

BLOCK ISLAND UTILITY DISTRICT



Happy Holidays

**BOARD OF COMMISSIONERS MEETING
DECEMBER 20, 2022
4:00 PM**

**Block Island Utility District
Meeting of the Board of Utility Commissioners**

**Special Strategic Planning Session with BIUD Employees
Tuesday, December 20, 2022 @ 4:00 PM**

THE MEETING WILL BE HELD AT THE HARBOR CHURCH

1. Public Input
2. Commissioner's Report
3. Approve Meeting Minutes: July 28, 2022, August 27, 2022, September 19, 2022, September 22, 2022, October 12/13, 2022, November 1, 2022, and December 13, 2022.
4. President's Update
 - i. ISO-NE 2023 Winter Reliability Concerns
 - ii. Cable Outage "What-Ifs" and Lessons Learned
 - iii. Power Supply Sub-Committee Discussion
5. Review and Act Upon the BIUD 2023 Strategic Plan
6. Review and Act Upon 2023 Operating and Capital Budgets
7. Discuss a complaint filed re: Fire at the Gothic Inn on October 10, 2019. *

*This item may be held in closed session pursuant 42-46-5(2) Sessions pertaining to collective bargaining or litigation, or work sessions pertaining to collective bargaining or litigation.

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

Posted: December 15, 2022 (12:00 NOON)

Secretary of State Website

BIBB

Town Hall

BIUD Website www.blockislandpowercompany.com

AGENDA ITEM 1

PUBLIC INPUT

AGENDA ITEM 2

COMMISSIONER'S REPORT

(THIS PAGE INCLUDED FOR NOTES)

AGENDA ITEM 2
COMMISSIONER'S REPORT

AGENDA ITEM 3
APPROVAL OF MINUTES

JULY 28, 2022

AUGUST 27, 2022 (ANNUAL MEETING)

SEPTEMBER 19, 2022

SEPTEMBER 22, 2022

OCTOBER 12/13, 2022

NOVEMBER 1, 2022

DECEMBER 13, 2022

Meeting Minutes
Block Island Utility District
Regular Meeting of Board of Commissioners
Thursday, July 28, 2022 @ 4:00 PM
THE MEETING WAS HELD AT THE BIUD POWER PLANT

In attendance: Barbara MacMullan, Maryjane Balser, Tom Risom, Elliott Taubman, John Warfel, Jeff Wright, Tracy Fredericks, David Lewis, Wade Ortel, Renee Meyer, Steve Record, Peter Kinoy, and Cindy Davis.

Barbara MacMullan called the meeting to order at 4:05 pm.

1. Public Input

Steve Record reported that at the site meeting at Lipscomb property he expressed concern on the level of payback, saying he won't see return on his solar investment in his lifetime. Steve added that he heard Jeff Wright said that the BIUD doesn't want residential solar. Jeff stated that is incorrect, the goal is to get to 100% renewable as a company.

Jeff added that board decisions must be fair to all the BIUD members and that played a large role in the development of the new solar tariff.

There was a discussion on avoided cost. Steve asked if the board could adjust the avoided cost? Jeff answered that the avoided cost was a calculation based on actual costs. He added that if the BOD wanted to, they could incentivize solar by adding a "solar adder" but that would be counter to BIUD's goals not supporting cross subsidies amongst its members.

John Warfel said as a new board member, not on the BOD when it was passed, he is not in favor of the tariff.

David Lewis added that it is State law that National Grid, buy back power at retail and charging wholesale for consumption. He felt the board has formed a rational program.

Peter Kinoy said that he felt solar has always been prohibitive; the board has the ability to make changes that effect climate change. He asks the board consider making solar more attractive to homeowners.

2. Commissioner's Report

Barbara said the board needs to want schedule a separate meeting to have a performance report for Jeff Wright, and suggested the date be set in September.

3. Approve Board Meeting Minutes (3/29/22, 4/5/22, 4/12/22, 4/15/22, 4/22/22, 4/28/22, 6/8/22 and 6/23/22)

Tom Risom made a motion to approve all meeting minutes seconded by John Warfel, the motion passed unanimously.

4. Appoint BIUD Voting Delegates for Region 1 CFC and NRECA Meetings

Jeff encouraged BOD members to attend, and added both meetings are in Indianapolis on September 7, 8 2022. Elliott and Tom volunteered to attend.

Barbara made a motion to have Tom Risom be the voting delegate and Elliot as the alternate, the motion was seconded by MaryJane, the motion passed unanimously.

5. Treasurer's Report

Tom reported that had reviewed some of the billables, and will defer most of the rest of his report to the next meeting. Has gone over everything with Jeff and will provide a more complete report in the next meeting.

Barbara MacMullan made a motion to approve the treasurer's report which was seconded by MaryJane Balser. The motion passed unanimously.

6. President's Report

- Jeff reported on the current ISO-NE wholesale power supply market and commented that he was glad we secured the additional power supply when we did. The complete details of the transactions is on record. He also reported that BIUD did not see the increase in peak in 2022 that we have seen in the past. Believe it is due to the voltage conversion. 5.294 peak same as last year.

Systems losses are down in June – he expects we should see some real savings in losses with the next billing.

- Champlin's Marina interconnection-meeting with them to discuss their new interconnection.

Currently, they are using approximately 550 gallons per day.

- He also reported that the downstairs apartment in the office building should be done by the end of August

- He reported that the electric school bus should arrive mid-august.

Barbara MacMullan made a motion to approve the president's report and was seconded by Tom Risom. The motion passed unanimously.

7. Review and Act Upon Annual Meeting Agenda

The meeting will be held on August 27th at the power plant. It will be a meeting like past meetings, with a guest speaker, Mike Oppenheimer who will talk about electricity supply specific to Block Island in relation to climate change. We also reported that some members of the efficiency team will also be present.

8. Review and Act Upon Utility Scale Storage Battery RFP Process, Fractal Proposal and BI Solar Initiative Contribution

Jeff reported that he had recently met with the solar Initiative who asked what they could do for BIUD. He suggested funding for an all-EV bucket truck and some financial assistance with a utility-scale battery project.

After a productive meeting, the Solar Initiative committed to funding 75% of an RFP process so we can do a formal RFP from battery vendors from around the country. Jeff contacted ENE, suggested we

contact fractal, got a proposal, and gave it to the Solar Initiative, the cost is \$38,700, of which the SI will pay \$28,200. They have also committed \$250,000 match money to apply for the “Non Wires” grant from ENE. Jeff received the application.

Jeff requested that the BOD authorize him to go out and fund the BIUD 23% share of the RFP process cost and accept the donation from the BISI to get Fractal to work on it. Once the proposals are received he will come back to the board and the BISI for additional approvals.

Barbara MacMullan made a motion to authorize the expense, and was seconded by MaryJane Balser. The motion passed unanimously.

9. Review and Act Upon BI Solar Initiative Donation of EV Bucket Truck

Jeff-SI has offered to purchase an EV bucket truck, worth approximately \$619,000. This will be the 8th in the country. Terex is the company that manufactures the truck, we have spoken with the vendor no concerns. SI Board still finalizing the details.

Two Level II chargers will be required, one for the boom the other for truck. The truck could be here by March 2023.

Evan Carey added that this truck is a huge benefit to all the ratepayers and will save him from having to climb numerous poles that we cannot reach with our current trucks.

Eliot Taubman made a motion to accept the donation from the SI to purchase an EV Bucket Truck, the motion was seconded by John Warfel, and the motion passed unanimously.

10. Review and Act Upon Legacy Net Metering Tariff

Jeff explained the changes to the net metering tariff that had been in place at least since 2017. He added that a subcommittee of John Warfel and Barbra MacMullan has helped him vet the changes. He also reported that the filing deadline had been extended by three weeks. The revised tariff is on record and was included in the BOD materials for everyone’s review.

John Warfel suggested making an additional title change from dual meter tariff to legacy meter tariff.

Eliott Taubman made a motion to approve the proposed standard for grandfathered systems, motion seconded by Tom Risom, the motion was approved unanimously.

Steve record made some comments on the tariff, suggesting that the new tariff is not net metering. He also pointed out a typo in line 7; should be the applicable rate. Additionally, he suggested we delete the second sentence on page 3 as it is duplicative. Jeff noted these suggestions.

A motion to adjourn was made by Barbara MacMullan seconded by MaryJane Balser. The motion passed unanimously.

The Meeting adjourned at 5:42 PM.

Block Island Utility District
Annual Meeting
August 27, 2022 @ 4:00 PM

DRAFT COPY

Held at the Block Island Utility District Power Plant

MEETING MINUTES

Participating BOD Members Present: Board Chair Barbara MacMullan, Board Vice-Chair Mary Jane Balser, Treasurer Tom Risom, Elliot Taubman, John Warfel

Others in attendance: Jeffery Wright, Tracy Fredericks, Jim Stockman, Evan Carey, Tom Brown, Tom Durden, Dick Martin, David Milner, Linda Wright, Jim Meiers, Michael Oppenheimer, Sam Brown, Everett Shorey, Karen Martin, Tony & Anita Miller, Wade Ortel, Jennifer Taubman, Steve Corbett, Nancy Greenaway, Don Logan, Morgan Walsh, John & Wendy Formica, Elizabeth Moss, Donna Corey, David Cahill, Sandra & Patrick Kelly, Arthur Jacob, Diane & Bruce Johnson, Cookie & Brian Lenoci, Katherine Johnson, David Lewis, Peter Kinoy, Mary Lutz, Trudy O'Toole, Carlos Salinas, Chris Warfel, Jill Deloey, Renee Meyer, Keith Stover, CR McGinnes, Joyce Viscegliea, Lisa Goodman

Barbara MacMullan called the meeting to order 4:05 pm.

1. Public Input

- Peter Kinoy-(handout) expressed his concerns with the current solar generation policy. Of particular concern is the requirement of a second meter and that the customer must sell all of their solar generated power to BIUD at a wholesale rate and buy all of it power from BIUD at a different, higher rate. Suggestions to resolve this are on record.
- Clair Costell-Thanked BIUD for it's for stewardship to all members. Clair asked for clarification regarding energy efficiency rebates and how they compared with what national grid offered.
- Chris Warfel discussed the definition of customer generation.
- Jim Dewey introduced himself as a solar provider for 20 years. Jim commended BIUD for the improvements in our new metering policies, adding there is always room for improvement. Jim suggested allowing the solar producers to help form future policies.
- David Lewis introduced himself as a long-time, year-round resident, that is often in attendance at the monthly board meetings. He has been following the new policies and changes that the BOD and BIUD staff have been implementing. In

reaction to other public input, David offered there is always more to the story, need to listen to both sides.

2. Commissioner's Report

- Barbara welcomed everyone to the meeting and introduced the new and old commissioners. Barbara gave a summary of some of the projects BIUD has been working on over the last year.
 - Barbara reported that the net metering cap, which was 3% in 2021 was now raised to 10%, and that we now have a new net metering policy.
 - Barbara reported that there is a change to existing legislation for commissioners to get reimbursed for travel and training.
 - Barbara reported that we have made progress with employee housing. The townhouse for the president will be available in September and a new apartment has been renovated in the office building for employees.
 - Barbara reported the Solar Initiative has provided to BIUD with roof-top panels on all of the BIUD buildings, a new, safer, state-of the art bucket truck which will be arriving in 2023 and funding for the RFP process for the battery project.

3. Treasurer's Report

- Treasurer Tom Risom presented the treasurer's report (on record)
 - Tom reported the BIUD is working with Marcum on the annual audit.
 - Tom reported that BIUD is financially strong and stable.
 - Tom reported that despite the increase in energy prices, BIUD has been able to maintain our rates.
 - Tom reported that in 2019, BIUD had more debts than assets, 2021 is a very different story.
 - Tom reported that we are working with CFC, the equity ratio is critical to secure loans at the best rates and improve capital assets.
 - Tom reported that BIUD finances are an open book, and that he or Jeff are available to answer any questions.
 - Tom reported that all information will be reported on our website.
 - Tom reported that reduced systems losses had been realized due to the voltage conversion project, they will help to payoff these loans.

4. President's Report

- President Jeffery Wright presented the President's Report (on record).
 - Jeff reported the BIUD has much to celebrate, specifically safety, rate stabilization, capital improvements, reliability and advancements in member-owned renewable energy programs.

- Jeff introduced the employees present and thanked the “behind the scenes” support teams at home.
- Jeff thanked the BOD’s both past and present.
- Jeff reported on the Cooperative Network, a group of not-for-profit member-owned cooperatives that provide a variety of services. Specifically: The National Rural Electric Cooperatives (NRECA), National Rural Utilities Cooperative Finance Corporation (CFC), The National Information Solutions Cooperative (NISC) The Cooperative Response Center (CRC) along with a list of engineers, sub-contractors, and local private contractors and town operated departments.
- Jeff reported on the Key Focus Areas:
 - **Employee Safety**-this is everyone’s responsibility. Jeff reported we are celebrating more than 5 years without a reportable accident. We continue to raise safety awareness and invest in tools to make the jobs safer.
 - **Power Supply and Rates**-Our rates have been stable since 2018 and continue to do so. Transmission may drop slightly. Power Supply is our biggest concern, we continue to make power supply procurement decisions to ensure stability and predictability, securing long term renewable contracts. We locked in full requirements load and a 3-year contract through October 2025. Shortly after the wholesale prices skyrocketed. Jeff reported that BIDU could expect to see a slight increase of 2-2.5 cents/kWh for power supply and transmission.
 - **Capital Improvements**-Jeff reported the voltage conversion project was commissioned this spring, converting 60% of our load, the project is scheduled to be completed in 4-5 years. Jeff reported we have replaced approximately 600 of 2000 poles. Fiber project with the Town has made approximately \$600K of make-ready improvements to our system.
 - **Reliability and Resiliency**-Vast improvements to our system have improved the power quality, with fewer outage, fewer blinks and fewer damaged appliances.
 - **Member-owned Renewable Energy and Net Metering**-We have developed a new net-metering program which increased the cap from 3% to 10%. The new tariff set the solar credit cost to \$0.1330/kWh.
- Jeff reported inclosing, the challenges have been difficult. Though we may disagree with each other, our success depends on diversity of thoughts and opinions. Jeff encouraged our members to get involved.

5. BIUD Financial Status (presented by Jim Meiers, NRUCFC Regional Vice-President)

- Mr. Meiers presented what the National Rural Electric Utilities Finance Corporation (NRUCFC) has to offer cooperatives and utility districts.
- He stated that they worked closely with BIUD and verified that the utility district's finances were stable and in a good state. He also added that he worked regularly with President Jeffery Wright and CPA David Bebeyn on equity management and BIUD's long term financial modeling.
- He lastly reported that and The Federated Insurance Cooperative , whom they work very closely with, had recently become licensed in Rhode Island and can now offer their services to BIUD and Pascoag.

6. Power Supply's Impact on Climate Change (Presented by Noble Prize Winner Michael Oppenheimer)

- Mr. Oppenheimer presented his thoughts regarding power supply's effect on the climate.
 - He reported that the power supply is still the biggest contributor to greenhouse gas emissions in the world.
 - We stressed that society is unable to control natural gas leaks, most of which are methane and one of the leading contributors to greenhouse gas emissions. Due to our inability to control natural gas leaks, we are now focused on using less natural gas.
 - He reported that believed solar and wind power were productive, but that we need something in the middle. Hydrogen and carbon capture have been studied but they are not going to be the solution. Nuclear generation is still too expensive and has a host of other problems associated with its generation, and long-term storage and waste. Coal is unfortunately still the focus and is our main base load. We need to invest in transmission systems, electrification is the answer.
 - He stressed that we need truly modern systems that are efficient and provide storage to achieve of emissions goals to benefit the climate.
- Mr. Oppenheimer then answered some specific questions from the membership.

Door prizes were drawn and presented to the winning members.

Barbara MacMullan moved to adjourn the meeting at 5:50 PM, seconded by Tom Risom. The motion passed unanimously.

**Block Island Utility District
Special Board Meeting Minutes**

Held on September 19, 2022 @ 4:30 PM

BIUD Power Plant

Participating BOD Members Present: Barbara MacMullan, MaryJane Balser, Tom Risom, AND John Warfel.

Also Present: President Jeffery Wright, Tracy Fredericks, Cindy Davis, Rene Meyer, Chris Warfel, David Lewis, Tom Durden, Evan Carey, Keith Stover

BIUD Board Chair Barbara MacMullan called the meeting to order at 4:40pm

1. Review and Act Upon BIUD's response to recent social media claims and comments that are false and defaming toward board members and management.
 - President Jeffery Wright explained to those present that Entech Engineering had recently created a Face Book forum named the Block Islands Power Owners Forum that contained several untrue, slanderous and hurtful claims.
 - Jeffery Wright read a prepared statement that is included in these minutes for the record.
 - MaryJane Balser then responded to the accusations directed at her - stating that she was never relieved from her town duties, that she had no interest in the bank in question and further stated thought that she thought the Facebook post was despicable.
 - Barbara MacMullan then stated that she cannot discuss any relationships that the bank has with any customers and would not comment.
 - Chris Warfel then offered his apologizes to anyone he offended with his online posting. Chris stated that he has since removed the main post in deference to his brother John, not because he thought what was posted was untrue.
 - Barbara commented to the group, that everyone recognizes Chris's passion for the topic of renewable energy and that BIUD BOD members have always been open to discussions about his concerns. She further explained that although the BIUD BOD had not come to the same

conclusions as Chris, the BIUD BOD always welcomes discussion about policy, but discouraged personal attacks on individual board members.

At approximately 4:40 PM, Tom Risom made a motion to go into closed session for purposes of discussion potential litigation. The motion was seconded by Mary Jane Balser and the motion passed unanimously.

At approximately 5:10 PM, in closed session, a motion to come out of closed session and seal the minutes was made by Barbara MacMullan. The motion was seconded by MaryJane Balser and was passed unanimously. There was no action taken in closed session.

At 5:10 PM, Board Chair Barbara MacMullan made the motion to adjourn. The motion was seconded by Mary Jane Balser and the motion passed unanimously.

Block Island Utility District Board Meeting

President's Comments

September 19, 2022

It was recently brought to our attention that Entech Engineering has created a FB forum called Block Island Power Owners Forum on which several untrue, slanderous and hurtful claims were recently made. The posts made untrue claims about current BIUD Commissioners, dragged their employers into the mess, and made further harmful statements pertaining to their personal lives and volunteerism at different organizations.

These types of slanderous comments toward volunteers are morally wrong. Furthermore, they come from a for-profit business whose goal is to maximize the return on investments of its customers and to make a profit. No one on the BIUD Board begrudges Entech Engineering for their business plan, but it is an important distinction to make as BIUD is a not-for-profit utility district that seeks to treat all members equally. Contrary to the claims of Entech Engineering, we have worked transparently, encouraged open debate at, and outside meetings, and have made all decisions in public at open meetings which are all documented on our website.

We will not engage in online social media responses but will rather respond publicly in this meeting. The minutes of this meeting will be posted on our website.

I have provided copies of the posts we will be discussing. I have also made several e-mails available that demonstrate BIUD's sense of responsibility to Block Island's businesses, in this case, Entech Engineering, and our willingness to ask and listen to everyone's opinions. Knowing that Entech Engineering was working on several solar proposals, I felt the need to keep the company informed beyond what was

discussed and decided in BOD meetings. Mr. Warfel explains that at one point I expressed that I did not “need his help” in developing the new tariff. That is true. It would be inappropriate for me to solicit or pay for services beyond high-level opinions that the business could stand to profit from. That being said, I have always tried to keep the dialog open and my e-mails are just a few of many that demonstrate that.

I would like to publicly address the false claims made on Facebook now. I will read the post and stop to make corrections as we go. Please hold your comments until after I finish.

False Claim #1: “the rules were changed so that the chair, Barbara MacMullan, could be on the board when the utility district was formed.”

Response: The rules were never changed. There is (and always has been) a provision in our enabling legislation that allows for account holders to designate a “qualified elector”. This is common with electric Coop elections. MacMullan was the qualified elector for an account that a member held and designate her as the qualified elector. It should be further noted that she did not represent WT. It should also be noted that she was elected from a slate of (9?) candidates, receiving the most votes. She has since been elected by her fellow commissioners as board chair each year since beginning her service.

False Claim #2: “as the branch manager of WT, her employer, had an interest in her being able to influence the Board financial policies as they *held much of BIPCo’s debt.*”

Response: Barbara MacMullan is actually a Vice President with WT and is held to the highest ethical standards as is any bank employee. She has always recused herself of any decisions made that pertain to BIUD's relationship with WT (1-18-18 minutes as an example). BIUD uses WT because they are the only bank on the island. BIUD's office manager makes almost daily cash deposits at the bank and to have a relationship with any other bank off-island would not be feasible. WT does not hold any of BIUD's debt. It has been discussed at many BIUD BOD meetings that BIUD is a 100% borrower with CFC. BIUD only has its checking and deposit (or sweep) accounts with WT and we are only charged normal bank fees. To state that there is a financial relationship with WT is a stretch. Additionally, to my knowledge, RUS was the sole lender to the old BIPCO, or at least it was while I was President. WT did not hold any debt back then nor do they now.

The BIUD BOD, past and present, has been working on the new net metering tariff since March 2020 when they bought the BIPCo assets and began operating the power company. The development of this tariff has been in open meetings and during public discussions. We have been transparent and will continue to be.

This latest personal attack on BIUD BOD members is wrong. Wrong in so many ways. It is hurtful, disrespectful, and slanderous, and crosses an ethical and moral line of decency. These Commissioners are volunteers that represent our members and to be publicly smeared and referred to as oligarchs is crossing a line.

**Block Island Utility District
Special Board Meeting Minutes
NRUCFC Strategic Planning Session**

**Wednesday, October 12, 2022
and
Thursday, October 13, 2022**

Board Members: Barbara MacMullan, Maryjane Balser, Tom Risom, John Warfel and Elliot Taubman
BIUD Employees Present: President Jeff Wright, Tracy Fredericks, Tom Durden, Evan Carey, Jim Stockman, Dick Martin, and Tom Brown.

NRUCFC Facilitators Present: Jim Meiers, Lindey LaChance and Ryan Thomas.

Board Chair, Barbara MacMullan called the meeting to order at 8:30 AM.

1. Strategic Planning Session – Facilitated by NRUCFC

The meeting was opened as a special session attended by all BIUD members, and employees and facilitated by NRUCFC staff. The purpose of the meeting was to conduct a strategic planning session to help BIUD develop a strategic plan.

On the morning of day one, there were presentations given by the NRUCFC facilitators that focused on industry trends. Subsequent discussions were had regarding how these trends affected BIUD and its members and how BIUD may respond. A SWOT (strengths, weaknesses, threats, and opportunities) analysis was conducted by the entire group, and discussions were had on what these meant for BIUD's current plans and how these trends affected our future short and long-term goals.

During the afternoon session, robust discussions were facilitated by the NRUCFC facilitators which focused on the results of the morning's work. At the end of the afternoon, everyone present reflected on the takeaways from the day's work.

The meeting was recessed at approximately 4:45 PM on the end of the first day, October 12, 2022.

The meeting was reconvened at 8:30 AM on the morning of October 13, 2022.

The second day's focus was on reviewing the prior day's work and Lindey LaChance spent the remainder of the morning facilitating a strategy session in which everyone participated in. The results of the day-and-a-half session are attached to these minutes.

Barbara MacMullan made a motion to adjourn the special meeting on October 13, 2022, at 12:30 PM. The motion was seconded by Mary Jane Balser. The motion passed unanimously. The meeting adjourned and everyone broke for lunch.

**Block Island Utility District
Special Board Meeting Minutes
BIUD Board and Employee Strategic Planning Session**

Tuesday, November 1, 2022 (4:00 – 6:00 PM)

Board Members: Barbara MacMullan, Maryjane Balser, Tom Risom, John Warfel and Elliot Taubman
BIUD Employees Present: President Jeff Wright, Tracy Fredericks, Tom Durden, Evan Carey, Jim Stockman, Dick Martin, and Tom Brown.

Board Chair, Barbara MacMullan called the meeting to order at 4:05 PM.

1. Strategic Planning Session – Facilitated by Jeff Wright

The meeting was opened as a special session attended by all BIUD board members, and employees. The purpose of the meeting was to review the executive summary from the October 12 and 13 working sessions provided by NRUCFC and agree on goals for 2023.

President Jeffery Wright reviewed each key focus area and summarized the goals of each area. All board members and employees participated in robust discussions throughout the review. Several goals were added or edited. A subsequent discussion was had that focused on forming several sub-committees to focus on power supply, capital planning, and employee benefits. All board members volunteered to serve on at least one committee. Employees Tom Durden and Dick Martin volunteered to participate in the employee benefits review committee. Jeffery Wright suggested that we discuss these committees and their activities in a future board meeting and that the volunteer commissioners would be assigned to the various committees in subsequent board meetings.

NOTE: The results of this meeting can be found on the BIUD website after the final strategic plan is approved on December 20, 2022.

Barbara MacMullan made a motion to adjourn the special meeting at 5:25 PM. The motion was seconded by Tom Risom. The motion passed unanimously, and the meeting was adjourned.

**WILL POST PLAN
TO WEBSITE**

Block Island Utility District
December 13, 2022
4:00pm

DRAFT COPY

HELD IN PERSON AT THE HARBOR BAPTIST CHURCH

Minutes

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

Also Present: Jeff Wright, Tracy Fredericks, David Lewis, Evan Carey, Rene Meyer

Barbara MacMullan called the meeting to order at 4:05 PM

1. Public Input

- John Warfel suggested we put level 2 EV chargers on the agenda discuss EV chargers. User by an EV charger, it may be to our advantage to standardize the chargers.

2. Commissioner's Report

- No report

3. Approve Meeting Minutes: July 28, 2022, August 27, 2022, September 19, 2022, September 22, 2022, October 12/13, 2022 and November 1, 2022.

- This item was be deferred to the December meeting.

4. Review and Act Upon Treasurer's Report (on record)

- Tom Risom reported that the employee housing (townhouse) had been booked. There was discussion on whether to split out separate line item for employee housing in the asset listing on the balance sheet. A discussion was had. No decision was made.
- Tom reported we currently have \$850,000 cash on hand. We have forward paid all the insurance for the coming year instead of using the installment plan.
- Tom reported the current liabilities (page 2), accounts payable was higher than normal because we held back on some of the national grid payments.
- Tom reported the deferred credits revenue is a little less this year due to higher power supply expenses.
- Tom reported the CFC line of credit is now \$620,000 it will be paid down before year end.
- Tom reported our total CFC loans are at \$8,656,006.00. This increase is due to the townhouse purchase, McGinnis payout and voltage conversion.
- Tom reported the equity to debt ratio is at 20%, the assets should increase when we get the new bucket truck.
- Tom reported that residential sales are up 25% through Q3, and Commercial to Demand sales are up 11%.
- Tom reported our Net margin is 6% than we budgeted, this is due to power supply increases. The new rates will correct this.

- Jeff reported-the power supply rates are changing and will, into effect January 1st. They will generate about 30k per month.

Motion to approve the treasurer's report was made by Barbara MacMullan, seconded by Eliot Taubman, the motion passed unanimously.

5. Review and Act Upon Calendar Year 2023 Power Supply and Transmission Rates

- Jeff reported the existing rates will increase due to our new contract. Existing rates for power supply is \$0.0879, and transmission is \$0.0699. The total increase for both rates is 0.244/kWh. This total increase is about \$12.12 per member per month if you use 500 kWh. By comparison, the average National Grids customer's bill is going up \$114.00. Jeff stressed that retail choice is one of the most important items to address in this year's coming legislative session.
- Jeff reported the new rate of \$0.1036 and transmission rate of \$0.0784 and new net metering rate is \$0.1447. Barbara MacMullan noticed a discrepancy in the numbers, Jeff said he will look this over with Dave Bebyn to see if it needs to be recalculated.
- Barbara asked if the change in power supply rate collect the difference between old and new rate - Jeff responded yes.
- Elliot noted that we don't make an adjustment for line loss benefit. Jeff responded by saying he needs to give that more thought. He did add that losses are factored into the overall rates.
- Jeff reported on the DPUC's letter of support.

Barbara MacMullan made a motion to approve the 2023 power supply and transmission rates subject to final confirmation, seconded by Mary Jane motions passed unanimously.

6. Review the BIUD 2023 Strategic Plan and Solicit Member Input (Approve in the December 20,2022 Meeting)

- Jeff reported that this is a start, we have some measurable goals. This can help hold all employees, including himself, accountable. We can adjust and tweak it as needed.
- David Lewis said he was impressed, and felt it is important to build a leadership role, as one of the main challenges ahead.
- Barbara MacMullan added that we want to have members join in the subcommittees. Getting them involved can help get future board members.
- Mary Jane added that the board change over may have huge implications need to train people on the complications, different than other boards.
- Jeff reported that the strategic plan will be reported on monthly going forward.
- Mary Jane reported that we should considering budgeting for the retirement benefits plans.
- Jeff reported the pension, and 401k issue, with current retirees are budgeted now, but suggested waiting for more direction to budget in 2023.

7. Review 2023 Operating and Capital Budgets (Approve in the December 20, 2022 Meeting)

- Jeff reported the budget forecasted a 2% increase in revenues.
- Revenues from rents are in the budget, we unfortunately lost Sprint tower rental (+/- \$35,000.00/year)

- Mary Jane suggested we take a look at the property and see what is available for rental. Jeff asked to schedule a site visit, there may be some property we have overlooked.
- A discussion of security ensued, access to renters and others driving on the property.
- Jeff reported in response to security concerns, that he addressed this topic at the NRECA board meeting last week that it's the same old, same old topic but there is a large problem, and the federal government needs to provide money to secure our substations and power facilities. Federated insurance, our new company is asking about our security.
- Jeff reported the operating expenses increased the operations and training from \$10,000, to \$30,000. Legal expenses were increased to \$85,000 mostly for regulatory reasons.
- Jeff reported that the insurance budget has increase, we are looking into a new insurance company, Federated Insurance.
- Jeff reported that the travel and miscellaneous budget has increased to allow each Commissioner to travel to at least one external meeting/conference per year. He reported that there are several meetings coming up and he would like to see some of the employees and commissioners in attendance.
- Jeff reported that the capital budget is now \$440,000 (including capitalized labor). There may be several grant opportunities available. We want to remain consistent with past budgets focusing on pole replacements, substation upgrades, voltage conversion, office apartment conversion. The office conversion will require additional monies. This is important, we need decent housing to attract good employees.

8. Discuss potential BIUD support of the TNS's Fiber Project *Closed session

- A motion to go into closed session to discuss the potential of BIUD supporting the TNS Fiber Project was made Tom Risom by seconded by John Warfel. The motion passed unanimously.

At approximately 5:45, Barbara MacMullan moved to come out of closed session. That motion was seconded by Mary Jane Balser and passed unanimously. Barbara reported that there were no decisions made in closed session and that the meeting minutes were sealed.

Barbara MacMullan moved to adjourn the meeting at 5:45, seconded by Mary Jane Balser, the motion passed unanimously.

AGENDA ITEM 4
PRESIDENT'S UPDATE

PRESIDENTS REPORT
DECEMBER 20, 2022

ISO-NE WINTER OUTLOOK

On December 1st, the RI Emergency Management Administration held a meeting with key Rhode Island stakeholders to discuss New England 2022-2023 winter reliability concerns. Attendees included representatives from the RI-PUC, RI-DPUC, RI-EMA, RI LT Governor's Office, ISO-NE, RI Energy (gas and electric), Pascoag, and BIUD (myself). The purpose of the meeting was to discuss the concerns ISO-NE had with winter preparedness, their concerns of maintaining fuel inventories, and to discuss stakeholder coordination given a colder-than-normal winter. The ISO-NE was holding similar meetings with all the states. The fact that they are taking this action is reason enough for me to be concerned.

I have included slides from the meeting and other ISO-NE publications. The reason I wanted to discuss it at a BOD meeting was to make everyone aware of the worst-case scenarios and how BIUD plays into the actions of ISO-NE and RI Energy.

DISCUSSION OF THE RECENT SUBMARINE CABLE OUTAGE

This is intended to be a verbal report of the recent outage and a discussion of "what-ifs" had this been a prolonged outage due to a submarine cable failure which we were initially led to believe was the cause.

The topics below will serve as a framework for the discussion:

1. Outage Description
2. RI Energy's Restoration Efforts
3. BIUD's Response/Initial Planning
 - a. Restoration of Service using Gens
 - b. Notifications
 - c. Staffing
 - d. BIUD Fuel Inventories
 - e. Emergency Power Supply Discussions with ENE/Decisions
 - f. Coordination with RI Energy
 - g. Restoration
4. RI Energy communications and follow-up on corrective action Items to address 34.5 kV construction concerns.
5. BIUD planning for a long-term cable outage

POWER SUPPLY SUB-COMMITTEE DISCUSSION

This is intended to be an open discussion of recent power supply discussions we've had with the regulators. I would also like to ask the BOD to assign two Commissioners to a Power Supply Sub-Committee to address long-term strategy and to review four PPA opportunities that ENE had presented BIUD.

Seasonal System Outlook

Winter Readiness



New England should have adequate electricity supplies under mild and moderate weather conditions this winter.



Prolonged periods of very cold weather continue to pose reliability risks to the region, but ISO New England will use procedures and plans, including a rolling three-week energy supply forecast, with the goal of mitigating these conditions should they materialize.

The ISO does not anticipate calling for controlled outages, and would resort to this drastic step only as a last resort to prevent a collapse of the power system that would take days or weeks to repair. In the event controlled power outages are needed, the ISO would coordinate this action with local utilities, which would then take the necessary actions to lower electricity demand in their areas.

Winter Stats

20,009 MW

Peak demand forecast, typical weather

20,695 MW

Peak demand forecast, below average temperatures

34,103 MW

Total Resources Available

22,818 MW

All-time highest winter peak demand (set on January 15, 2004)

A Three-Week Forecast Provides Early Warning

As a part of its winter operations, ISO New England routinely monitors weather forecasts and energy supplies, including the availability of pipeline natural gas and expected production from wind and behind-the-meter solar resources. In addition to closely monitoring inventories at regional liquefied natural gas (LNG) storage facilities, the ISO also surveys oil, coal, and natural gas-fired generators to monitor stored fuel inventories and increase awareness of potential emissions or environmental limitations. This information is combined with a 21-day forecast of consumer demand to assess regional energy supplies; results of this [21-day forecast](#) are published weekly to the ISO website.

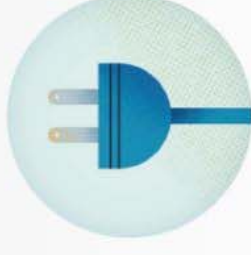


The purpose of these sophisticated forecasts is to identify potential energy shortfalls while there is time to prevent them or lessen their impact. By identifying and publicizing possible energy supply shortfalls weeks in advance, the ISO wants to signal to the region's wholesale energy market participants the need to contract for additional fuel deliveries. The early warning would also allow time for coordination among the ISO, the region's utilities, and government officials, especially if conservation is needed.

Conservation Requests are a Tool Among Emergency Procedures

ISO New England's system operators have many tools at their disposal if emergency conditions develop. These procedures include importing emergency power from neighboring regions, calling on power system reserves, and asking [businesses and residents to voluntarily conserve energy](#). Only in the most severe events, if conservation and other measures were insufficient to balance energy supply and consumer demand, would the ISO call for controlled power outages.

ISO New England modeling anticipates that generators using stored fuels, such as oil and LNG, would operate around the clock during prolonged periods of extremely cold weather. Conservation requests during these periods would be made to extend these fuel supplies until either the weather warms or additional deliveries make it to the region. Rather than moving consumer demand into different parts of the day, the public may be asked to limit their energy use during all hours, perhaps for several days.

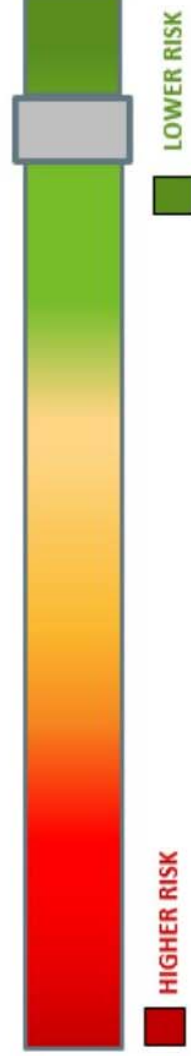




new england

December 13, 2022 – January 2, 2023

21-DAY ENERGY ASSESSMENT: NORMAL CONDITIONS

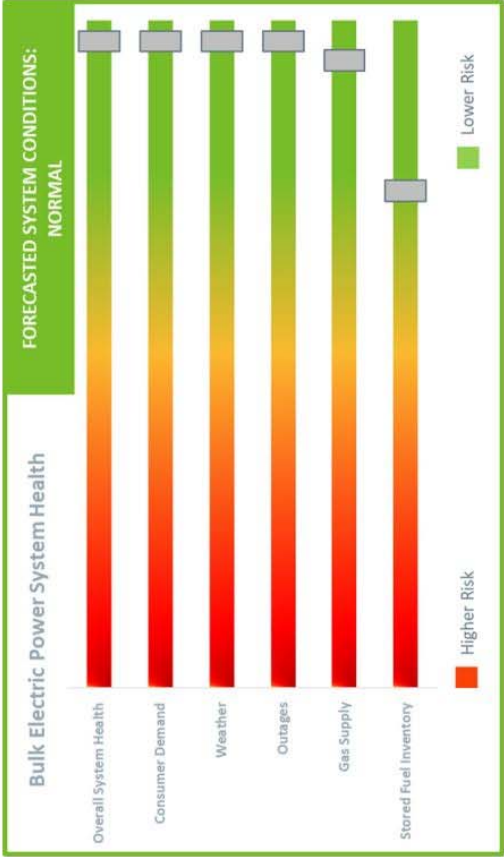


21-Day Energy Assessment
December 13th, 2022 – January 2nd, 2023



Bulk Electric System Health

The graph below shows the expected overall health of New England's bulk electric system over the 21-day study period. *Overall System Health*¹ refers to the 21 day energy surplus above what is needed to meet anticipated consumer demand and required operating reserves. *Consumer Demand*² refers to forecasted system demand. *Weather*³ refers to daily average forecast temperatures. *Outages*⁴ refers to the amount of generation that is expected to be unavailable during the study period. *Pipeline Natural Gas Supply*⁵ refers to the expected availability of pipeline natural gas for generation. *Stored Fuel Inventory*⁶ refers to current oil and coal supplies in New England, based on surveys of generators who use these fuels. Each category can be reviewed in greater detail in the subsequent pages of this report. See Appendix A for defined thresholds.



WINTER 2022/23 SCENARIOS



Introduction – 2022/23 Winter Scenarios

- The ISO routinely performs scenario assessments to prepare for the winter
- The following slides illustrate the qualitative and quantitative aspects of three scenarios
 - Scenario 1 assumes a mild winter as represented by the 2021/22 winter
 - Scenario 2 assumes a mild winter, but with a 13 day cold spell, as represented by the 2017/18 winter
 - Scenario 3 assumes a ‘colder than normal’ winter as represented by the 2013/14 winter
- Unless otherwise noted, scenarios assume the following:
 - Expected starting fuel oil inventories; fuel oil replenishment assumptions range from minimal to moderate
 - No LNG injections assumed beyond current projections
 - No significant or long-duration generator or transmission contingencies
 - System demand reduced to account for distributed PV resources
- The ISO’s 21-day energy forecast tool will signal any potential energy emergencies, thereby alerting the market to procure necessary fuel replenishments, both to meet their obligation and to protect against scarcity



Scenario 1 – Mild Winter, Similar to 2021/22

- Winter 2021/22 overview:
 - Milder than normal winter with very few days staying below freezing
 - Average temperature departure from normal was +1.0°F (i.e., warmer than normal)
 - Winter peak load of 19,623 MW
 - Total energy modeled is 30,591 GWh
 - During some periods, fuel oil was more economic than natural gas for power generation
 - Approximately 80M gallons of fuel oil was burned
- ISO anticipates that there would be sufficient capacity and energy available to meet the expected peak loads and energy



Scenario 2 – Moderate Winter with a Deep and Prolonged Cold Spell; Similar to 2017/18

- Winter 2017/18 characteristics:
 - Milder than normal outside of a two-week span of significantly below normal temperatures
 - Average temperature departure from normal was +0.5°F degrees
 - The region was impacted by an extended stretch of cold weather between December 25 and January 9; all major cities in the region experienced temperatures below normal for at least 13 consecutive days, of which 10 days averaged more than 10°F below normal
 - Winter peak load of 20,631 MW
 - Total energy modeled is 31,291 GWh
 - The cold snap was marked by reductions in natural gas availability and price inversion contributed to high fuel oil usage; several oil-fired resources were postured to maintain fuel reserves
- ISO anticipates that system reliability will be maintained, but may require the use of capacity deficiency actions under OP-4 on 5-7 days



Scenario 3 – Cold Winter with Several Cold Stretches; Similar to 2013/14

- Winter 2013/14 characteristics:
 - Colder than normal overall highlighted by a polar vortex event which resulted in significant stretches of cold weather in New England and surrounding areas
 - Average temperature departure from normal was -2.3°F degrees
 - The region experienced six cold weather stretches of four or more consecutive days, including a stretch of ten consecutive days at or below freezing
 - Winter peak load of 21,514 MW
 - Total energy modeled is 33,881 GWh
 - Significant energy usage caused high demand on both the electric and natural gas systems
- Significant usage of all available capacity deficiency actions under OP-4 (including public appeal actions) may be necessary across several weeks, including the use of OP-7 across several days
 - In-season fuel replenishment will greatly mitigate this risk



AGENDA ITEM 5
REVIEW AND ACT UPON THE 2023 STRATEGIC PLAN

Block Island Power Company

Strategic Plan 2023

Mission Statement

To serve Block Island with safe, reasonably priced and reliable energy.

Vision Statement

Our vision is to serve Block Island in a way that enhances our members' lives.

Safety

Empower and support a workplace culture that promotes the safety of our employees and members.

Financial Balance

Embrace policies that ensure financial stability, reasonable rates and innovative rate making

Member Engagement

Promote understanding of the cooperative model and transparency

Sustainable Workforce

Invest in workforce stability

Capital Planning

Embrace a sustainable and robust planning process for capital projects that focus on priority, funding, and impacts.

Power Supply

Continuously evaluate future power supply opportunities and develop renewable goals.

GOALS/TARGETS

Employee Lost Time Incident Rate Goal 0

Public Incident Rate Goal 0

Comply with Quarterly Safety Training and Monthly Truck/Equipment Inspections - Goals 4 and 12

Modified Debt Service > 1.50%

Develop Time of Use Pilot EV Charging Rate

Set Timeline for Next Rate Case (COS)

Conduct Annual Member Satisfaction Survey

Review and update Mission/Vision Statements

Develop Succession Plans

Create Ad-Hoc BOD Sub-Committee to Review Benefits Packages

Create Ad-Hoc BOD Sub-Committee to work on this.

Develop 5-10 Year Capital Plan.

Create Standing Power Supply Sub-Committee

Develop Power Supply Questions for Member Survey

STRATEGIES

Conduct Daily Safety Meetings/Field Visits

Host external training (fire/rescue/excavators)

Publish public safety messages (paper/bill stuffers/social media)

Continue to grow Equity:Debt Ratio (Q3 2022 20%)

Produce Timely Quarterly Financials for Review

Develop Equipment Rotation Schedule

Promote the Seven Cooperative Principals

Solicit member participation to determine BIUD's branding

Enhance cross-training efforts, recruit future BOD candidates, and develop recruitment strategies for future President

Conduct review of the benefits package – specifically retirement plans.

Review existing projects, facilities, housing and engineering plans.

Investigate external funding opportunities to support project plans.

Continuously evaluate power supply opportunities and tailor BIDU power supply to long-term goals.

Survey the BIUD membership to aid in developing long-range renewable goals.

MEASURE

- 0 -

- 0 -

- 0 -

2.47%

Q3 DONE

ON TRACK

ON TRACK

ON TRACK

ON TRACK

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ON TRACK

ON TRACK

ON TRACK

ON TRACK

AGENDA ITEM 6
REVIEW AND ACT UPON THE 2023 OPERATING
AND CAPITAL BUDGETS

BLOCK ISLAND UTILITY DISTRICT 2023 BUDGET SUMMARY

I am presenting and recommending BIUD's 2023 Operating and Capital Budgets for your review and consideration. In our December 13th meeting, we will discuss the budget and I will make any requested changes. **In our December 20th meeting, I will ask for your approval.**

Our projected 2023 expenses have increased by roughly 6%, but the projected revenues are expected to adequately fund this small increase. Inflation and increasing supply chain challenges will continue to impact our operations, not so much from a cost standpoint but from a productivity standpoint. We just will not be able to do the same level of upgrades as we have in the past years due to the increased cost of materials. We remain hopeful that this is temporary.

The budget is broken into three components: Total Revenue, Total Expenses, and Capital.

- 1) Revenues (Electric Sales): We are projecting electric sales revenues will increase by roughly 2% in 2023. Electric sales and expenses tie out with the 2023 Power Supply and Transmission Filing and Net to Zero.
- 2) Revenues (Rents and Other): 2023 rents and other revenues will remain essentially flat from 2022 – 2023. The Sprint lease expired in August, and they did not renew. This lost revenue was partially made up due to increased apartment/townhouse rent. A supplemental rent schedule is provided for your review.
- 3) Operating Expenses: The 2023 Operating and Maintenance Budget is based on the 2022 Budget with line-item adjustments made based on end-of-year projections. The total proposed operating expenses have increased by roughly 6% from 2022 to 2023. Some of the primary drivers are listed below:
 - a. (916-001) Education and Training is being increased from \$10,000 to \$30,000 to provide additional funding for outside services to provide safety and technical training.
 - b. (923-012) O/S Legal: Legal Expenses are consistently underfunded. In 2023 we have doubled the budget to reflect our actual needs.
 - c. (924-000) Insurance: G/L, Property, and other insurances have increased roughly 30% in the past two years, despite no increase in coverages, from \$185K to \$260K. We are currently working with Federated Insurance Cooperative which was recently licensed in RI to serve us. They are a \$30B insurance coop that is owned by its members, America's cooperative and utility districts. BIUD hopes to become a member in 2023 to benefit from lower premiums and better coverage. A supplemental schedule of our current policies and costs has been provided to review our insurance costs.

- d. (926-002) Travel and Misc. Expense: This budget item has increased to fund Commissioner travel expenses. This budget will allow each Commissioner \$3,000/year for travel expenses.
 - e. (549-114) Engine Maintenance Reserve: This budget normally acts as a reserve for engine maintenance, funded at \$90,000. The trend of actual spending has been \$30,000 per year so we are reducing this item accordingly.
 - f. (593-203) Tree Trimming: This item is being fully funded in 2023 at \$120,000.
 - g. Funding has been allocated for a member satisfaction survey to be done in 2023.
- 4) Capital Budget: The capital budget for 2023 is \$494,752. That consists of Capitalized Labor of \$201,709 and Contractor and Materials of \$293,016. The capital budget is shown below:

<u>2023 Capital Budget</u>	
Pole Replacements	\$250,000
Voltage Conversion	\$150,000
Substation Upgrades	\$35,000
Office/Apartment Conversion	<u>\$59,752</u>
Total Capital Funded by Rates	\$494,752

At our strategic planning session, we agreed to create a board subcommittee to develop a long-range capital plan. Within that plan, we will identify future (2024-2030) projects and funding opportunities for board review in Q2 2023.

This budget does not reflect the utility-scale storage project that we are studying. That is expected to be budget neutral if feasible.

2023 BUDGET SUMMARY
BLOCK ISLAND UTILITY DISTRICT

	2021 BUDGET	2021 Actual	2022 BUDGET	2022 Projected	2023 BUDGET
TOTAL REVENUE	\$ 5,525,999	\$ 5,811,661	\$ 5,687,210	\$ 5,654,942	\$ 5,987,479
TOTAL EXPENSES	4,879,633	5,290,881	4,966,027	5,308,455	5,320,970
NET OPERATING MARGIN	\$ 646,367	\$ 520,780	\$ 721,183	\$ 346,487	\$ 666,508
Remove Depreciation Expense	0	323,500	0	323,499	0
Principal	(113,064)	(118,072)	(113,074)	(141,692)	(149,976)
Capital Expenditures	(462,441)	(734,880)	(602,521)	(769,783)	(494,752)
NET OPERATING Reserve	\$ 70,862	\$ (8,672)	\$ 5,588	\$ (241,488)	\$ 21,780

BUDGET REVENUE
2023 BUDGET
BLOCK ISLAND UTILITY DISTRICT

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2021 BUDGET	2021 Actual	2022 BUDGET	2022 Projected	2023 BUDGET
REVENUE						
<i>Operating Revenue---Rate Revenue</i>						
440-001	Residential-Plant/Distribution Charge	\$ 927,743	\$ 1,148,464	\$ 1,161,925	\$ 1,183,922	\$ 1,207,600
442-101	Commercial-Plant/Distribution Charge	286,653	111,889	123,845	115,628	117,941
442-201	Demand Customers-Plant/Distribution Charge	931,831	961,487	970,407	969,947	989,346
444-001	Public Authority-Plant/Distribution Charge	(0)	0	0	0	0
445-000	Street Lighting	6,985	7,008	7,149	7,008	7,149
456-001	Customer Charge- All Rate Classes	285,576	273,630	282,127	277,772	286,105
456-002	Demand - All Rate Classes	337,884	327,862	326,424	345,728	352,642
456-003	Efficiency Charges	60,089	23,128	60,089	1,277	0
456-004	System Charge- All Rate Classes	91,375	86,500	79,229	86,200	87,924
<i>Total Operating Revenue---Electricity Charges by Customer Class</i>		2,928,136	2,939,969	3,011,196	2,987,482	3,048,707
<i>Operating Revenue---Pass Through</i>						
440-002	Residential Fuel Adjustment	26,680	0	0	0	0
440-003	Residential Standard Offer	546,239	566,824	532,480	623,924	734,800
440-004	Residential Transmission Chrg	455,025	596,962	613,072	489,039	518,238
442-102	Commercial Fuel	7,540	0	0	0	0
442-103	Commercial Standard Offer	154,372	70,702	48,695	67,825	79,878
442-104	Commercial Transmission Chrg	128,594	77,093	56,064	63,793	67,602
442-202	Demand Fuel	23,780	0	0	0	0
442-203	Demand Standard Offer	486,865	501,420	493,875	540,299	636,314
442-204	Demand Transmission Chrg	405,565	529,280	568,624	485,598	514,592
444-002	Public Authority Fuel	0	0	0	0	0
444-003	Public Authority Standard Off	0	0	0	0	0
444-004	Public Auth. Transmission Chrg	0	0	0	0	0
<i>Total Operating Revenue---Pass Through</i>		2,234,659	2,342,281	2,312,810	2,270,478	2,551,424
<i>Other Revenue</i>						
419-000	Interest Income	920	44	920	20	920
421-002	Miscellaneous Income	1,418	102,499	1,418	35,948	25,000
421-004	Pole Accidents	564	0	564	0	0
421-007	Biller Penalty	21,378	0	21,378	17,472	21,378
421-012	Forgiveness on PPP Loan	(0)	149,837	(0)	0	(0)
421-013	(Gain) on Sale of Asset	(0)	0	(0)	0	(0)
421-014	Gain on Insurance Proceeds	0	0	0	0	0
451-002	Connection Charge	925	240	925	355	925
Grant Revenue-Solar Project			0		0	
	Efficiency grant	60,000	0	60,000	30,876	31,000
456-006	RENT - TOWER ATTN LEASE	239,600	226,700	239,600	257,419	236,126
456-007	RENT - POLE ATTN LEASE	9,600	21,292	9,600	8,400	8,400
456-008	RENTAL INCOME-PROPERTY	28,800	28,800	28,800	46,492	63,600
<i>Total Other Revenue</i>		363,204	529,412	363,204	396,982	387,348
TOTAL REVENUE						
		\$ 5,525,999	\$ 5,811,661	\$ 5,687,210	\$ 5,654,942	\$ 5,987,479

BUDGET EXPENDITURES
2023 BUDGET
BLOCK ISLAND UTILITY DISTRICT

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2021 BUDGET	2021 Actual	2022 BUDGET	2022 Projected	2023 BUDGET
EXPENSES						
<i>Power Production/Purchase-Pass thru Expenses</i>						
408-062	Gross Receipts Tax-Fuel Portion	\$ -	\$ -	\$ -	\$ -	\$ -
	Mics Purchase Power		4,237	4,018	50,443	5,000
	Solar Purchases	15,132	18,845	19,543	12,930	15,797
547-102	Purch.Power-SO-Energy	476,030	510,555	549,134	749,240	998,680
547-103	Purch.Power-SO-ISO	548,456	479,874	546,877	448,859	360,163
547-104	Purch.Power-SO-ENE	76,528	146,667	112,761	125,967	101,013
547-105	Purch.Power-SO-BIPCo Other	45,542	8,868	46,909	0	0
547-106	Purch.Power-TC-ISO	315,604	339,993	364,603	412,693	463,317
547-107	Purch.Power-TC-NGrid	661,870	611,967	675,023	591,427	677,542
	Deferred Revenue	37,497	221,117	(6,057)	(121,080)	(70,088)
553-225	DSI Surcharge funding	58,000	0	0	0	0
<i>Total Power Production/Purchase-Pass thru Expenses</i>		2,234,659	2,342,124	2,312,810	2,270,478	2,551,424
				(1)		
<i>Operating Expense---Power Production</i>						
549-103	Inside Maint. P/R Only	110,333	0	0	0	0
549-108	Maint Station Equip. P/R Only	99,271	91,353	102,996	68,590	70,647
549-102	Freight	3,190	10,293	5,000	8,833	5,000
548-103	Lubrication	10,000	0	2,000	0	2,000
549-109	Miscellaneous	406	982	1,000	0	1,000
549-111	Uniforms	6,074	4,040	6,074	9,609	8,000
555-100	Purchased Power	0	0	0	0	0
<i>Total Operating Expense---Power Production</i>		229,275	106,669	117,071	87,031	86,647
<i>Operating Expense---Distribution</i>						
580-100	Supervision - P/R Only	0	0	0	0	0
583-101	Overhead Lines - P/R Only	213,190	78,038	61,808	100,872	103,898
583-102	Overhead Lines	11,415	62,528	65,000	60,221	60,000
584-102	Underground Lines	0	6,690	0	5,066	5,000
586-101	Meters - P/R Only	6,718	0	0	0	0
586-102	Meters-Maintenance	8,210	3,641	4,000	2,940	4,000
586-103	Meters-Data Services	24,658	37,070	35,000	36,000	36,000
588-103	Misc Distrib. Expense	43,060	4,252	5,000	2,862	5,000
589-100	Lease - Motor Vehicle	41,426	55,839	55,000	53,665	42,144
<i>Total Operating Expense---Distribution</i>		348,676	248,058	225,808	261,625	256,042
<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	56,293	66,504	69,178	75,833	78,108
916-001	Education and Training	12,101	7,964	10,000	7,892	30,000
<i>Total Operating Expense---Customer Service</i>		68,394	74,468	79,178	83,725	108,108
<i>Operating Expense---Administrative</i>						
920-001	Office Salaries - P/R Only	15,118	0	18	0	0
920-003	Accrued Vacation	5,610	(2,825)	5,610	10,069	5,610
920-004	Vacation Pay - P/R Only	0	50,557	49,991	45,728	47,100
920-005	Holiday Pay - P/R only	0	29,248	27,174	27,588	28,415
920-006	Holiday Not Worked - P/R Only	0	0	0	0	0
920-007	Sick Leave Pay - P/R Only	0	12,361	10,739	15,266	15,724
920-008	Personal Pay - P/R Only	0	4,428	4,218	4,494	4,629
920-012	Admin & Management - PR Only	162,325	176,700	208,795	192,017	197,777
926-004	Bonus - P/R Only	0	14,958	13,926	16,462	13,926
921-001	Office supplies and Expense	36,449	64,982	32,000	25,423	30,000
921-002	Directors Meetings/Travel	0	0	0	6,392	20,000

BUDGET EXPENDITURES
2023 BUDGET
BLOCK ISLAND UTILITY DISTRICT

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2021 BUDGET	2021 Actual	2022 BUDGET	2022 Projected	2023 BUDGET
	<i>(Operating Expense---Administrative Continued)</i>					
921-004	Trash Removal	5,785	18,539	20,000	19,897	20,000
921-005	Plant Expense	12,771	6,917	5,000	0	5,000
921-006	Utilities Expense	13,008	8,696	10,000	11,645	10,000
921-007	Telephone Expense	30,240	21,552	20,000	24,289	20,000
923-000	O/S-Outside Services	7,239	26,979	30,000	30,773	30,000
923-005	O/S-Payroll Processing	4,583	3,092	4,000	10,217	10,400
923-006	O/S-General Regulatory Accounting	26,430	39,638	30,000	45,165	45,000
923-013	O/S-General Regulatory Legal	33,986	11,156	15,000	7,569	15,000
923-012	O/S-Legal-General	35,500	163,024	45,000	128,821	85,000
923-019	Accounting	37,027	16,749	25,000	44,543	40,000
923-020	Accounting-Audit	30,580	60,025	60,000	56,525	60,000
923-022	Accounting-Bookkeeping	30,281	32,841	33,000	31,047	33,000
923-025	Board Clerk	7,200	0	7,200	0	0
924-000	General Liability Ins	185,000	242,726	200,000	236,085	260,000
926-001	Employee Pension	91,500	83,375	91,500	81,000	84,000
926-002	Travel And Misc. Expense	5,345	4,476	3,600	29,224	30,000
926-003	Employee Benefits	94,971	130,257	120,000	145,642	150,000
926-005	Wellness Program	0	0	0	0	0
926-006	Benefits-coshare	(16,680)	(17,623)	(16,680)	(24,869)	(25,000)
926-007	Health Ins-Deductible Payable	3,913	0	0	2,100	0
928-001	Reg Comm Exp	29,954	27,556	40,000	30,086	40,000
928-002	Rate Case Expense	50,000	68,349	50,000	68,349	0
930-020	Employer 401k contribution	23,220	25,691	23,220	24,712	23,220
930-021	Bad Debt	(0)	(211)	(0)	0	(0)
930-025	Environmental	53,824	38,358	55,000	39,077	55,000
930-029	Web Design	0	2,863	0	0	0
931-000	Software, IT & Billing Service	57,820	104,658	105,000	92,661	105,000
<i>Total Operating Expense---Administrative</i>		1,072,998	1,470,091	1,328,311	1,477,995	1,458,802
	<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	9,543	10,000	3,236	5,000
553-201	Small Tools	6,383	16,874	15,000	27,894	20,000
553-202	Tank Testing & Fuel Maint	25,000	10,469	10,000	686	10,000
553-204	Maint. Of Structures	4,718	29	5,000	3,378	5,000
553-206	Maint General Plant	9,762	15,699	20,000	40,281	20,000
553-207	Tank Replacement	0	0	0	0	0
553-209	General Maintenance	6,464	1,947	2,000	6,120	2,000
549-113	SCR Maint	0	0	0	0	0
549-114	SCR & Engine Maint Res.Exp.	90,000	13,316	90,000	28,989	20,000
553-200	Major Engine Maintenance	2,405	0	0	0	0
553-213	General Engine Maintenance	5,856	0	0	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	(388)	1,000	0	1,000
553-222	Cellular Tower Maint & Expense	9,328	11,106	8,000	4,612	8,000
554-203	Misc.	864	1,795	2,000	627	2,000
<i>Power Expense---Power Production</i>		174,558	80,391	163,001	115,823	93,000
	<i>Maintenance Expense---Distribution System</i>					
590-200	Supervision - P/R Only	0	0	0	0	0
593-202	Overhead Lines - P/R Only	133,986	152,470	144,703	118,854	122,420
549-104	Truck Repair	26,546	23,466	20,000	37,961	32,000
549-105	Supplies	20,663	0	10,000	0	10,000

BUDGET EXPENDITURES
2023 BUDGET
BLOCK ISLAND UTILITY DISTRICT

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2021 BUDGET	2021 Actual	2022 BUDGET	2022 Projected	2023 BUDGET
	<i>Maint Expense---Distribution System Continued</i>					
593-203	Tree Trimming	120,000	85,863	120,000	107,555	120,000
593-204	Fire Damage Repairs	(0)	0	(0)	0	(0)
593-206	Storm Damage Repairs	55,978	73,510	45,000	13,917	40,000
595-201	Transformer Expense	0	295	0	0	0
596-202	Maint Of Street Lights	0	0	0	160	0
596-203	Misc	0	3,696	0	707	0
554-201	Gasoline	10,125	9,490	10,000	17,552	15,000
598-202	Backhoe/Tractor Repair	0	99	500	0	500
<i>Total Maintenance Expense---Distribution System</i>		367,298	348,888	350,203	296,706	339,920
<i>Taxes</i>						
408-010	Property Taxes	0	0	0	0	0
408-030	Payroll Taxes	61,329	62,809	63,169	67,586	70,000
408-050	Other Tax	(0)	146	(0)	0	(0)
408-061	RI Gross Earnings Tax	(0)	(0)	(0)	(0)	(0)
408-071	Registrations	841	1,035	841	694	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>		62,169	63,989	64,009	68,279	70,840
<i>Depreciation</i>						
	Depreciation	0	323,500	0	323,499	0
<i>Total Depreciation</i>						
<i>Other Deductions</i>						
426-052	Advertising	274	3,522	274	919	1,000
426-054	Misc other expenses	112	3,456	112	915	100
426-056	Bank Service Fees	2,142	5,549	2,142	7,150	7,000
426-057	Finance Charges	147	0	147	0	147
426-058	Efficiency Program	120,000	34,795	120,000	30,786	31,000
<i>Total Other Deductions</i>		122,676	47,323	122,676	39,770	39,247
<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	1,000	0	0
427-004	AIC Interest	0	0	0	0	0
	Interest on CFC Loan	184,455	184,430	201,961	283,524	316,940
<i>Total Debt Service and Capital Expenditures</i>		198,931	185,380	202,961	283,523	316,940
TOTAL GAAP EXPENSES		4,879,633	5,290,881	4,966,027	5,308,455	5,320,970

PAYROLL SUMMARY
2023 BUDGET
BLOCK ISLAND UTILITY DISTRICT

ACCT. #	BUDGET ACCOUNT DESCRIPTION	2021 BUDGET	2021 Actual	2022 BUDGET	2022 Projected	2023 BUDGET
						0.03
EXPENSES						
<i>Power Production/Purchase-Pass thru Expenses</i>						
<i>Operating Expense---Power Production</i>						
549-103	Inside Maint. P/R Only	\$ 110,333	\$ -	\$ -	\$ -	\$ -
549-108	Maint Station Equip. P/R Only	99,271	91,353	102,996	68,590	70,647
<i>Operating Expense---Distribution</i>						
583-101	Overhead Lines - P/R Only	61,808	78,038	61,808	100,872	103,898
586-101	Meters - P/R Only	-	-	-	-	-
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	56,293	66,484	69,178	75,833	78,108
<i>Operating Expense---Administrative</i>						
920-001	Office Salaries - P/R Only	15,118	-	18	-	-
920-004	Vacation Pay - P/R Only	-	50,557	49,991	45,728	47,100
920-005	Holiday Pay - P/R only	-	29,248	27,174	27,588	28,415
920-006	Holiday Not Worked - P/R Only	-	-	-	-	-
920-007	Sick Leave Pay - P/R Only	-	12,361	10,739	15,266	15,724
920-008	Personal Pay - P/R Only	-	4,428	4,218	4,494	4,629
920-012	Admin & Management - PR Only	162,325	176,701	208,795	192,017	197,777
<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	133,986	152,470	144,703	118,854	122,420
<i>Debt Service and Capital Expenditures</i>						
	Capitalized Labor	140,080	144,883	140,080	195,834	201,709
TOTAL EXPENSES		\$ 779,215	\$ 806,524	\$ 819,699	\$ 845,075	\$ 870,427

AGENDA ITEM 7
LITIGATION