap bank installations.	\$ -				
Reconductor West Side Circuit to Gracies Cove			\$ 100,000.00				
Reconductor Com Neck to Beach Ave - to Bridge Gate Square			\$ 150,000.00				
Distribution Substation Breaker Controls Upgrades			\$ 36,000.00	\$ 18,000.00			
			\$ -				
			\$ -				
NEW SERVICES AND LINE EXTENSIONS			\$ 300,000.00				\$ 50,000.00
(2 year Average) Construction Costs			\$ (300,000.00)				\$ (50,000.00)
(Member Contribution)							
FACILITIES, TOOLS AND EQUIPMENT							
Tower Structural Upgrade			\$ 100,000.00	\$ 100,000.00			
(Leasee Contributions)			\$ (75,000.00)	\$ (75,000.00)			
QUARTERLY TOTALS			\$ 2,252,736.00	\$ 149,868.00	\$ 248,000.00	\$ (65,000.00)	\$ 67,132.00
ANNUAL TOTALS - IN RATES				\$400,000.00			
PROJECTS REQUIRING NEW DEBT			Project Total	Est Annual Debt Service		Est Revenue Source	
President's House			\$600,000	\$28,200		\$21,600	
Spare Transformer (Direct Payment to National Grid)			\$600,000	\$28,200		\$30,000	
Voltage Conversion			\$1,000,000	\$47,000		\$62,441	

Block Island Utility District
Short Term Capital Plan
2021-2024
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2022				2023				2024			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
\$ 150,000.00	\$ 150,000.00		\$ 57,132.00	\$ 150,000.00	\$ 100,000.00		\$ 85,000.00	\$ 150,000.00	\$ 150,000.00		\$ 85,000.00
\$ (20,000.00)		\$ (65,000.00)		\$ (20,000.00)		\$ (65,000.00)		\$ (20,000.00)		\$ (65,000.00)	
\$ (15,132.00)				\$ (15,132.00)				\$ (15,132.00)			
	\$ 100,000.00							\$ 100,000.00			
	\$ (75,000.00)										
	\$ 100,000.00										
	\$ 18,000.00				\$ 150,000.00						
					\$ 18,000.00						
\$ 114,868.00	\$ 293,000.00	\$ (65,000.00)	\$ 57,132.00	\$ 114,868.00	\$ 268,000.00	\$ (65,000.00)	\$ 85,000.00	\$ 214,868.00	\$ 150,000.00	\$ (65,000.00)	\$ 85,000.00
\$400,000.00				\$402,868.00				\$384,868.00			