

# BLOCK ISLAND UTILITY DISTRICT



On Wednesday October 23<sup>rd</sup>, the season's first nor'easter impacted Block Island. The high gust was 87 mph. The 24-hour event caused four separate line section outages that affected roughly 100 members. Crews had to replace three broken poles like this one shown on Corn Neck.

**BOARD OF COMMISSIONERS MEETING**  
**NOVEMBER 20, 2021**  
**11:00 AM**

**Block Island Utility District**  
**Regular Meeting of Board of Commissioners**  
**Saturday, November 20, 2021 @ 11:00 AM – 12:30 PM**

***THIS MEETING WILL BE HELD IN PERSON AT THE BIUD FACILITY AT  
100 OCEAN AVENUE, BLOCK ISLAND, RI 02807  
IN THE GARAGE BAY NEXT TO THE CONTROL ROOM AT THE POWER PLANT.***

1. Public Input
2. Correspondence
3. Commissioner's Report
4. Review and Act Upon Mayforth Group Proposal for Lobbying Services
5. Approve Meeting Minutes: August 28, 2021 Annual Meeting and October 26, 2021
6. President's Report
  - a. Cable Outage Update
  - b. Home Storage Battery Program Update
  - c. Review of Net Metering Docket Procedural Schedule
7. Review and Act upon 2022 Operating Budget
8. Review and Act Upon BIUD 2022-2025 Strategic Plan

Individuals requesting services for the deaf and hard of hearing must call (401) 466-5851 forty-eight hours in advance of the meeting date.

The meeting location will be set up to maximize outdoor air flow and will allow for adequate social distancing.

Posted: November 17, 2021 11:00 AM

**AGENDA ITEM 1**  
**PUBLIC INPUT**

(THIS PAGE INCLUDED FOR NOTES)

**AGENDA ITEM 2**  
**CORRESPONDENCE**

## Jeffery Wright

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**From:** cwarfel@entech-engineering.com  
**Sent:** Thursday, November 4, 2021 8:11 AM  
**To:** Jeffery Wright  
**Cc:** maryjanelogan@aol.com; Barbara A. MacMullan; John Warfel; Tom Risom; Elliot Taubman; Renee Meyer  
**Subject:** Items for correspondence  
**Attachments:** UL listing inverters not backfeeding.jpg

I would like to present information to you:

### 1) PV systems backfeeding a de-energized utility line:

UL1743 which is also in BIPCo's interconnection requirements means these inverters will not backfeed a de-energized line. There is no such listing for generators, and as I said I have seen generators doing so. Attached is a citing from the National Electric Code supporting this.

It is very important the when speaking about these things that we speak accurately.

### 2) Net metering policy

To avoid any more finger pointing and to develop accountability, I approached the Town to incorporate BIPCo into written policy, perhaps in Planning statutes. BIPCo needs to do the same. A written policy with forms that will be provided and then filled out and returned is just plain fundamental program administration.

### 3)Net metering waiting list

A waiting list should be developed that we can have access to so we can see where our projects are.

### 4) BIPCo should inquire of National Grid or the PUC the justification of reverse power relays on our transmission line

This has never been explained. It affects the island and its commitment to sustainability according to BIPCo by limiting the amount of renewable generation. I am asking that BIPCo inquire as to the reasoning for this design element, and how it can be changed.

**AGENDA ITEM 3**  
**COMMISSIONER'S REPORT**

The Commissioner's Report contains two items for your review:

1. The revised 2022 BOD meeting calendar for your continued review.
2. The enabling legislation for the utility district. There are a few items that Barbara would like to discuss changing, specifically the section that address Commissioner reimbursements for trainings and/or meeting that travel is required for.

# BLOCK ISLAND UTILITY DISTRICT BOARD OF COMMISSIONERS CALENDAR - 2022

April						
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March						
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September						
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 HOLIDAYS

 REGULAR MONTHLY MEETING  
ALL SCHEDULED FOR 4:00 PM

 ANNUAL MEMBERSHIP MEETING  
SCHEDULED FOR AUGUST 27 @ 4:00 PM  
BILL STUFFER ANNOUNCEMENT TO BE SENT ON JUNE 1



# 2017 -- H 6103 SUBSTITUTE A

LC002445/SUB A

## STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO TOWNS AND CITIES -- BLOCK ISLAND UTILITY DISTRICT ACT OF 2017

Introduced By: Representative Blake Anthony Filippi

Date Introduced: April 12, 2017

Referred To: House Corporations

It is enacted by the General Assembly as follows:

SECTION 1. Title 45 of the General Laws entitled "TOWNS AND CITIES" is hereby amended by adding thereto the following chapter:

### CHAPTER 67

#### BLOCK ISLAND UTILITY DISTRICT ACT OF 2017

##### **45-67-1. Short title.**

This act shall be known and may be cited as the "Block Island Utility District Act of 2017".

##### **45-67-2. Definitions.**

Terms used in this chapter shall be construed as follows, unless another meaning is expressed or is clearly apparent from the language or context:

(1) "BIPCO" means the Block Island power company.

(2) "BIPCO assets" means that real property, personal property, rights in any real and personal property, facilities, equipment, contract rights, statutory rights and privileges, franchises and other tangible or intangible property of any kind owned by BIPCO.

(3) "BIPCO contractual obligations" means the obligations represented by and inherent in any contract entered into between BIPCO and another utility or other party, which obligations remain outstanding in any part as of the date when BIPCO ceases to be an electric utility pursuant to §45-67-8(1).

1       (4) "BIPCO debt obligations" means the obligations represented by and inherent in any  
2 debt incurred by BIPCO for the purpose of financing any aspect of its electric system or  
3 operations, which obligations remain outstanding in any part as of the date when BIPCO ceases to  
4 be an electric utility pursuant to §45-67-8(1).

5       (5) "Qualified elector" means any person whose name appears on an active account with  
6 the utility district and who is designated by the account holder to be the qualified elector. No  
7 active account shall have more than one qualified elector and no qualified elector shall have more  
8 than one vote.

9       (6) "Utility district" means the Block Island utility district, a quasi-municipal corporation,  
10 having a distinct legal existence from the state, established and empowered by this chapter to:

11       (i) Fulfill electric utility functions, powers, rights, and obligations;

12       (ii) Exercise certain powers as an electric distribution company and power producer; and

13       (iii) Provide additional utility services not inconsistent with the duties, powers and  
14 obligations of the utility district as defined in this section.

15       (7)"Utility service area" means that geographic area comprising New Shoreham, Rhode  
16 Island.

17       **45-67-3. Statement of purpose.**

18       This chapter is intended to establish the Block Island utility district and to authorize and  
19 enable the utility district to provide utility products and services as may be authorized, from time  
20 to time, by the utility district's board of utility commissioners.

21       **45-67-4. Block Island utility district established.**

22       (a) There is hereby created a quasi-municipal corporation, having a distinct legal  
23 existence from the state, to be known as the Block Island utility district, the boundaries of which  
24 shall be coterminous with the boundaries of New Shoreham, Rhode Island. The utility district  
25 shall have and be entitled to exercise the powers, rights and functions set forth in this chapter.  
26 Notwithstanding any other provision of these general laws or of any regulation, ordinance, rules  
27 or requirements promulgated thereunder to the contrary, upon the creation of the utility district,  
28 all rights, obligations and duties under contracts and agreements to which BIPCO is a party that  
29 are assumed by or transferred to the utility district shall not be affected, modified, limited, or  
30 altered as a result of such assumption or transfer and shall be assumed, performed and be fully  
31 enforceable by and against the utility district.

32       (b) In the event that BIPCO and the utility district are unable to agree on the price, terms  
33 and conditions of such sale of personal property and assumption of such obligations, then BIPCO  
34 shall continue as the electric utility servicing the utility service area, and the Block Island utility

1 district shall not function as an electric utility.

2 **45-67-5. Board of utility commissioners of the Block Island utility district**  
3 **established.**

4 There is hereby created a board to be known as the board of utility commissioners of the  
5 Block Island utility district. The powers of the utility district as set forth in this chapter, shall be  
6 vested in and exercised by a majority of the members of the board of utility commissioners then  
7 in office; provided, however, that the board of utility commissioners in its discretion may  
8 delegate executive functions to managers, by resolution, rule or otherwise.

9 **45-67-6. Membership of board of utility commissioners.**

10 (a) The board of utility commissioners shall consist of five (5) members no less than  
11 three (3) of whom shall be residents of the town of New Shoreham as defined by the Revised  
12 Ordinances of the town of New Shoreham, Chapter 2, Article I, Section 2-2. A majority of the  
13 board shall constitute a quorum and a majority of the members shall be necessary for all actions  
14 taken by the board. No vacancy in the membership of the board shall impair the right of a quorum  
15 to exercise all the rights and perform all the duties of the board. The initial elected members of  
16 the board of utility commissioners shall be elected with staggered terms of two (2) years and four  
17 (4) years. The three (3) candidates receiving the most votes will serve four (4) year terms; the two  
18 (2) candidates receiving the next highest number of votes will serve two (2) year terms.  
19 Thereafter, the members of the board of utility commissioners of the utility district shall be  
20 elected for a term of four (4) years by ballot of qualified electors.

21 (b) The election of the initial board of utility commissioners shall be administered by the  
22 town of New Shoreham using the list of qualified electors provided by BIPCO.

23 (c) Each member of the board of utility commissioners shall be a qualified elector. A  
24 qualified elector shall be eligible to be a candidate for election to the board; provided, however,  
25 that they shall first have filed a declaration of candidacy with the secretary of the board of utility  
26 commissioners not later than thirty (30) calendar days prior to the scheduled date of the election  
27 through which such person seeks to be elected. In the event of a vacancy occurring on the board  
28 of utility commissioners by reason of death, resignation or other cause, the board itself may select  
29 an eligible candidate to fill the vacancy until the next annual election. In the event that an active  
30 account is in the name of a corporation or other entity, the designated qualified elector of such an  
31 entity shall also be eligible to be a candidate for election to the board.

32 (d) The board of utility commissioners shall elect each year from among its members:

33 (1) A chairperson;

34 (2) A vice chairperson;

1       (3) A secretary; and

2       (4) A treasurer.

3       (e) The board of utility commissioners shall establish and adopt bylaws for the  
4 management and conduct of the utility district's affairs and other aspects of the governance of the  
5 utility district not otherwise controlled by this chapter.

6       **45-67-7. Compensation of the board – Employees of the utility district.**

7       (a) Members of the board of utility commissioners shall not be entitled to receive  
8 compensation for attendance at scheduled and special meetings of the board of utility  
9 commissioners. The salaries, compensation and expenses of employees and agents of the utility  
10 district, shall be paid solely out of funds of the utility district. No part of the earnings of the utility  
11 district shall inure to the benefit of any private person.

12       (b) The board may enter into employment contracts with its executive employees. The  
13 board shall have the authority to approve employee benefit plans, including fringe benefits such  
14 as, but not limited to, pension, health, disability and other insurances.

15       (c) No member of the board of utility commissioners shall directly or indirectly engage or  
16 participate in the proceeds of any contract or agreement to supply anything of value or receive  
17 anything of value from the utility district. The prohibition set forth in this subsection may be  
18 waived by a vote of four (4) of the board of utility commissioners, if and only if the board of  
19 utility commissioners shall have first obtained an opinion of the attorney general and/or the  
20 Rhode Island ethics commission based on full disclosure of all relevant facts that the waiver does  
21 not contravene state law and is otherwise in the best interests of the consumers served by the  
22 utility district.

23       **45-67-8. Powers of the utility district.**

24       The utility district shall have the power:

25       (1) To acquire the BIPCO assets and to assume the BIPCO debt obligations. The sale by  
26 voluntary purchase of such property and the assumption of such obligations shall be negotiated  
27 between BIPCO and the utility district; provided, however, that upon acquiring BIPCO assets, the  
28 utility district shall assume and fulfill all of BIPCO's related contractual obligations in full;

29       (2) To acquire such other real or personal property by voluntary purchase from the owner  
30 or owners of the property, and to the extent that the board of utility commissioners deems it  
31 advisable, to acquire property held by a corporation through acquisition of the stock of the  
32 corporation and dissolution of the corporation;

33       (3) To acquire real property, fixtures, and rights and interests in real property within its  
34 utility service area by eminent domain except for real property owned in whole or in part by the

town of New Shoreham or BIPCO, or real property owned by other utilities, subject to the supervision of the public utilities commission in the manner prescribed in §39-1-31;

(4) To own, operate, maintain, repair, improve, enlarge, and extend, in accordance with the provisions of this chapter, any property acquired under this section all of which, together with the acquisition of the property, are hereby declared to be public purposes;

(5) To produce, purchase, acquire, distribute, and sell electricity at wholesale or retail within its utility service area subject to franchise rights of other utilities; to lay down, construct, own, operate, maintain, repair, and improve mains, pipes, towers, and other equipment and facilities necessary, appropriate or useful for those purposes within its utility service area subject to franchise rights of other utilities; and to contract with others for any or all of the foregoing purposes;

(6) To produce, buy, sell, and trade electric capability, power, or energy products or services at wholesale or retail within its utility service area subject to franchise rights of other utilities; to purchase for its own use or for resale electric transmission service and ancillary services within its utility service area subject to franchise rights of other utilities; and to engage in any other transaction with respect to electricity or electricity products within its utility service area subject to franchise rights of other utilities that was heretofore authorized for investor-owned electric companies operating as domestic electric utilities within the state (including participation in generating facilities as authorized by chapter 20 of title 39); provided, that the utility district shall operate and be subject to regulation of its retail rates for electricity under title 39 when operating within its utility service area;

(7) To acquire, own, lease, operate, maintain, repair, and expand facilities and equipment within its utility service area subject to franchise rights of other utilities necessary, appropriate, or useful to the operation of an electric utility;

(8) To acquire, own, lease, operate, maintain, repair, and expand facilities and equipment within its utility service area subject to franchise rights of other utilities necessary, appropriate, or useful to the operation of other utilities, including, but not limited to, communications services such as Internet service, high-speed data transfer, local and long-distance telephone service, community antenna television service, and to engage in the operation of such utilities within its utility service area subject to franchise rights of other utilities;

(9) To sue and be sued;

(10) To adopt and alter a corporate seal;

(11) To acquire, hold, use, lease, sell, transfer, assign, or otherwise dispose of any property, real, personal, or mixed, or any interest therein, for its corporate purposes, and to

1 mortgage, pledge, or lease any such property;

2 (12) To make and adopt bylaws for the management and regulation of its affairs;

3 (13) To borrow money for any of the purposes or powers granted to it under or by

4 operation of this chapter, including the creation and maintenance of working capital, and to issue

5 negotiable bonds, notes, or other obligations, to fund or refund the same, and to secure the

6 obligation of such bond, notes, or other obligations in any case by pledge of, or security interest

7 in, the revenues and property of the utility district;

8 (14) To fix rates (subject to the requirements of title 39 in the case of retail electric rates

9 within its utility service area) and collect charges for the use of the facilities or services rendered

10 by or any commodities furnished by the utility district; and

11 (15) To contract in its own name for any lawful purpose that would effectuate the

12 purposes and provisions of this chapter; to execute all instruments necessary to carry out the

13 purposes of this chapter; and to do all things necessary or convenient to carry into effect and

14 operation the powers granted by this chapter.

15 **45-67-9. Limitation of powers.**

16 All services provided by the utility district that constitute public utility services within the

17 meaning of §39-1-2 shall be subject to the applicable jurisdictions of the public utilities

18 commission and the division of public utilities and carriers.

19 **45-67-10. Exemptions.**

20 (a) The exemption waiver provided by the public utilities commission to BIPCO from the

21 terms of §39-1-27 shall also apply to the utility district and the public utilities commission shall

22 have the authority to provide such other waivers from this section as may be in the public interest.

23 (b) The utility district shall, from time to time, submit plans to the public utilities

24 commission on retail choice as defined in §39-1-27.3. The public utilities commission shall have

25 the authority to approve those plans as may be in the interests of all ratepayers of the utility

26 district, including the option of not offering retail choice. Any waiver on retail choice granted by

27 the public utilities commission to BIPCO shall also apply to the utility district.

28 (c) The exemptions provided for the Pascoag utility district and BIPCO under §§39-1-

29 27.3.1, 39-1-27.12, 39-2-1.2(b), 39-2-25, 39-26.1-1 through and including 39-26.1-6, and

30 chapters 1.1, 26, 26.2, 26.4, and 26.6 of title 39 shall also apply to the Block Island utility district.

31 The utility district shall be exempt from the provisions of chapter 18 of title 35.

32 (d) As long as the utility district has a waiver from the restructuring provisions of §39-1-

33 27, then the utility district shall also be granted a waiver from the provisions of §39-1-27.6 such

34 that the employees of the utility district may be allowed to provide both electrical generation and

1 distribution services.

2 **45-67-11. Bonds.**

3 (a) The utility district shall have the power and is hereby authorized from time to time to  
4 issue its negotiable bonds for any of its corporate or district purposes and to secure the payment  
5 of the bonds in such manner and by such means as may be provided in the resolution or  
6 resolutions of the utility district authorizing the bonds, subject to the regulatory jurisdiction of the  
7 division of public utilities and carriers in the manner prescribed in §39-3-15, where applicable.

8 (b) The utility district is specifically authorized to secure bonds that it may issue from  
9 time to time by a pledge of, or creation of other security interest in, the revenues of the utility  
10 district, which pledge or security interest may be enforceable by the grant of a conditional  
11 franchise, in the event of default in the payment of the bonds, entitling the secured party or trustee  
12 to enter upon and take control of the utility district's facilities and service and to provide utility  
13 service and receive the revenues from the utility district's facilities and service for such period,  
14 not exceeding twenty (20) years, as may be necessary to recover all payments due on the bonds.

15 (c) The bonds of the utility district shall be authorized by resolution of the board of utility  
16 commissioners. The bonds shall bear such date or dates, mature at such time or times not  
17 exceeding forty (40) years from their issuance, bear interest at such rate or rates payable at such  
18 time or times, be in such denominations and in such form, carry such registration privileges, be  
19 executed in such manner, be payable in such medium of payment, at such place or places and  
20 such time or times and be subject to redemption at such premium, if required, and on such terms,  
21 as the resolution may provide. The bonds so authorized and issued pursuant to this chapter may  
22 be sold at public or private sale for any price or prices that the utility district shall determine.

23 (d) Pending the issuance of bonds in definitive form, the utility district may issue bond  
24 anticipation notes or interim receipts in such form as the board of utility commissioners may  
25 elect.

26 (e) The utility district is hereby authorized to provide for the issuance of refunding bonds  
27 of the utility district for the purpose of refunding any bonds or notes then outstanding which shall  
28 have been issued under the provisions of this chapter, including the payment of any redemption  
29 premium on the bonds or interest accrued or to accrue to the earliest or subsequent date of  
30 redemption, purchase or maturity of the bonds and, if deemed advisable by the utility district, for  
31 the additional purpose of paying all or a part of the cost of acquiring, constructing, reconstructing,  
32 rehabilitating, or improving any property, facilities or systems or parts of property facilities or  
33 systems of the utility district. The proceeds of bond or notes issued for the purpose of refunding  
34 outstanding bonds or notes may be applied, in the discretion of the utility district, to the purchase,

1 retirement at maturity or redemption of outstanding bonds or notes either on their earliest or a  
2 subsequent redemption date and may, pending that application, be placed in escrow in the same  
3 manner and through the same means as are generally available to and incumbent upon political  
4 subdivisions of the state.

5 (f) It is hereby declared that the utility district and the carrying out of its corporate  
6 purposes is, in all respects, for the benefit of the people of the state and for the improvement of  
7 their health, welfare and prosperity, and the utility district will be performing an essential  
8 governmental function in the exercise of the powers conferred by this chapter. The state therefore  
9 covenants with the holders of the utility district's bonds that the utility district shall not be  
10 required to pay taxes or payments in lieu of taxes to the state or any other political subdivision of  
11 the state upon any property of the utility district or under its jurisdiction, control or supervision,  
12 or upon any of the utility district's activities in the operation or maintenance of the property or  
13 upon any earnings, revenues, monies or other income derived by the utility district, and that the  
14 bonds of the utility district and the income from the bonds shall at all times be exempt from  
15 taxation by the state and its political subdivisions. Notwithstanding the foregoing, nothing in this  
16 section shall be deemed to prohibit the division of public utilities and carriers, the public utilities  
17 commission and the department of attorney general from assessing the utility in accordance with  
18 the provisions of §§39-1-23, 39-1-26, 39-19-9 and 39-19-14, if applicable.

19 (g) Any resolution or resolutions authorizing any bond, or any issue of bonds, may  
20 contain provisions which shall be a part of the contract with the bondholders of the bonds thereby  
21 authorized, as to:

22 (1) Pledging all or any part of the money, earnings, income, and revenues derived from  
23 all or any part of the property of the utility district to secure the payment of any bonds or of any  
24 issue of bonds subject to such agreements with bondholders as may then exist;

25 (2) The rates to be fixed and the charges to be collected and the amounts to be raised in  
26 each year and the use and disposition of the earnings and other revenue;

27 (3) The setting aside of reserves and the creation of sinking funds and the regulation and  
28 disposition thereof;

29 (4) Limitations on the right of the utility district to restrict and regulate the use of the  
30 properties in connection with which the bonds are issued;

31 (5) Limitations on the purposes to which the proceeds of sale of any issue of bonds may  
32 be put;

33 (6) Limitations on the issuance of additional bonds, including refunding bonds and the  
34 terms upon which additional bonds may be issued and secured;



1           (7) The procedure, if any, by which the terms of any contract with bondholders may be  
2 amended or abrogated, the percentage of bondholders whose consent shall be required for such  
3 amendment or abrogation, and the manner in which consent may be given;

4           (8) The creation of special funds into which any earnings or revenues of the utility district  
5 may be deposited, and the investment of the funds;

6           (9) The appointment of a fiscal agent and the determination of its powers and duties;

7           (10) Limitations on the power of the utility district to sell or otherwise dispose of its  
8 properties;

9           (11) The preparation of annual budgets by the authority and the employment of  
10 consultants and auditors;

11           (12) The rights and remedies of bondholders in the event of failure on the part of the  
12 utility district to perform any covenant or agreement relating to a bond indenture;

13           (13) Covenanting that as long as any bonds are outstanding the utility district shall use its  
14 best efforts to establish and maintain its rates and charges at levels adequate at all times to pay  
15 and provide for all operating expenses of the utility district, all payments of principal, redemption  
16 premium (if any), and interest on bonds, notes or other evidences of indebtedness incurred or  
17 assumed by the utility district, all renewals, repairs and replacements to the property and facilities  
18 of the utility district, and all other amounts which the utility district may be required by law to  
19 pay; and

20           (14) Any other matters of like or different character which in any way affect the security  
21 or protection of the bonds.

22           (h) The bonds of the utility district are hereby made securities in which all public officers  
23 and bodies of this state and all municipalities and municipal subdivisions, all insurance  
24 companies and associations and other persons carrying on an insurance business, all banks,  
25 bankers, trust companies, savings banks, and savings associations (including savings and loan  
26 associations), building and loan associations, investment companies and other persons carrying  
27 on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and  
28 all other persons whomsoever, who are now or may hereafter be authorized to invest in bonds or  
29 other obligations of the state may properly and legally invest funds including capital in their  
30 control or belonging to them. The bonds are also hereby made securities which may be deposited  
31 with and shall be received by all public officers and bodies of this state, and all municipalities and  
32 municipal subdivisions, for any purpose for which the deposit of bonds or other obligations of  
33 this state is now or may thereafter be required.

34           **45-67-12. State not liable.**

1        Neither the state nor the town of New Shoreham is liable for the payment of the principal  
2 of or interest on any bonds or notes of the utility district, or for the performance of any pledge,  
3 mortgage, obligation, or agreement of any kind whatsoever which may be undertaken by the  
4 utility district, and none of the bonds or notes of the utility district nor any of its agreements or  
5 obligations are construed to constitute an indebtedness of the state or the town of New Shoreham  
6 within the meaning of any constitutional or statutory provision whatsoever, nor shall the issuance  
7 of bonds or notes, under the provisions of this chapter, directly or indirectly or contingently  
8 obligate the state or any municipality of the state to levy or to pledge any form of taxation for  
9 them or to make any appropriation for their payment. All of the revenue bonds or notes shall  
10 contain on their face a statement to the effect that neither the state nor the town of New Shoreham  
11 are obligated to pay the revenue bonds or notes, or their interest except from revenues of the  
12 project or projects for which they are issued, and that neither the faith and credit nor the taxing  
13 power of the state or of any municipality of the state is pledged to the payment of the principal of  
14 or the interest on those bonds or notes.

15        **45-67-13. Money of the utility district.**

16        (a) All money of the utility district, from whatever source derived, shall be paid to the  
17 treasurer of the utility district. The money on receipt shall be deposited forthwith in a separate  
18 bank account or accounts. The money in the accounts shall be paid out with a check of the  
19 treasurer, on requisition by the utility district, or of any other person or persons that the utility  
20 district may authorize to make the requisitions. All deposits of money shall be secured by  
21 obligations of the United States or of the state, of a market value at all times not less than the  
22 amount of deposits, and all banks and trust companies are authorized to give security for the  
23 deposits. The utility district shall have the power, notwithstanding the provisions of this section,  
24 to contract with the holders of any of its bonds as to the custody, collection, security, investment  
25 and payment of any money of the authority, or any money held in trust or otherwise for the  
26 payment of bonds or in any way to secure the bonds, and to carry out any contract. Money held in  
27 trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of money  
28 may be secured in the same manner as the money of the authority, and all banks and trust  
29 companies are authorized to give security for the deposits.

30        (b) Notwithstanding subsection (a) of this section, or any other provision of this chapter,  
31 the board of utility commissioners shall have the power to authorize, by resolution, a loan or  
32 advance from one utility fund of the utility district to another. Any such interfund advance or loan  
33 shall be for a term specified in the authorizing resolution of the board of utility commissioners  
34 and shall bear interest at a rate reasonably determined by the board of utility commissioners to be

1 consistent with the public interest implicated in all funds involved in the interfund loan or  
2 advance; provided, however, that an interest rate set at the rate applicable to the utility district's  
3 most recent borrowing from a bank or other financial institution shall be presumptively  
4 reasonable as the rate of interest for an interfund loan or advance.

5 **45-67-14. Alteration, amendment, repeal or severability.**

6 The right to alter, amend or repeal this chapter is reserved to the state, but no such  
7 alteration, amendment or repeal shall operate to retroactively impair the obligation of any contract  
8 made or assumed by the utility district under any power conferred by this chapter. If any section,  
9 clause, provision or term of this chapter shall be declared unconstitutional, void, ultra vires or  
10 otherwise ineffective in whole or in part, such determination of invalidity shall not otherwise  
11 affect the validity or enforceability of any other provision of this chapter.

12 **45-67-15. Reversion upon dissolution or termination.**

13 Upon dissolution or termination of the utility district, the assets of the utility district that  
14 remain after payment or making provision for payment of all bonds, notes and other obligations  
15 of the utility district shall be distributed to the town of New Shoreham or as ordered by a court of  
16 proper jurisdiction.

17 SECTION 2. This act shall take effect upon passage.

=====  
LC002445/SUB A  
=====

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TOWNS AND CITIES -- BLOCK ISLAND UTILITY DISTRICT ACT OF  
2017

\*\*\*

- 1           This act would create the Block Island utility district to provide utility products and  
2 services to the town of New Shoreham.  
3           This act would take effect upon passage.

=====  
LC002445/SUB A  
=====

**AGENDA ITEM 4**  
**REVIEW AND ACT UPON MAYFORTH GROUP**  
**LOBBYING SERVICES PROPOSAL**

## **GOVERNMENT RELATIONS AND CONSULTANT AGREEMENT**

This Consultant Agreement is made and entered into this 1st day of November 2021, by and between the Block Island Utility District (Hereinafter “Company”) with its’ office located in New Shoreham, Rhode Island and the Mayforth Group, LLC (hereinafter “Consultant”) with its principal place of business being in Providence, Rhode Island.

### **RECITALS**

Company wishes to use the professional business services, lobbying services and consultant services of Consultant and Consultant wishes to furnish professional and consultant services to Company all upon the terms and conditions as hereinafter set forth:

In consideration of the mutual covenants of the parties hereinafter set forth, the parties do hereby agree as follows:

1. **Engagement of Consultant:** Company engages Consultant as a consultant and Consultant accepts engagement and agrees to act as a consultant to and on behalf of Company in accordance with the terms hereinafter specified. Consultant shall, subject to the general direction and supervision of Company, assist and support Company with general business and professional consulting services and to perform such other duties and responsibilities commensurate with its role as consultant to Company. Consultant agrees to diligently and faithfully serve Company in the capacity of business development consultant and to devote its best efforts, necessary skill, time and attention to the duties and tasks resulting from its position as consultant to Company during the entire time of this Agreement.
2. **Compensation, Taxes and Expenses:**
  - (A) In consideration of the performance of Consultant’s obligations and performance of services under this Agreement, Consultant and Company agree that Consultant shall be paid a total of \$32,000.00 from the Company paid in 8 monthly installments of \$4,000.00 due the 1<sup>st</sup> of each month commencing November 1, 2021 and ending June 1, 2022.
  - (B) The Consultant is responsible for all of its own federal, state and local taxes, withholding, social security, insurance and benefits. The Company shall provide no insurance or benefits to the consultant. The Company shall have no responsibility to Consultant regarding any tax obligations to which Consultant is subject as a result of income attributable hereto. The Company shall furnish Consultant with an IRS Form 1099 in accordance with applicable law.

- (C) The Consultant shall set its own work hours and methods for performing its services and provide its own equipment and office space.

**3. Term of Engagement:**

- (A) Consultant's engagement hereunder shall commence effective as of November 1, 2021 (the effective date). This Agreement shall continue up to and through June 30, 2022 unless a written Agreement of renewal/extension shall be executed by both parties prior thereto.
- (B) The work outlined by Consultant for Company shall be noted in Addendum A at the end of the written contract.
- (C) Notwithstanding the foregoing, this Agreement and consultant's engagement pursuant hereto shall automatically terminate in the event of the Consultant's death or total disability. Consultant shall be entitled to receive the compensation and expenses accrued through the date of his death or total disability.
- (D) Each party has the absolute right to terminate this Agreement upon thirty (30) days written notice to the other party. The Consultant shall be entitled to receive any and all accrued compensation expenses up to and through the date of termination as provided herein unless the Consultant has breached a material term or condition of this Agreement.

**4. Assignment:** This Agreement shall not be assignable by either party without the advanced written permission of the other party.

**5. Independent Contractors:** It is hereby expressly agreed that Consultant's status shall be that of an independent contractor and not an employee, representative, or agent. Consultants shall have no power or authority to bind the Company to any contract of Agreement whatsoever, or to make any representations on its behalf, or in any way to hold itself out as having such power or authority or as being an employee or agent of the Company.

**6. Indemnification:**

- (A) Consultant agrees during and after the term hereof, to protect, defend, hold harmless and indemnify the Company, its officers, directors, employees, and shareholders, subsidiaries and affiliates from and against any and all claims, losses, damages, costs, expenses and fines incurred by such

persons as a result of this Agreement by, or any act or omission of, Consultant. Consultant agrees to cooperate with the Company and its counsel regarding any matter related to the Agreement or Consultant's prior employment by the Company.

- (B) The Company agrees, during and after the term hereof, protect, defend, hold harmless and indemnify the Consultant from and against any and all claims, losses, by any act or omission of Company.

7. **Miscellaneous:** Paragraph headings herein are for convenience only and shall not affect the meaning or interpretation of the contents hereof. This Agreement contains the entire Agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior Agreements and understandings between the parties with respect to the subject matter thereof.

No supplement or modification of this Agreement shall be binding unless in writing and signed by both parties hereto. This Agreement may be executed in counterparts, each of which shall be deemed enforceable without production of the other.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the first hereinabove set forth.

Block Island Power Company

Mayforth Group

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Barbara MacMullen

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Richard M. McAuliffe, Jr.



## Addendum A

- Represent the Block Island Utility District at the Rhode Island General Assembly.
- Draft legislation for statutory change for Block Island Utility District's law on governance and compensation for travel or business related expenses.
- Get cosponsors along with Senator Sosnowski and Representative Filippi to get the legislation introduced and passed.
- Set up meetings with legislative leadership in the General Assembly to help advance the governance bill, as well as other pertinent legislation to Block Island Utility District.
- Monitor all bills through the Rhode Island General Assembly that may affect Block Island Utility District.
- Conducting meetings (in person and through Zoom) on a consistent basis to update board president and president of Block Island Utility District
- Introduction to BIUD legal counsel/ regulatory attorneys Mike McElroy and Leah Donaldson
- Register and file monthly lobbying as required by state law.

**AGENDA ITEM 5**  
**APPROVE MEETING MINUTES**  
**AUGUST 28, 2021 ANNUAL MEETING**  
**OCTOBER 26, 2021 REGULAR MEETING**

**Block Island Utility District  
ANNUAL MEETING  
August 28, 2021  
4:00 PM**

THIS MEETING WAS HELD IN PERSON AT THE BIUD PLANT

**Minutes**

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

Also Present: President Jeffery Wright, Employees; Tom Durden, Jim Stockman, Tracy Fredericks, Dick Martin and David Milner, Director Candidates; Tom Risom and John Warfel and several other BIUD members.

Board Chair Barbara MacMullan called the meeting to order at 4:00 PM.

**1. Public Input**

- Chris Warfel of Entech Engineering made several comments regarding the net metering program and voiced concerns about hiring experts to help in managing the critical initiatives.

**2. Commissioner's Report**

- Board Chair Barbara MacMullan welcomed everyone to the meeting and thanked Director Candidates for running for election. She reported that BIUD had a good year despite covid. She thanks all of the employees for their hard work during the past year. She also reported that since the net metering amendment had been passed and signed into law that the BIUD Board had worked hard developing a net metering tariff that is due to be filed with the PUC soon.

**3. Treasurer's Report**

- Treasurer Bill Penn presented his financial report - included in minutes.

**4. President's Report**

- President Jeffery Wright presented his report – included in minutes.
- Mr. Wright facilitated a question/answer session that lasted approximately 45 minutes.

**5. Introduction of Candidates for Board of Commissioners**

- All Commissioner Candidates introduced themselves and spoke to their vision and direction they would like to see BIUD move towards if elected. The candidates that were present included current BOD Chair Barbara MacMullan, current Vice-Chair Everett Shorey, current Treasurer, Bill Penn, John Warfel and Tom Risom. Candidate Tim Dowling was not present.

Barbara MacMullan moved to adjourn the meeting at 6:15 PM, seconded by Everett Shorey.  
The motion passed unanimously, and the meeting was adjourned.

APPROVED: \_\_\_\_\_

POSTED: \_\_\_\_\_

**Block Island Utility District  
October 26, 2021  
3:30 PM**

THIS MEETING WAS HELD IN PERSON AT THE BIUD PLANT

**Minutes**

Participating BOD Members Present Barbara MacMullan, Tom Risom, John Warfel, Mary Jane Balser and Elliot Taubman.

Also Present: President, Jeffery Wright, Office Manager, Tracy Fredericks, Will Young, Chris Warfel, Tony Pappas and Rene Meyer from the Block Island Times.

Board Chair Barbara MacMullan called the meeting to order at 3:35 PM.

**1. Public Input**

- Chris Warfel asked that correspondence be added to the agenda.

**2. Commissioner's Report**

- Chair Barbara MacMullan had nothing to report.

**3. Introduction of New Slate of Commissioners and Election of Officers Election of Officers**

- Board Chair Barbara MacMullan welcomed new commissioners John Warfel and Tom Risom.
- Vice Chair MaryJane Balser made a motion to nominate Barbara MacMullan for another term as Chairman. The motion was seconded by Eliot Taubman.
- Chair Barbara MacMullan made a motion to elect Mary Jane Balser as vice chair. The motion was seconded by John Warfel.
- Mary Jane Balser made a motion to nominate Tom Risom as Treasurer, the motion was seconded by Barbara MacMullan.
- Barbara MacMullan made a motion to nominate John Warfel as secretary, the motion was seconded by Mary Jane Balser.
- All motions were passed unanimously.

**4. Appoint Rhode Island NRECA Director**

- Barbara MacMullan made a motion to nominate Jeffrey Wright, to remain the NRECA Director. The motion was seconded by Eliot Taubman. The motion was voted on and passed unanimously.

**5. Discuss and Act Upon Proposed 2022 Meeting Calendar**

- Chair Barbara MacMullan asked for suggestions on the best day to meet, offering that Saturdays didn't seem to work.
- It was decided that meetings will be the 4<sup>th</sup> Thursday of the month, with the November and December meetings be held the week prior to the holidays. The annual meeting date will be the 4<sup>th</sup>

Saturday of August and will be voted on at the next meeting. Jeff Wright will modify the 2022 schedule for consideration in the November meeting.

#### **6. Review and Approve Regular Meeting Minutes from June 26 – July 28 – August 28, 2021**

- A motion to approve the meeting minutes from the regular June 26, and July 28<sup>th</sup>, 2021, meetings was made by Barbara MacMullan, seconded by Tom Risom. The motion passed unanimously.
- Jeffrey Wright noted that the August 28, 2021, regular meeting minutes were not yet completed and will be reviewed at the next meeting.

#### **7. Receive and Act Upon Financial Report**

- Jeffery Wright provided the balance sheet and financial statements (on record).
- Jeffrey Wright noted the cash is different from last year since we no longer have the line of credit.
- The typo of \$50,000 will be fixed before being posted to the website.
- A clarification of profit was made, they are cash reserves.
- A motion to approve the financial report was made by Barbara MacMullan and seconded by Eliot Taubman, motion passed unanimously.

#### **8. Receive and Act Upon President's Report**

- President Jeffery Wright presented his update – on record.
  - a. Net Metering Application Process  
A brief discussion was had to work on a process for all net metering applications.
  - b. Net Metering Tariff Approval Update  
The tariff was filed on Monday October, 25<sup>th</sup>.
  - c. Home Battery Storage Program Opportunity  
Chris Kieny, from Vermont Electric COOP will present his program at a future meeting,
  - d. TNS School Electric School Bus Project  
The bus will be delivered in April 2022. The location to store the bus at the school is ongoing. BIUD will run the project for the first year.
  - e. A discussion has had regarding future Electric Car Charger Program/EV Charging Tariff
  - f. An update was provided on the National Grid Cable Work
  - g. Jeff will present the BIUD Strategic Initiatives (Presented in November)
- Barbara MacMullan moved to approve the President's report, motion was seconded by John Warfel and was passed unanimously.

#### **9. Receive and Act Upon Member Will Young's Offer to Donate Level 3 Charger to BIUD**

- Will Young has offered to donate a level 3 car charger to BIUD. A subsequent discussion was had regarding the regulatory hurdles that exist with BIUD owning the charger. Tony Pappas who represents the BI Solar Initiative suggested that his group might be open to owning it as they are a non-profit. Jeff Wright will meet with the group in the upcoming week to discuss possible ownership options.

**10. Voltage Conversion Project Review (Will Seek Approval for \$1.5M CFC Loan in November)**

- Jeff reported that the CFC documents were not ready yet and would ask for approval in the November meeting.
- Jeff presented the project budget and scope and informed the BOD that he had gotten production slots secured for the long lead items; reclosers and step transformers.

**11. Review and Act Upon Broadleaf Solar PPA Proposal**

- Jeffery Wright presented the Broadleaf Solar PPA for consideration (on file).
- A motion was made to authorize President Jeffery Wright to execute the Broadleaf Solar PPA as presented by Mary Jane Balser and seconded by Tom Risom, motion passed unanimously.

- Barbara MacMullan moved to adjourn the meeting at 5:32 pm, seconded by Mary Jane Balser. The motion passed unanimously, and the meeting was adjourned at 5:32 pm.

**AGENDA ITEM 6**  
**PRESIDENT'S REPORT**



## **PRESIDENT'S UPDATE**

### **NOVEMBER 20, 2021**

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#### National Grid Cable Outage Update

National Grid has postponed the cable outage several times since the original scheduled date of November 6<sup>th</sup>, all due to weather. It will not take place until at least November 29<sup>th</sup> at this point.

#### Home Storage Battery Program Update

Craig Kieny of VEC cannot come to Block Island before the end of the year. I had originally thought it would be best to form a subcommittee to discuss the program with Craig on Zoom, but after further thought we decided it would be best if we set a special meeting via Zoom where everyone could participate. I am working on that schedule and will coordinate with everyone next week.

#### EV Level 3 Car Charger Update

Following our last BOD meeting, I met with Wade Ortel and Tony Pappas of the BI Solar Initiative and Will Young. We discussed various ownership models for a Level 3 charger and it was decided that the BI Solar Initiative would seek their BOD's approval to accept the generous donation from Will Young. They would then operate the charger and collect the revenues which would be used to pay their expenses and to fulfill Will Young's wishes of using margins to fund a grant program for local non-profits.

BIUD has committed to researching the various procurement options for the group and investigating the installation and connections. Once we gather these details, I will propose to the BOD that BIUD host the charger in its front parking lot, charge the BI Solar Initiative the normal retail rate for power used and will provide free access to high-speed internet using our office Wifi. I will also propose to fund the installation with in-kind services using readily available materials from BIUD inventory, i.e. transformer, conduits, cabling. I have also offered to take the lead in obtaining HDC approval for the installation.

I will bring this all back to the BIUD Board of Commissioner for final approval once we have more details and before we move forward.

My goal would be to use this as an example for future installations around the island whether they be owned and operated by the BOI Solar Initiative or by private businesses. The charger will be universal in that all type of EVs can be charged.

#### Net Metering Update

The PUC has set a procedural schedule for our net metering tariff filing. It is attached on the next page.

I have also included correspondence from Entech Engineering that has been submitted as part of the Docket.



# STATE OF RHODE ISLAND

## Public Utilities Commission

89 Jefferson Boulevard  
Warwick, Rhode Island 02888  
(401) 941-4500

Chairman Ronald T. Gerwatowski  
Commissioner Abigail Anthony  
Commissioner John C. Revens, Jr.

To: Docket No. 5192 Service List  
From: Cynthia G. Wilson-Frias  
Date: November 17, 2021  
Re: Block Island Utility District Tariff Advice Filing to add Net Metering Tariff

### PROCEDURAL SCHEDULE

The following represents the procedural schedule set during yesterday's call.

12/1/2021	Deadline to Intervene
12/7/2021	Block Island Utility District's Pre-filed testimony
01/7/2022	Intervenor and Division testimony/position statement (position statements need to have a sponsor)
01/18/2022	Block Island Utility District's Rebuttal, if necessary or Settlement, if applicable
01/27/2022	11:00 A.M. Hearing in Hearing Room A; Commencing with Public Comment (in person or Zoom)

Copy: Linda George  
Division Administrator



November 10, 2021

Christopher Warfel  
PO Box 871  
Block Island, RI 02807

Ms. Luly Massaro, Clerk of RI PUC  
State of Rhode Island and Providence Plantations  
RI Public Utilities Commission, 89 Jefferson Boulevard, Warwick, RI 02888

Dear Ms. Massaro:

I am requesting that this letter be distributed to the Staff and Division. Thank you in advance for your assistance.

I have been assisting Block Island Power Company with its Net Metering policy and Energy Conservation policies since we became a cooperative. Most of this has been through the public forum afforded by the Board's monthly meetings.

Mr. Wright has often mentioned that he has discussions with the PUC on a variety of matters. We know that we most likely cannot pick up the phone and have similar access, so I am writing this letter to you so that you have more than one perspective on an issue that has come to the forefront, and that is Net Metering.

I have gone through the net metering list that BIPCo inherited from the previous owners; adding correction and insight as to how this technology actually works to ensure that the 3% cap is accurate. We did not complete that work as BIPCo was supposed to review the list against exporting meter data so that it could be verified that systems were still working. We know some are not, but are still in the cap. The supposition was that at some time, a working solar electric system connected to the grid, will export.

More importantly, I have asked BIPCo to obtain expertise in renewable energy technology as I don't think it is appropriate for Entech to be the "canary in the coal mine", when BIPCo's understanding or policies could be better. We have consistently had to vocalize our objections or opinions, and frankly, it seems to have not been entirely welcome. This has put us as being perceived as adversarial I believe, when all we are trying to do is help develop informed and well thought out policies.

Recently, we found out that the Town of New Shoreham Building Official and BIPCo were coordinating permits with BIPCo's net metering policy. (This person was recently elected to the BIPCo Board.) This resulted in permits being held up, with conflicting explanations as to why. After two months, we were told because we did not have the correct metering plan. We had submitted it though, and then were told that we could not install because of the cap being reached. I had submitted the applications noting several projects on the old list had been dismantled and asked if we could replace those projects until the cap was actually reached. We did not receive a response to that, so we thought this was a good and prudent solution.

At the last Board meeting I pointed out (again) that these solar energy technologies can be programmed to not export to the utility. My reading of the statutes on net metering indicate that if we did this, we would not be considered net metering as we are not exporting or "banking" any electricity to be credited back at a later time. Mr. Wright said as long as we were connected we were net metered. I think that is wrong. I further offered to not connect multimode

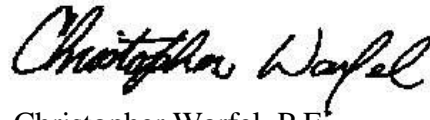
systems to the utility main service panel if that would be acceptable, but I still told BIPCo that as long as the system did not export, we were not net metering and not part of the cap. I said that once the PUC sorts out and approves the new Net Metering tariff, that then these systems could interconnect for net metering and be counted towards the new cap, whatever that may be.

I just want you to be aware of another perspective and that I hope that the definition of Net Metering is such that the system has to export in order to be so defined. This option has been available for several years now, and BIPCo's lack of understanding of this, is why I have asked them to obtain expertise so that they just don't have my "word" on these issues.

Thank you for your time.

cc: Commissioners, Staff

Sincerely,

A handwritten signature in black ink that reads "Christopher Warfel". The signature is written in a cursive, flowing style.

Christopher Warfel, P.E.

President, EEInc.

(401) 447-5773 (m)

#### Zero-Export Solar Generation Discussion Follow-Up

As a follow up to last month's discussion on "zero-export" solar generation. I still interpret the RI Net Metering Statute to mean all member/customer owned generation that is connected to the household panel that is served by BIUD. The definition of net metering is included below.

*(12) "Net metering" means using electrical energy generated by an eligible net-metering system for the purpose of self-supplying electrical energy and power at the eligible net-metering system site, or with respect to a community remote net-metering system, for the purpose of generating net-metering credits to be applied to the electric bills of the eligible credit recipients associated with the community net-metering system. The amount so generated will thereby offset consumption at the eligible net-metering system site through the netting process established in this chapter, or with respect to a community remote net-metering system, the amounts generated in excess of that amount will result in credits being applied to the eligible credit-recipient accounts associated with the community remote net-metering system.*

The full statute can be found by following this link:

<http://webserver.rilin.state.ri.us/Statutes/TITLE39/39-26.4/39-26.4-2.HTM>

**ACTION ITEM 7**  
**REVIEW AND ACT UPON OPERATING BUDGET**

**BLOCK ISLAND UTILITY DISTRICT  
2022 BUDGET SUMMARY**

The 2022 budget is broken into three components: Revenues, Expenses and Capital.

- 1) Revenues: We are projecting revenues (electric sales and rents) will increase by roughly 3% in 2022.
- 2) Operating Expenses: The 2022 Operating and Maintenance Budget is based on the 2021 Budget with line-item adjustments made based on end of year projections. The total proposed operating expenses have increased 4% from 2021 to 2022.
  - a. Total Power Production Operations: Proposed decrease of 51%.
  - b. Total Distribution Operations: Proposed Decrease of 36%.
  - c. Total Administrative (Utilities/Benefits/Insurances): Proposed Increase of 19%
  - d. Total Power Production Maintenance Expense: Proposed Decrease of 6%.
  - e. Total Distribution Maintenance: Proposed Decrease of 5%.
- 3) Capital Budget: The \$400,000 capital budget is funded through rates. The Capital Budget detail will be presented in the December meeting. Additionally, depreciation expense greater than principal paid on CFC loan helps funds capital and this year totals \$227,475.

BUDGET SUMMARY  
BLOCK ISLAND UTILITY DISTRICT

	2020 BUDGET	2020 Actual	2021 BUDGET	2021 Projected	2022 BUDGET
<b>TOTAL REVENUE</b>	<b>\$ 5,525,999</b>	<b>\$ 5,864,687</b>	<b>\$ 5,525,999</b>	<b>\$ 5,657,650</b>	<b>\$ 5,687,210</b>
<b>TOTAL EXPENSES</b>	<b>5,525,999</b>	<b>6,056,968</b>	<b>5,455,137</b>	<b>5,849,841</b>	<b>5,681,622</b>
<b>NET OPERATING INCOME</b>	<b>\$ 0</b>	<b>\$ (192,281)</b>	<b>\$ 70,862</b>	<b>\$ (192,192)</b>	<b>\$ 5,588</b>
Depreciation in Excess of Principal	0	184,434	0	227,475	0
<b>NET OPERATING Reserve</b>	<b>\$ 0</b>	<b>\$ (7,847)</b>	<b>\$ 70,862</b>	<b>\$ 35,283</b>	<b>\$ 5,588</b>



**BUDGET REVENUE**  
**2021 BUDGET**  
**BLOCK ISLAND UTILITY DISTRICT**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2020 BUDGET	2020 Actual	2021 BUDGET	2021 Projected	2022 BUDGET
<b>REVENUE</b>						
<i>Operating Revenue---Rate Revenue</i>						
440-001	Residential-Plant/Distribution Charge□	\$ 927,743	\$ 981,116	\$ 927,743	\$ 1,139,142	\$ 1,161,925
442-101	Commercial-Plant/Distribution Charge□	286,653	187,592	286,653	121,417	123,845
442-201	Demand Customers-Plant/Distribution Charge□	931,831	923,192	931,831	951,380	970,407
444-001	Public Authority-Plant/Distribution Charge□	(0)	31,167	(0)	0	0
445-000	Street Lighting	6,985	7,008	6,985	7,008	7,149
456-001	Customer Charge- All Rate Classes	285,576	290,982	285,576	273,910	282,127
456-002	Demand - All Rate Classes	337,884	237,123	337,884	320,024	326,424
456-003	Efficiency Charges	60,089	56,388	60,089	23,128	60,089
456-004	System Charge- All Rate Classes	91,375	92,275	91,375	77,675	79,229
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		2,928,136	2,806,844	2,928,136	2,913,685	3,011,196
<i>Operating Revenue---Pass Through</i>						
440-002	Residential Fuel Adjustment	26,680	31,215	26,680	0	0
440-003	Residential Standard Offer	546,239	557,505	546,239	507,124	532,480
440-004	Residential Transmission Chrg	455,025	476,597	455,025	583,878	613,072
442-102	Commercial Fuel	7,540	5,376	7,540	0	0
442-103	Commercial Standard Offer	154,372	87,553	154,372	46,376	48,695
442-104	Commercial Transmission Chrg	128,594	73,431	128,594	53,394	56,064
442-202	Demand Fuel	23,780	31,453	23,780	0	0
442-203	Demand Standard Offer	486,865	581,819	486,865	470,357	493,875
442-204	Demand Transmission Chrg	405,565	489,169	405,565	541,547	568,624
444-002	Public Authority Fuel	0	0	0	0	0
444-003	Public Authority Standard Off	0	30,175	0	0	0
444-004	Public Auth. Transmission Chrg	0	21,731	0	0	0
<i>Total Operating Revenue---Pass Through</i>		2,234,659	2,386,025	2,234,659	2,202,676	2,312,810
<i>Other Revenue</i>						
419-000	Interest Income	920	20	920	20	920
421-002	Miscellaneous Income	1,418	79,307	1,418	59,657	1,418
421-004	Pole Accidents	564	0	564	0	564
421-007	Biller Penalty	21,378	6,568	21,378	0	21,378
421-012	Forgiveness on PPP Loan	(0)	0	(0)	148,837	(0)
421-013	(Gain) on Sale of Asset	(0)	23,580	(0)	0	(0)
421-014	Gain on Insurance Proceeds	0	0	0	0	0
451-002	Connection Charge	925	655	925	375	925
<i>Grant Revenue-Solar Project</i>			329,885		0	
	Efficiency grant	60,000	0	60,000	60,000	60,000
456-006	RENT - TOWER ATTN LEASE	239,600	230,300	239,600	231,800	239,600
456-007	RENT - POLE ATTN LEASE	9,600	7,200	9,600	7,200	9,600
456-008	RENTAL INCOME-PROPERTY	28,800	33,400	28,800	33,400	28,800
<i>Total Other Revenue</i>		363,204	671,818	363,204	541,289	363,204
<b>TOTAL REVENUE</b>						
		\$ 5,525,999	\$ 5,864,687	\$ 5,525,999	\$ 5,657,650	\$ 5,687,210

**BUDGET EXPENDITURES**  
**2021 BUDGET**  
**BLOCK ISLAND UTILITY DISTRICT**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2020 BUDGET	2020 Actual	2021 BUDGET	2021 Projected	2022 BUDGET
<b>EXPENSES</b>						
<i>Power Production/Purchase-Pass thru Expenses</i>						
408-062	Gross Receipts Tax-Fuel Portion	\$ -	\$ -	\$ -	\$ -	\$ -
	Misc Purchase Power				3,901	4,018
	Solar Purchases	15,132		15,132	18,974	19,543
547-102	Purch.Power-SO-Energy	476,030	486,900	476,030	533,140	549,134
547-103	Purch.Power-SO-ISO	548,456	521,638	548,456	530,949	546,877
547-104	Purch.Power-SO-ENE	76,528	62,485	76,528	109,476	112,761
547-105	Purch.Power-SO-BIPCo Other	45,542	33,401	45,542	45,543	46,909
547-106	Purch.Power-TC-ISO	315,604	245,996	315,604	353,983	364,603
547-107	Purch.Power-TC-NGrid	661,870	604,340	661,870	655,362	675,023
	Deferred Revenue	37,497	350,343	37,497	(31,665)	(6,057)
553-225	DSI Surcharge funding	58,000	56,726	58,000	(16,985)	0
<i>Total Power Production/Purchase-Pass thru Expenses</i>		2,234,659	2,361,831	2,234,659	2,202,677	2,312,810
				0		
<i>Operating Expense---Power Production</i>						
549-103	Inside Maint. P/R Only	107,119	0	110,333	0	0
549-108	Maint Station Equip. P/R Only	96,380	136,003	99,271	99,997	102,996
549-102	Freight	3,190	2,549	3,190	4,506	5,000
548-103	Lubrication	10,000	0	10,000	0	2,000
549-109	Miscellaneous	406	591	406	982	1,000
549-111	Uniforms	6,074	12,954	6,074	6,040	6,074
555-100	Purchased Power	0	0	0	0	0
<i>Total Operating Expense---Power Production</i>		223,170	152,096	229,275	111,524	117,071
<i>Operating Expense---Distribution</i>						
580-100	Supervision - P/R Only	0	0	0	0	0
583-101	Overhead Lines - P/R Only	206,981	18,319	213,190	60,008	61,808
583-102	Overhead Lines	11,415	47,180	11,415	65,018	65,000
584-102	Underground Lines	0	404	0	5,337	0
586-101	Meters - P/R Only	6,522	0	6,718	0	0
586-102	Meters-Maintenance	8,210	3,309	8,210	3,641	4,000
586-103	Meters-Data Services	24,658	32,885	24,658	35,070	35,000
588-103	Misc Distrib. Expense	43,060	1,365	43,060	4,252	5,000
589-100	Lease - Motor Vehicle	41,426	46,529	41,426	55,839	55,000
<i>Total Operating Expense---Distribution</i>		342,271	149,991	348,676	229,165	225,808
<i>Operating Expense---Customer Service</i>						
902-000	Meter Reading - P/R Only	0	0	0	0	0
903-000	Rec & Collection - P/R Only	54,653	63,032	56,293	67,163	69,178
916-001	Education and Training	12,101	6,490	12,101	7,964	10,000
<i>Total Operating Expense---Customer Service</i>		66,754	69,522	68,394	75,127	79,178
<i>Operating Expense---Administrative</i>						
920-001	Office Salaries - P/R Only	14,678	104	15,118	17	18
920-003	Accrued Vacation	5,610	10,069	5,610	10,069	5,610
920-004	Vacation Pay - P/R Only	0	44,631	0	48,535	49,991
920-005	Holiday Pay - P/R only	0	25,677	0	26,382	27,174
920-006	Holiday Not Worked - P/R Only	0	0	0	0	0
920-007	Sick Leave Pay - P/R Only	0	10,101	0	10,427	10,739
920-008	Personal Pay - P/R Only	0	3,790	0	4,096	4,218
920-012	Admin & Management - PR Only	157,597	194,751	162,325	202,713	208,795
926-004	Bonus - P/R Only	0	13,926	0	13,926	13,926
921-001	Office supplies and Expense	36,449	16,365	36,449	30,982	32,000
921-002	Directors Meetings	0	0	0	0	0

**BUDGET EXPENDITURES**  
**2021 BUDGET**  
**BLOCK ISLAND UTILITY DISTRICT**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2020 BUDGET	2020 Actual	2021 BUDGET	2021 Projected	2022 BUDGET
	<i>(Operating Expense---Administrative Continued)</i>					
921-004	Trash Removal	5,785	18,563	5,785	19,427	20,000
921-005	Plant Expense	12,771	52	12,771	521	5,000
921-006	Utilities Expense	13,008	8,765	13,008	8,836	10,000
921-007	Telephone Expense	30,240	19,890	30,240	18,894	20,000
923-000	O/S-Outside Services	7,239	23,793	7,239	26,979	30,000
923-005	O/S-Payroll Processing	4,583	3,092	4,583	3,092	4,000
923-006	O/S-General Regulatory Accounting	26,430	27,674	26,430	39,638	30,000
923-013	O/S-General Regulatory Legal	33,986	0	33,986	0	15,000
923-012	O/S-Legal-General	35,500	153,042	35,500	98,950	45,000
923-019	Accounting	37,027	17,318	37,027	16,749	25,000
923-020	Accounting-Audit	30,580	60,210	30,580	60,025	60,000
923-022	Accounting-Bookkeeping	30,281	27,790	30,281	32,841	33,000
923-025	Board Clerk	7,200	0	7,200	0	7,200
924-000	General Liability Ins	185,000	197,329	185,000	196,988	200,000
926-001	Employee Pension	91,500	92,500	91,500	92,500	91,500
926-002	Travel And Misc. Expense	5,345	3,081	5,345	3,600	3,600
926-003	Employee Benefits	94,971	107,397	94,971	121,385	120,000
926-005	Wellness Program	0	0	0	0	0
926-006	Benefits-coshare	(16,680)	(16,824)	(16,680)	(16,689)	(16,680)
926-007	Health Ins-Deductible Payable	3,913	0	3,913	0	0
928-001	Reg Comm Exp	29,954	37,684	29,954	48,127	40,000
928-002	Rate Case Expense	50,000	68,349	50,000	72,235	50,000
930-020	Employer 401k contribution	23,220	40,965	23,220	24,988	23,220
930-021	Bad Debt	(0)	(10,336)	(0)	(10,336)	(0)
930-025	Environmental	53,824	77,569	53,824	47,175	55,000
930-029	Web Design	0	2,863	0	2,863	0
931-000	Software, IT & Billing Service	57,820	101,544	57,820	103,934	105,000
<i>Total Operating Expense---Administrative</i>		1,067,829	1,381,728	1,072,998	1,359,867	1,328,311
	<i>Maintenance Expense---Power Production</i>					
551-201	Supervision - P/R Only	0	0	0	0	0
553-203	Maintenance Of Struct P/R Only	0	0	0	0	0
551-202	Maint. Of Gen & Elect Plt	8,568	24,700	8,568	9,543	10,000
553-201	Small Tools	6,383	12,103	6,383	16,874	15,000
553-202	Tank Testing & Fuel Maint	25,000	0	25,000	10,469	10,000
553-204	Maint. Of Structures	4,718	4,111	4,718	29	5,000
553-206	Maint General Plant	9,762	35,346	9,762	15,699	20,000
553-207	Tank Replacement	0	0	0	0	0
553-209	General Maintenance	6,464	0	6,464	1,947	2,000
549-113	SCR Maint	0	0	0	0	0
549-114	SCR & Engine Maint Res.Exp.	90,000	7,665	90,000	13,316	90,000
553-200	Major Engine Maintenance	2,405	0	2,405	0	0
553-213	General Engine Maintenance	5,856	0	5,856	0	0
553-219	Engine Testing	0	0	0	0	0
553-220	Engine Rental (Non FAC)	0	0	0	0	0
553-221	Haz. Waste Store/Remove/Hd	5,210	326	5,210	(388)	1,000
553-222	Cellular Tower Maint & Expense	9,328	2,471	9,328	12,677	8,000
554-203	Misc.	864	103	864	1,795	2,000
<i>nance Expense---Power Production</i>		174,558	86,823	174,558	81,962	163,001
	<i>Maintenance Expense---Distribution System</i>					
590-200	Supervision - P/R Only	0	0	0	0	0
593-202	Overhead Lines - P/R Only	130,083	178,447	133,986	140,488	144,703
549-104	Truck Repair	26,546	17,548	26,546	17,573	20,000
549-105	Supplies	20,663	0	20,663	0	10,000

**BUDGET EXPENDITURES**  
**2021 BUDGET**  
**BLOCK ISLAND UTILITY DISTRICT**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2020 BUDGET	2020 Actual	2021 BUDGET	2021 Projected	2022 BUDGET
	<i>Maint Expense---Distribution System Continued</i>					
593-203	Tree Trimming	120,000	93,030	120,000	84,783	120,000
593-204	Fire Damage Repairs	(0)	0	(0)	0	(0)
593-206	Storm Damage Repairs	55,978	199	55,978	42,778	45,000
595-201	Transformer Expense	0	0	0	295	0
596-202	Maint Of Street Lights	0	0	0	0	0
596-203	Misc	0	1,733	0	3,696	0
554-201	Gasoline	10,125	7,660	10,125	8,500	10,000
598-202	Backhoe/Tractor Repair	0	1,384	0	99	500
<i>Total Maintenance Expense---Distribution System</i>		363,395	300,000	367,298	298,212	350,203
<i>Taxes</i>						
408-010	Property Taxes	0	0	0	0	0
408-030	Payroll Taxes	59,543	63,468	61,329	65,377	63,169
408-050	Other Tax	(0)	454	(0)	0	(0)
408-061	RI Gross Earnings Tax	(0)	(0)	(0)	(0)	(0)
408-071	Registrations	841	1,341	841	1,535	841
409-010	Federal Income Tax	(0)	(0)	(0)	(0)	(0)
410-010	Net Change In Deferred Tx	0	0	0	0	0
<i>Total Taxes</i>		60,383	65,262	62,169	66,911	64,009
<i>Depreciation</i>						
	Depreciation	0	297,434	0	340,475	0
<i>Total Depreciation</i>						
<i>Other Deductions</i>						
426-052	Advertising	274	180	274	2,220	274
426-054	Misc other expenses	112	5	112	(73)	112
426-056	Bank Service Fees	2,142	6,244	2,142	7,321	2,142
426-057	Finance Charges	147	0	147	0	147
426-058	Efficiency Program	120,000	1,670	120,000	15,644	120,000
<i>Total Other Deductions</i>		122,676	8,099	122,676	25,112	122,676
<i>Debt Service and Capital Expenditures</i>						
427-001	Interest on RUS Loan	(0)	(0)	(0)	(0)	(0)
427-002	Interest on Engine 26 Loan	0	0	0	0	0
427-003	Interest - Other	14,476	950	14,476	950	1,000
427-004	AIC Interest	0	0	0	0	0
	Interest on CFC Loan	184,455	203,484	184,455	184,430	201,961
	Principal Paid on CFC Loan	113,064	0	113,064	0	113,074
		0	0	0	0	0
	Capitalized Labor	0	136,044	0	136,000	140,080
	Net Operating Reserve	95,868	0	0	0	0
	Voltage Conversion Capital Fund	62,441	58,700	62,441	70,663	62,441
	Capital Fund-Inventory Purchased & Used	93,000	172,271	93,000	294,334	93,000
	Capital Fund-Capitalized Expenditures	307,000	612,733	307,000	372,433	307,000
<i>Total Debt Service and Capital Expenditures</i>		870,304	1,184,182	774,435	1,058,810	918,556
<b>TOTAL EXPENSES</b>		5,525,999	6,056,968	5,455,137	5,849,841	5,681,622

**PAYROLL SUMMARY**  
**2021 BUDGET**  
**BLOCK ISLAND UTILITY DISTRICT**

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2020 BUDGET	2020 Actual	2021 BUDGET	2021 Projected	2022 BUDGET
						0.03
<b>EXPENSES</b>						
<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	136,003	99,271	99,997	102,996
<i>Operating Expense---Distribution</i>						
583-101	Overhead Lines - P/R Only	206,981	20,446	213,190	60,008	61,808
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	63,032	56,293	67,163	69,178
<i>Operating Expense---Administrative</i>						
920-001	Office Salaries - P/R Only	14,678	104	15,118	17	18
920-004	Vacation Pay - P/R Only	-	44,631	-	48,535	49,991
920-005	Holiday Pay - P/R only	-	25,677	-	26,382	27,174
920-006	Holiday Not Worked - P/R Only	-	-	-	-	-
920-007	Sick Leave Pay - P/R Only	-	10,101	-	10,427	10,739
920-008	Personal Pay - P/R Only	-	3,790	-	4,096	4,218
920-012	Admin & Management - PR Only	157,597	194,751	162,325	202,713	208,795
<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	178,447	133,986	140,488	144,703
<i>Debt Service and Capital Expenditures</i>						
	Capitalized Labor	-	136,044	-	136,000	140,080
<b>TOTAL EXPENSES</b>		\$ 774,014	\$ 813,026	\$ 797,234	\$ 795,825	\$ 819,699

**AGENDA ITEM 8**  
**REVIEW AND ACT UPON 2022-2025 STRAGETIC PLAN**

# Block Island Power Company

## Strategic Plan 2022-2025

<div>Mission Statement</div> <div>To serve Block Island with safe, reasonably price and reliable energy.</div>	<div>Safety</div>	GOALS/TARGETS		STRATEGIES
		Experience Mod Rate	Goal < 1.0	
		Lost Time Incident Rate	Goal 0	
		Equity Level	Goal 40% by 2024	
		Operating Budget	Goal +/- 5%	
<div>Vision Statement</div> <div>Build on customer and employee engagement to collaboratively transform the Block Island Power Company into a customer focused, customer governed electric utility.</div>	<div>Financial Balance</div>	GOALS/TARGETS		STRATEGIES
		Outages per Member (SAIFI)	Goal <2	
		Construct/Buy Employee Housing		
		Replace Original Garage and Move Office	2023-2024	
		Support EV Deployment		
<div>Keeping the Lights On</div>	<div>Employee Engagement &amp; Recruitment</div>	GOALS/TARGETS		STRATEGIES
		Fund Pole Replacement Program	(150 poles/year)	
		Adequately Fund Distribution	Maintenance Programs	
		Build/Buy Single Family Home	in 2022	
		Convert Existing Office	into Apartment 2023	
<div>Innovation</div>	<div>Develop EV Tariff for Level II Home Chargers</div>	GOALS/TARGETS		STRATEGIES
		Develop EV Tariff for Level II Home Chargers		
		Develop Home Storage Program/Rates		