

# BLOCK ISLAND UTILITY DISTRICT



*Utility District Board Chair Barbara MacMullan (center), Block Island Solar Initiative Chair Tony Pappas (right), and Martha McClusky (left) rode in the bucket of the new EV Bucket that led the EV float in the Block Island 4<sup>th</sup> of July Parade. Utility District Treasurer, Tom Risom, drove the EV bus and was followed by an EV lawnmower and several EV cars, all donated or subsidized by the Solar Initiative and the McCluskey family. All available utility district employees also participated.*

## BOARD OF COMMISSIONERS MEETING

**JULY 27, 2023**

**4:00 PM**

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

**Thursday, July 27, 2023 @ 4:00 PM**

**THE MEETING WILL BE HELD AT THE HARBOR CHURCH**

1. Public Input
2. Commissioner's Report (ETTIP Grant Update)
3. Strategic Plan Update
4. Approve Meeting Minutes from the June 22, 2023, Regular Meetings
5. Treasurer's Report
  - i. Report on Monthly Treasurer's Reports April/May/June
  - ii. Review of Q2 Financials
6. President's Report
  - i. 2023 Member Satisfaction Survey Update
  - ii. 2023 Sales/Operational Update
  - iii. DOE Grant (Resiliency/Pole Replacement) Update
  - iv. Level II Car Charger Program and BI Solar Initiative Grant
7. Review of the 2023 BIUD Election Schedule/Annual Meeting Planning
8. Review and Act upon Block Island Utility District "Round-Up" (looking for alternative names) Program
9. Review of BIUD Power Supply Strategy and BI Solar Initiative Grant
10. \*Review and Act Upon Hull Suburban Lease Renewal (1<sup>st</sup> Term Expires August 26, 2023)  
  
**\*This item may be discussed in closed session pursuant to R.I. Gen Laws 42-46-5(a)(5):** Any discussions or considerations related to the acquisition or lease of real property for public purposes, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

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

Posted: July 24, 2023 11:15 AM

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

**AGENDA ITEM 2**  
**COMMISSIONER'S REPORT**

(THIS PAGE INCLUDED FOR NOTES)

## DOE Partners With 9 Island and Remote Communities to Boost Resilience and Plan for Low-Cost Renewable Energy Systems

DOE Office of Energy Efficiency and Renewable Energy sent this bulletin at 07/25/2023 10:00 AM EDT



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July 25, 2023

### DOE Partners With 9 Island and Remote Communities to Boost Resilience and Plan for Low-Cost Renewable Energy Systems

Unreliable power, lack of robust connections to mainstream power grids, and threats from strengthening storms are among the energy challenges faced by remote and island communities. Today, the U.S. Department of Energy's (DOE) [Energy Transitions Initiative Partnership Project \(ETIPP\)](#) is [announcing](#) nine new projects with remote and island communities building local energy systems that are sustainable, resilient, and reliable year-round.

These nine projects have been identified to help remote communities tailor the clean energy transition that makes the most sense for them. The communities—stretching across the entire United States from Hawaii to Maine—will join 23 other projects that are already working toward clean energy solutions as part of the ETIPP network.

"Ownership and collaboration within communities is at the heart of the ETIPP," said Acting Assistant Secretary Alejandro Moreno. "For hard-to-reach communities that have historically felt out of sight and out of mind, the DOE hears and sees you, and is here to work with you on *your* vision of a clean energy future."

Through ETIPP, communities work with regional partner organizations and national laboratory experts to address local energy challenges. Driven by local energy priorities, ETIPP supports the Biden-Harris Administration's goal of decarbonizing energy and achieving a zero-emissions economy by 2050.

More information about the nine communities joining ETIPP this year and the projects they each plan to tackle through the program is below.

- **Block Island, Rhode Island.**

Block Island is looking to identify renewable energy sources that can be used to generate electricity on the island and reduce reliance on imported electricity and fuels. The community will engage in energy planning to shore up its resilience, particularly in the face of sea-level rise. Specifically, the community will work to lower energy costs for marginalized populations.

- **Deer Isle and Stonington, Maine.**

Stonington, a fishing town on the southern end of Deer Isle, Maine, frequently experiences power outages that last up to a week. The community will conduct an energy assessment to understand how renewable and resilient energy options like microgrids, energy storage systems, and other technologies can integrate with its current grid, especially as its population grows, energy demand increases, and weather increasingly affects energy delivery.

- **Molokai, Hawaii.**

The island of Molokai has developed a Community Energy Resilience Action Plan, which outlined 10 key energy projects. Building on the priorities laid out in the plan, the community will model and assess the feasibility of solar energy, identify renewable energy sources to support critical infrastructure, and explore pumped hydropower as an option for energy storage.

- **Nooksack Tribe, Washington.**

The Nooksack Tribe sits at the end of power distribution lines in Deming, Washington, where it experiences frequent winter power outages that require emergency shelters. The community will conduct strategic energy planning to explore renewable and resilient energy technologies, including battery storage, microgrids, electric vehicle charging stations, and wind generators. The tribe will use their plan to prioritize renewable energy projects and pursue grant funding, with an aim to combat prolonged power outages.

- **Oak Bluffs, Edgartown, and Tisbury, Massachusetts.**

Storms often threaten the electricity, water, and food supply across multiple townships on Martha's Vineyard. Members of the year-round island community want to better understand how to reduce their reliance on fossil fuels as a backup power source for water pumping and supply. They will also continue exploring opportunities for electric buses to provide mobile power sources for water pumps, a project already underway.

- **Port Gamble S'Klallam Tribe, Washington.**

In Northwest Washington, the S'Klallam Tribe is often isolated from other communities by storms that take out power lines and wash out their single road for utility repair crews' access. The tribe will conduct energy planning, assessing their local energy resources, setting energy goals, identifying energy projects, and increasing the capacity of their staff to address the community's energy needs.

- **Shelter Island, New York.**

Situated at the eastern end of Long Island, Shelter Island is considering a range of renewable technologies to bolster its resilience. The community will work with the ETIPP network to optimize solar arrays, understand whether a geothermal heating and cooling system would be appropriate for the town's government buildings, and explore options for generating energy from its tidal resource.

- **Sitka, Alaska.**

Sitka, an island community in southeast Alaska accessible only by boat or plane, projects that its load will exceed available capacity for electricity generation within the next decade. Sitka will analyze and compare future forecasted energy demand, accounting for increased loads from heating electrification, electric transportation, and other decarbonization technologies. The outcomes of the analysis will help Sitka match previously identified renewable energy opportunities to meet forecasted energy demand.

- **Vieques, Puerto Rico.**

The Puerto Rican islands of Vieques and Culebra will study the feasibility of achieving energy independence and resilience using rooftop and community solar power to provide the islands renewable energy. The islands will work with ETIPP partners to conduct modeling and analysis to understand the full potential of decentralized solar when combined with utility-scale solutions.

These tribes, islands, and remote towns mark the third cohort of communities joining ETIPP, which launched in 2021 with 11 communities. In 2022, 12 additional communities were selected for ETIPP. Existing ETIPP communities are working on projects ranging from electrifying diesel fishing vessels to planning microgrids that will provide communities with power during storm outages.

ETIPP communities work with five regional partner organizations—academic institutions and nonprofit groups that have deep knowledge of local energy ecosystems, needs, challenges, and priorities. ETIPP's regional partners include the Coastal Studies Institute, Island Institute, Hawaii Natural Energy Institute, Renewable Energy Alaska Project, and Spark Northwest.

The communities also partner with researchers at four national laboratories—including Lawrence Berkeley National Laboratory, the National Renewable Energy Laboratory, Pacific Northwest National Laboratory, and Sandia National Laboratories—to [find solutions](#) tailored to local energy challenges.

"Rural communities like Stonington and Deer Isle face enough challenges day-to-day, and keeping the lights on shouldn't be one of them," said **Rep. Jared Golden (ME-02)**. These important grid investments will give families across the peninsula reliable energy, valuable peace of mind, and make these already strong communities just that much more resilient."

"I am thrilled to see this important project and new jobs coming to Shelter Island and the East End. As our country continues to find ways to become energy independent, we must take on an all-of-the-above energy plan," said **Rep. Nick LaLota (NY-01)**. "These projects will create hundreds of good-paying jobs and boost the local economy. I will continue to fight to bring federal dollars and jobs back home to Suffolk County."

"Transitioning to clean energy is key to lowering energy costs, creating good-paying jobs, and supporting remote communities like Block Island," said **Rep. Seth Magaziner (RI-02)**. "This federal funding will help ensure Block Island has access to affordable and reliable energy year-round and reduce reliance on imported electricity and fossil fuels."

"Vieques and Culebra have had to face greater challenges than the other municipalities in Puerto Rico. Even when the programmed improvements to our general energy grid are carried out, both island municipalities will remain especially susceptible to the impacts of hurricanes, and the auxiliary generation systems on the ground will be limited by the capacity of fuel storage facilities," said **Rep. Jenniffer González-Colón (PR-01)**. "On these islands we have the greatest need to evaluate how best to incorporate community-level renewable energy sources into the grid. I am counting on this project to be carried out diligently to produce results that will guide us to concrete actions."


These ETIPP projects are funded by the DOE Office of Energy Efficiency and Renewable Energy. [Visit the ETIPP website](#) to learn more about the program.

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**AGENDA ITEM 3**  
**STRATEGIC PLAN METRICS**

# 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 BIUD power supply to long-term goals.

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

### MEASURE

ON TRACK  
0

ON TRACK  
0

ON TRACK

4.45%

Q3 & Q4

ON TRACK

COMPLETE

Q4 AFTER  
ELECTION

NEEDS  
ATTENTION

NEEDS  
ATTENTION

ON TRACK Q3  
PRIOR TO  
BUDGET

ON TRACK Q3  
PRIOR TO  
BUDGET

COMPLETE

COMPLETE



**AGENDA ITEM 4**  
**APPROVAL OF MINUTES**

**June 22, 2023**

**Block Island Utility District**  
**Meeting of the Board of Commissioners**  
**Thursday, June 22, 2023 @4:00pm**

Commissioners in Attendance: Chair Barbara MacMullan, Secretary John Warfel, Treasurer Tom Risom, and Eliot Taubman

Others in Attendance: Jeffery Wright, Tracy Fredericks, Tom Durden, Tony Pappas, David Lewis

Board Chair Barbara MacMullan called the meeting to order at 4:10 PM.

1. Public Input - John Warfel asked that we investigate more EV charging. This may include adding Level 2 chargers somewhere around the island and/or offering them to private residences. Barbara suggested we encourage businesses to install them.
2. Commissioner's Report - Barbara MacMullan reported that she, John Warfel, Tom Durden and Jeffery Wright had made an enlightening trip to Fisher's Island. Jeff added that this was a continuation of BIUD's outreach efforts to other Island communities.
3. Strategic Plan Update – President Jeffery Wright Jeff reported an update on the plan metrics (on file).
4. Approval of Meeting Minutes from May 25, 2023 - Tom Risom made a motion to approve the meeting minutes from the May 25, 2023 meeting. The motion was seconded by John Warfel and the motion was approved. Eliot Taubman abstained due to his absence at that meeting.
5. Treasurer's Report – Treasurer Tom Risom reported that the Q1 financials were posted to the website. He noted that the second quarter accounts payable is higher than normal due to cash flow restraints.
6. President's Report – President Jeffery Wright reported that the electric bus has been scheduled to do a test discharge next week to be prepared for shaving our load when the ISO-NE peaks. Following the discharge of the bus, starting at 10 PM it will slowly be charged overnight. He reported that the potential savings if we successfully targeted each monthly and annual peak could be nearly \$10K. save between \$10-15k if we hit all the peaks.

He also solicited participation for the 4<sup>th</sup> of July Parade. He reported that BIUS will have a trailer with a tribute to Don McClusky. In addition, the school bus, the electric bucket truck, and several EV cars will participate.

He also reported that the power supply sub-committee consisting of Barbara MacMullan, John Warfel and himself, were meeting the following day at 3 PM. Craig Kinney and Patty Richards of Energy Initiatives will be participating via video conference. The purpose of the call is to analyze the cost of several renewable portfolio strategies.

Jeffery Wright also solicited interest in attending the NRECA Region 1 meeting in Richmond, VA in September. Tom Risom and Elliot Taubman volunteered (with Taubman's registration pending the outcome of the 2023 BIUD commissioners' election).

Lastly, he provided an update on the BIUD Annual meeting, which is being held Saturday, August 26<sup>th</sup> at 4 PM. The setup and format will be like last year. Former NRECA President Chris Christianson (Montana Director) will be our main speaker.

7. Review of the 2023 BIUD Election Schedule - A review of the 2023 Commissioner's Election was provided as documented on the 2023 Board Calendar.
8. Review and Act upon NRECA Member Satisfaction Survey – Jeffery Wright reported that NRECA was ready to conduct BIUD's first-ever member satisfaction survey, something they do for other NRECA members. A discussion was had regarding the format of several questions. Barbara MacMullan and John Warfel agreed to participate in a phone conference with the program administrator to agree on the questions re": power supply. The goal is to have the survey released in July.

Barbara MacMullan made a motion to adjourn the meeting. The motion was seconded by Tom Risom and the motion passed unanimously. The meeting adjourned at 5:22 pm.

**AGENDA ITEM 5**  
**TREASURER'S REPORT**

Treasurer's Report  
July 25, 2023

Treasurers Monthly Reviews

April, May and June credit card statements, payroll summary, check run reports, and townhouse utilities payments have been received and are all in accordance with BIUD's financial policy.

Balance Sheet - Comparing 2023 to 2022

Net Utility Plant has increased from \$9,311K to \$11,668K mostly due to the purchase of the Townhouse and receipt of the EV Bucket Truck.

Current Assets have increased from \$1,368K to \$1,565K.

Deferred Assets have increased from \$167K to \$897K due to the way we are required to book tower lease revenues now.

Accounts Payable is up roughly \$200K from the same period last year. In the past two weeks, we have made great progress on this as cash flow has dramatically improved.

Deferred Credits are up from \$220K to \$1,022 also due to the way we book tower lease revenues now.

Long Term Liabilities are up from \$8,046K to \$9,459K mostly due to the CFC long-term loans (townhouse debt). The LOC is drawn to \$820K but we will be paying that down slowly to \$0 before the end of the year.

Equity: Debt Ratio is currently 18%.

Income Statement Highlights

Total Revenues is up significantly but mostly due to receipt of the buck truck.

Total Expenses are roughly 7%.

Total Revenues from Electric Sales are down slightly (1.73%) due to commercial and demand sales.

Payroll Expenses are slightly less than budget.

**Block Island Utility District**  
**Balance Sheet**  
**2nd Quarter Ending FY 2023**  
**June 30, 2023**

**ASSETS**

	June 30, 2023	June 30, 2022
<b><u>Property and Equipment</u></b>		
Land	\$ 1,167,685.78	\$ 1,167,685.78
Buildings	2,401,094.09	663,038.24
Machinery & Equipment	1,923,142.83	1,923,142.83
Distribution System	6,018,923.19	3,841,172.84
Office System, Furniture & Fixture	290,214.68	290,214.68
Transportation Equipment	757,384.63	47,104.63
Construction Work in Progress-Distributic	543,361.00	2,361,200.76
Total Property and Equipment	13,101,806.20	10,293,559.76
Total Accumulated Depreciation	<1,432,972.01>	<982,515.06>
<i>Net Utilities Plant</i>	11,668,834.19	9,311,044.70
<b><u>Current Assets</u></b>		
Cash - Main Checking	179,819.92	123,988.06
Cash - Sweep Acct	0.00	7,913.52
Accounts Receivable Elect	38,077.14	63,319.98
Allowance For Bad Debt	(6,725.59)	(9,040.31)
Accounts Receivable-Other	47,689.83	3,000.00
AR-Cash due from BIPCo	0.00	0.00
AR-Blackrock Acct due from BIPCo	0.00	0.00
Unbilled Revenue	491,275.52	467,463.07
General Material Inventory	720,611.18	584,591.12
Fuel Inventory	41,063.70	45,466.66
Prepaid Expenses	53,998.95	82,247.05
Total Current Assets	1,565,810.65	1,368,949.15
<b><u>Deferred Assets</u></b>		
Def. Regulatory Asset-retiremt	111,392.55	133,214.28
Def. Regulatory Asset-Lease Recievable	897,758.00	0.00
Def. Regulatory Asset-RateCase	0.00	34,174.46
Def.Regulatory Asset-Interconnection	0.00	0.00
Total Deferred Assets	1,009,150.55	167,388.74
Total Assets	\$ 14,243,795.39	\$ 10,847,382.59

**Block Island Utility District**  
**Balance Sheet**  
**2nd Quarter Ending FY 2023**  
**June 30, 2023**

**LIABILITIES AND CAPITAL**

	June 30, 2023	June 30, 2022
<b><i>Current Liabilities</i></b>		
Accounts Payable Trade	\$ 952,698.19	\$ 759,164.40
RI Renewable Fund Payable	8,846.57	4,600.29
A/P - Customer Deposits	119,972.99	110,072.99
Accrued Purchase Power Expenses	174,947.95	150,412.50
Accrued Other Expenses	50,175.69	37,545.19
Capital Fund	0.00	0.00
Accrued Payroll and Withholdings	0.00	0.00
Total Current Liabilities	1,306,641.39	1,061,795.37
<b><i>Deferred Credits</i></b>		
Deferred Revenue	82,778.70	(12,239.69)
National Grid Fuel Deposit	0.00	50,000.00
SOLAR RESTRICTED ACCOUNT	29,753.13	27,901.71
VOLTAGE CONVERSION RESTRICTED	0.00	154,879.85
Deferred lease receivable	909,578.00	0.00
Total Deferred Credits	1,022,109.83	220,541.87
<b><i>Long-Term Liabilities</i></b>		
Line of Credit	820,000.00	620,000.00
Line of Credit-McGinnes Settlement	0.00	0.00
Retirement Obligations	111,392.55	133,214.28
CFC LOANS	8,527,627.34	7,293,500.15
Total Long-Term Liabilities	9,459,019.89	8,046,714.43
Total Liabilities	11,787,771.11	9,329,051.67
<b><i>Capital</i></b>		
Retained Earnings	2,290,007.32	1,991,076.01
Net Income	166,016.96	(472,745.09)
Total Capital	2,456,024.28	1,518,330.92
Total Liabilities & Capital	\$ 14,243,795.39	\$ 10,847,382.59

Block Island Utility District  
Income Statement  
For the Six Months Ending June 30, 2023

	2nd Quarter Current Year	2nd Quarter Prior Year	Year to Date Actual	Year to Date Budget
<b>Revenues</b>				
<u>Revenue from Rates</u>				
Residential Sales	\$ 192,771.83	\$ 183,026.89	\$ 319,378.53	\$ 249,981.00
Commercial Sales	18,914.36	26,275.55	33,614.76	87,289.00
Demand Electric	159,475.60	167,775.92	238,825.68	229,773.00
Public Authority	-	-	-	-
Street Lighting	1,752.09	1,752.09	3,504.18	3,504.18
Customer Charge	69,872.00	69,456.00	139,462.00	139,818.00
Demand - All Rates	82,596.23	86,126.75	163,229.65	168,942.00
Efficiency Charges	(5.27)	1,277.48	(5.27)	9,340.00
System Charge	14,100.00	13,800.00	14,100.00	17,150.00
RI Renewable Fund	924.33	1,231.57	1,687.39	709.38
<u>Other Revenue from Operations</u>				
Grant Revenue-Solar Project	-	-	-	-
Grant. Income (EV Bucket Truck)	573,546.00	-	573,546.00	-
Billor Penalty (Interest on Delinquent Accts)	2,630.97	-	8,492.16	10,689.00
Rent - Antennas	64,354.77	48,269.13	128,709.54	118,063.00
Rent - Tower	2,099.94	20,111.82	4,199.88	4,800.00
Rent - Property	11,622.99	9,000.00	23,245.98	31,800.00
Misc. Income (Misc., Interest & Connections)	275.00	73,803.15	355.00	131.00
<b>Total Revenues</b>	<b>1,194,930.84</b>	<b>701,906.35</b>	<b>1,652,345.48</b>	<b>1,071,989.56</b>
<b>Expenses</b>				
Total Generation-Operating Expense	23,437.50	38,476.81	59,466.51	43,323.50
Total Generation-Maintenance Expense	15,616.87	52,728.26	57,711.49	81,500.50
Total Distribution-Operating Expense	106,150.45	49,918.71	179,438.82	128,021.00
Total Distribution-Maintenance Expense	27,023.76	94,368.95	109,829.69	169,960.00
Total Customer Accounts/Customer Service	21,016.93	18,073.70	45,565.23	44,054.00
Total Administrative/General Expenses	206,094.78	435,345.53	591,373.96	702,401.00
Total Depreciation Expenses	106,527.48	80,874.74	213,054.96	-
Total Interest Exp on Line & Long- term debt	109,568.67	72,984.29	194,617.47	158,470.00
Total Miscellaneous Expense	-	43.75	-	19,623.50
Total Taxes	17,407.38	14,452.85	35,270.39	35,420.00
<b>Total Expenses</b>	<b>632,843.82</b>	<b>857,267.59</b>	<b>1,486,328.52</b>	<b>1,382,773.50</b>
<b>Net Profit Before Fuel Rev./Exp.</b>	<b>562,087.02</b>	<b>(155,361.24)</b>	<b>166,016.96</b>	<b>(310,783.94)</b>
<u>Fuel Expenses/(Revenue)</u>				
Fuel/Standard Offer/Transmission income	(558,175.87)	(492,345.22)	(1,021,611.25)	(1,423,737.00)
Purchase Power Expenses	504,435.19	393,357.99	1,004,421.25	1,350,255.00
Net SO/TC due to ratepayers	53,740.68	98,987.23	17,190.00	73,482.00
<b>Net Fuel Expense/(Revenue)</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income</b>	<b>\$ 562,087.02</b>	<b>\$ (155,361.24)</b>	<b>\$ 166,016.96</b>	<b>\$ (310,783.94)</b>
<u>Reserves Expenditures</u>				
Remove Depreciation Adj (A)	(80,875.00)	(80,874.74)	(80,875.00)	-
Debt Service Principal (includes CAT)	43,225.24	67,013.00	86,016.63	74,988.00
Inventory Purchased	-	241,031.00	0.00	45,000.00
Proceeds from loan	-	(1,800,000.00)	0.00	-
EV Bucket Truck	558,175.87	-	558,175.87	-
Capital Exp - Work In Progress	11,167.00	117,000.00	468,016.00	224,876.00
Capital Exp - Town Fiber	-	-	-	-
Proceeds from Town	-	-	-	-
Capital Exp -Voltage Conversion	-	1,751,410.00	-	-
<b>Total Reserve for Exp.</b>	<b>531,693.11</b>	<b>295,579.26</b>	<b>1,031,333.50</b>	<b>344,864.00</b>
<b>Net Income Cash Budgetary Basis</b>	<b>\$ 30,393.91</b>	<b>\$ (450,940.50)</b>	<b>\$ (865,316.54)</b>	<b>\$ (655,647.94)</b>



Block Island Utility District  
Supplemental Information Statement  
For the Six Months Ending June 30, 2023

	2nd Qtr 2023	2nd Qtr 2022	YTD June 2023	YTD June 2022
<b>Rate Revenues</b>				
Residential Sales	\$ 192,771.83	\$ 183,026.89	\$ 319,378.53	\$ 304,164.07
Commercial Sales	18,914.36	26,275.55	33,614.76	47,983.17
Demand Electric	159,475.60	167,775.92	238,825.68	248,388.80
Public Authority	-	-	-	-
Street Lighting	1,752.09	1,752.09	3,504.18	3,504.18
Customer Charge	69,872.00	69,456.00	139,462.00	138,774.00
Demand - All Rates	82,596.23	86,126.75	163,229.65	171,513.50
System Charge	14,100.00	13,800.00	14,100.00	13,800.00
<b>Total Revenues</b>	<b>539,482.11</b>	<b>548,213.20</b>	<b>912,114.80</b>	<b>928,127.72</b>
	-1.59%		-1.73%	
<b>Rate Revenues -KWH Usage</b>				
Residential Sales	1,502,719	1,457,705	2,917,009	2,779,453
Commercial Sales	122,749	157,035	260,136	240,517
Demand Electric	1,438,066	1,418,582	2,429,942	2,509,426
Public Authority	-	-	-	-
<b>Total Revenues</b>	<b>3,063,534</b>	<b>3,033,322</b>	<b>5,607,087</b>	<b>5,529,396</b>
	1.00%		1.41%	
<b>Rate Revenues -Customer Counts</b>				
Residential Sales	4,935	4,960	9,860	9,804
Commercial Sales	570	563	1,125	1,139
Demand Electric	468	470	936	917
Public Authority	-	-	-	-
<b>Total Revenues</b>	<b>5,973</b>	<b>5,993</b>	<b>11,921</b>	<b>11,860</b>

	2nd Qtr 2023	2nd Qtr 2022	YTD June 2023	YTD June 2022
<b>Payroll</b>				
<b>Capital Exp - Work In Progress</b>				
Capitalized Labor	\$ 47,879.33	\$ 68,575.09	\$ 92,208.92	\$ 102,320.00
<b>Generation-Maintenance Expense</b>				
Inside Maintenance	19,212.53	-	-	-
Maint of Station Equipment	206.36	9,775.80	3,148.99	24,305.73
<b>Distribution-Operating Expense</b>				
Overhead lines	59,046.55	20,886.99	88,390.72	36,269.10
<b>Distribution-Maintenance Expense</b>				
Overhead Lines	15,867.83	31,763.16	27,883.70	60,412.41
tree trimming	-	-	2,427.16	-
<b>Customer Accounts/Customer Service</b>				
Records & Collections	21,016.93	18,073.70	40,478.93	34,090.10
<b>Administrative/General Expenses</b>				
Vacation Pay	4,145.69	8,680.29	12,672.21	27,930.01
Holidays worked	2,321.04	(2,020.13)	8,168.64	7,137.92
Holidays not worked	-	-	-	-
Sick Leave	3,242.49	(442.64)	4,798.73	3,472.46
Personal time	334.36	1,237.92	2,199.88	3,305.36
CEO Salary	48,477.91	46,352.82	96,955.82	89,140.02
<b>Total</b>	<b>\$ 221,751.02</b>	<b>\$ 202,883.00</b>	<b>\$ 379,333.70</b>	<b>\$ 388,383.11</b>

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

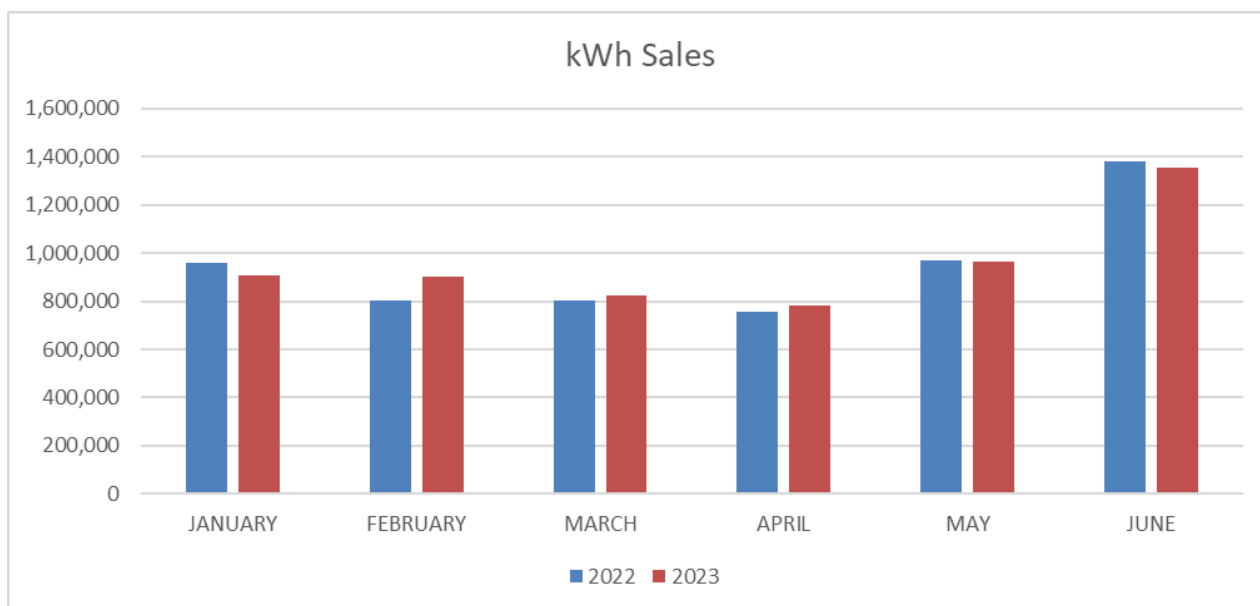
PRESIDENT'S UPDATE  
MAY 25, 2023

Member Satisfaction Survey

The member satisfaction survey was released for participation on July 18<sup>th</sup> at 2:00 PM. Each member is entitled to submit one survey response. As of Monday, July 24, we had received 95 submittals electronically. We have emailed the survey to those members with email addresses on file. We have posted a link to the BI Bulletin Board and sent a mailing to alert everyone. The survey closes on August 16<sup>th</sup>, and we will have some preliminary results to share at our annual meeting. NRECA will do a full board presentation at our September meeting.

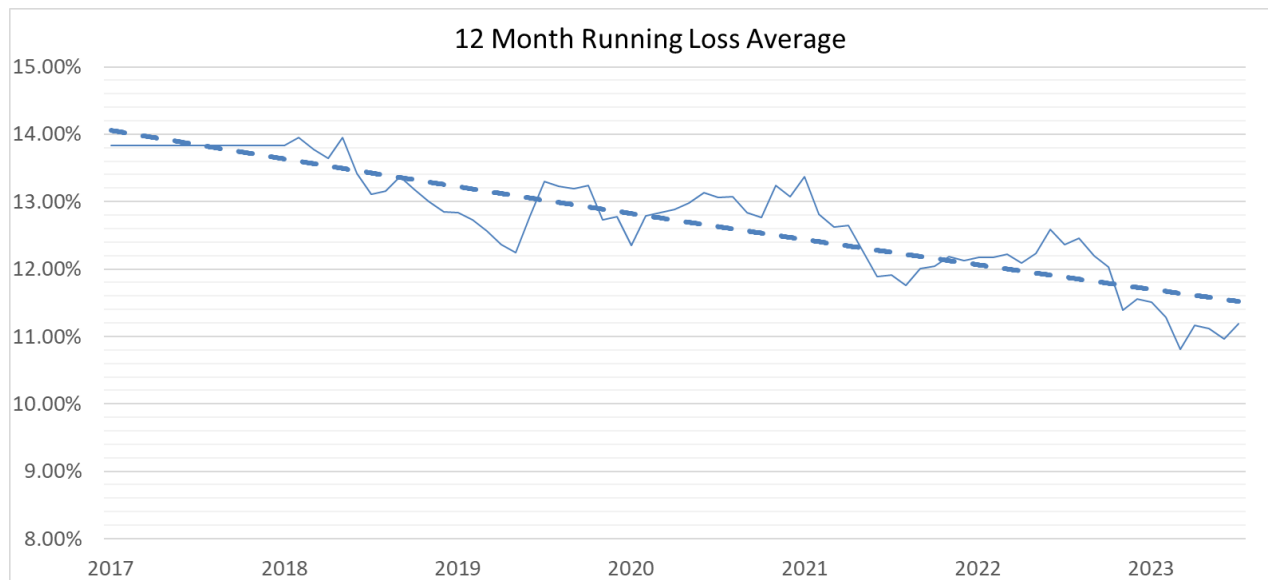
2023 Sales and Operational Update

Recent news from the BI Sewer and Water Departments indicates a 20% reduction in summer volume. Through June 30<sup>th</sup>, our total kWh sales YTD are 1.1% greater than last year.



Our twelve-month running system losses are currently 11.2 %. Before the voltage conversion was started in 2021, this measure was as high as 14%. This 2.8% improvement represents an approximate savings of \$64,400 annually. The debt service for the \$1.5M loan used to fund the voltage conversion is \$93,448.88 per year at an interest rate of 4.66%. Although the loss savings do not fully pay for the project, they significantly help offset the costs to deliver superior power quality and nearly double the capacity of the distribution system.

The trend can be seen on the chart on the following page.



### Grant Updates

Secretary John Warfel will report on the Energy Transitions Initiative Partnership Project (ETIPP) grant in the meeting.

There is nothing to report on regarding the DOE Grid Resilience and Innovation Partnerships (GRIP) grant. NRECA is still very positive about a potentially successful outcome, but the successful recipients have not been announced yet by DOE.

I am currently preparing our application for the RI-Office of Energy Non-Wires Alternative Grant which will provide \$250,000 in funding to continue our work on the Voltage Conversion Project. I am going to recommend that we borrow the necessary \$250K match money from CFC. If the timing works with the GRIP grant (if successful) I will recommend adding this amount to the borrowing necessary for the GRIP matching funds (\$2.3M).

### Level II Chargers Pilot Program

In our last meeting, John Warfel recommended that we do more to support EV charging. In a recent meeting with the BI Solar Initiative donor's representative, Martha McCluskey, we recommended a 30-charger pilot program which was received favorably. The pilot would include giving free chargers to members in exchange for BIUD's ability to control the charger, which would allow us to shut them off during peak times up to 8-10 times per year. I recently met with the Solar Initiative Board, which approved the concept. We will develop the program, ask for BIUD board approval and then return to the Solar Initiative Board for final approval.

Some advantages of this program follow:

1. BIUD will know where the Level II chargers will be installed and can adequately plan for any necessary distribution upgrades before installation.

2. BIUD will communicate with the Level II chargers, allowing us to shut them off during critical peak times: targeting monthly and annual peaks.
3. The chargers we wish to control will be from consistent manufacturers, making communications more reliable and predictable. (We are leaning towards ChargePoint)
4. The increased electric demand (12 kW each) will be more evenly distributed around the island – instead of a single Level III charger which draws 75 kW.

In our September board meeting, I will have a fully developed program ready for board approval.

**AGENDA ITEM 7**  
**REVIEW OF THE 2023 BIUD ELECTION SCHEDULE/ANNUAL**  
**MEETING PLANNING**

# BLOCK ISLAND UTILITY DISTRICT BOARD OF UTILITY COMMISSIONERS 2023 CALENDAR

JANUARY							FEBRUARY							MARCH							APRIL						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7	29	30	31	1	2	3	4	26	27	28	1	2	3	4	26	27	28	29	30	31	1
8	9	10	11	12	13	14	5	6	7	8	9	10	11	5	6	7	8	9	10	11	2	3	4	5	6	7	8
15	16	17	18	19	20	21	12	13	14	15	16	17	18	12	13	14	15	16	17	18	9	10	11	12	13	14	15
22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22	23	24	25	16	17	18	19	20	21	22
29	30	31	1	2	3	4	26	27	28	1	2	3	4	26	27	28	29	30	31	1	23	24	25	26	27	28	29
5	6	7	8	9	10	11	5	6	7	8	9	10	11	2	3	4	5	6	7	8	30	1	2	3	4	5	6

MAY							JUNE							JULY							AUGUST						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
30	1	2	3	4	5	6	28	29	30	31	1	2	3	25	26	27	28	29	30	1	30	31	1	2	3	4	5
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31	1	2	3	25	26	27	28	29	30	1	23	24	25	26	27	28	29	27	28	29	30	31	1	2
4	5	6	7	8	9	10	2	3	4	5	6	7	8	30	31	1	2	3	4	5	3	4	5	6	7	8	9

SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
27	28	29	30	31	1	2	1	2	3	4	5	6	7	29	30	31	1	2	3	4	26	27	28	29	30	1	2
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
24	25	26	27	28	29	30	29	30	31	1	2	3	4	26	27	28	29	30	1	2	24	25	26	27	28	29	30
1	2	3	4	5	6	7	5	6	7	8	9	10	11	3	4	5	6	7	8	9	31	1	2	3	4	5	6

- REGULAR BOARD MEETINGS
- ANNUAL MEETING - AUGUST 26 @ 4:00 PM
- BLACK OUT HOLIDAYS
- NRECA MEETINGS/EVENTS

- FEBRUARY 4-7 NRECA DIRECTORS CONFERENCE
- MARCH 5-8 - NRECA ANNUAL MEETING/NASHVILLE
- SEPTEMBER 6-8 NRECA REGION 1 MEETING
- OCTOBER 10-13 NORTHEAST COOP ASSOCIATION (NEWPORT)

- ELECTION MILESTONES (2 SEATS)**
- JUNE 1** - MAIL FORMS TO DESIGNATE QUALIFIED ELECTORS TO ALL ACCOUNT HOLDERS
  - JULY 3** - QUALIFIED ELECTOR FORMS DUE BACK TO BIUD
  - JULY 26** - CANDIDATES MUST DECLARE INTENT TO RUN BY THIS DATE
  - AUGUST 26** - CANDIDATE INTRODUCTION AT ANNUAL MEETING
  - AUGUST 30** - MAIL BALLOTS
  - OCTOBER 2** - BALLOTS DUE BACK TO BIUD
  - OCTOBER 4** - ELECTION RESULTS ANNOUNCED
  - OCTOBER 26** - TRANSITION OF BOARD SEATS (LAST/FIRST MEETINGS)

**AGENDA ITEM 8**  
**BLOCK ISLAND UTILITY DISTRICT “ROUND-UP” PROGRAM**





## BLOCK ISLAND UTILITY DISTRICT ROUND-UP FUND

ANY IDEAS FOR A  
DIFFERENT NAME?

### Mission Statement

The mission of the Block Island Utility District **Round-Up Fund** is the accumulation and disbursement of funds for charitable purposes on Block Island. This shall be accomplished by disbursing funds to individuals and organizations for food, shelter, clothing, health needs, education, and community-oriented projects.

### How it Works

Through this program, you can volunteer to have your electric bill “rounded up” to the nearest dollar and donate that change to the Operation Round Up Fund. For example, if an electric bill was \$90.51, we would round it up to \$91.00 and put \$0.49 in the Operation Round Up Fund. On average, one would donate about \$6.00 annually if they participated. The Block Island Utility District serves approximately about 2,000 accounts. By doing the math, you can see that if everyone participated, we could do tremendous things and make this an even better place to live than it already is.

### Round-Up Fund Committee

A six-member volunteer committee representing the Block Island Utility District and the community will administer the Round-Up Fund. The committee is called the Block Island Utility District Round-Up Fund Committee. The Committee will consist of two utility district commissioners, one utility district employee, and three volunteer utility district members representing the Block Island community.

The Utility District Commissioners serving on the Round-Up Committee (one of which will chair the Committee) and the other Committee members will be nominated and approved by a majority vote of the entire Board of Utility Commissioners. The term for all Round-Up Committee members will be two years. At any time, the Block Island Utility District Board of Commissioners can appoint replacements.

A Committee Secretary will be appointed by the Round-Up Committee, who will record minutes of each meeting.

### **Disbursements**

The Board meets bi-annually in February and November to review applications and to decide how to disburse the available funds. The Board's decisions will be based on the quality of the application, the applicant's need, and how much money is in the fund. Payments will be made by the Block Island Utility District as requested by the Committee.

Money from the Operation Round-Up Fund can be used to help pay medical expenses to needy families but also to help buy equipment for volunteer fire departments, playground equipment, construction or repair costs for buildings and homes, youth programs, and much more.

This is an OPT-IN program. To participate in the program, check off the Operation Round Up box on your electric bill or e-mail [tfredericks@blockislandutilitydistrict.com](mailto:tfredericks@blockislandutilitydistrict.com) indicating your wish to join the program (be sure to include your account number).

Once you've signed up, you may opt out of the program anytime by contacting the power company.

The Block Island Utility District will pay all costs associated with administering the program to maximize the use of members' contributions. A restricted account will be created, and all Round-Up Fund donations will be accounted for and held by the utility district. Contribution sources will remain confidential but will be tracked and made available to the utility district auditors annually.

Disbursements annually to individuals are limited to \$500 and \$1,000 to organizations. These limits, or other changes to the program, may be increased by a majority vote of the entire Block Island Utility District Board of Utility Commissioners.

### **Disbursement Guidelines**

Funds may not be used for:

- political activities
- fundraising activities
- church functions
- school field trips
- capital funds (i.e. maintenance building, shed, etc.)
- athletic teams
- advertising
- national fund drives
- feasibility studies

- electric bills

APPROVED BY THE BLOCK ISLAND BOARD OF UTILITY COMMISSIONERS ON: \_\_\_\_\_

**AGENDA ITEM 8**

**REVIEW OF BLOCK ISLAND UTILITY DISTRICT POWER SUPPLY  
STRATEGY AND BI SOLAR INITIATIVE GRANT**

POWER SUPPLY SUB-COMMITTEE REPORT  
RENEWABLE STRATEGY

The power supply sub-committee met with Craig Kinney and Patty Richards of Energy Initiatives on July 9th. Our most recent work focused on renewable strategies and the costs associated with each option. BIUD and Pascoag are exempt from the **RI Renewable Energy Standard (“RES”)** by statute, but the sub-committee members and I feel this exemption may be short-lived. We also believe that there are real benefits of BIUD helping the state meet its goal of 100% renewable by 2032.

For background, the RES requirements are shown below:

Compliance Year	Total Target Percentage	Minimum percentage from New Renewable Energy Resources	Percentage from either Existing or New Renewable Energy Resources
2023	23.00%	21.00%	2.00%
2024	28.00%	26.00%	2.00%
2025	34.00%	32.00%	2.00%
2026	41.00%	39.00%	2.00%
2027	48.00%	46.00%	2.00%
2028	55.50%	53.50%	2.00%
2029	63.50%	61.50%	2.00%
2030	72.00%	70.00%	2.00%
2031	81.00%	79.00%	2.00%
2032	90.50%	88.50%	2.00%
2033 & Future Years	100.00%	98.00%	2.00%

The cost to BIUD members to meet the RES would be \$166,329 starting in 2024 – or roughly 1 cent/kWh starting on January 1, 2024.

The incremental cost to BIUD members yearly would be less than ½ cent/ kWh from 2025 until 2033.

BIUD could eventually voluntarily meet the RES using its existing and new power supply contracts. Our long-term contracts, to date, have been renewable projects that include RECs. BIUD also retires its RECs from the rooftop solar. In 2025, BIUD will have approximately 5% of its need from existing contracts.

The Block Island Solar Initiative has made BIUD a very generous offer. They are proposing that if BIUD were willing to meet the RES voluntarily, they would bridge the gap between the RES percentage and

100%. For example, if BIUD met the 2024 standard at 28%, the BI Solar Initiative would donate funds to BIUD to make up the remaining 72% to allow BIUD to advertise that the island is 100% renewable publicly. The annual donation would fund RECs necessary to bridge the gap between the RI-RES and 100%.

To accomplish this goal, the Solar Initiative's offer amounts to nearly \$800K over the next ten years. Why? To be a catalyst for change and to set an example for the rest of the country to follow suit.

The power supply sub-committee IS NOT seeking approval for this in the July 27<sup>th</sup> meeting. We simply want to start the conversation.

Our next step is to gather data from our member satisfaction survey to gauge our members' support for this goal.

We will discuss this more at our September meeting after we gather more information and perform more analysis.

If the BIUD Board of Utility Commissioners eventually supports this goal and approves a power supply plan that includes RES compliance, we will include the resources in our next power supply filing. New rates would go into effect on January 1, 2024.

In the meantime, I will meet informally with the RI PUC and Division staff to discuss this further.

What are the benefits for Block Island and/or Utility District?

#1 Sustainability: Renewable generation projects are the most common build-out of new generation projects. They are not reliant on fuel sources and therefore do not build in fuel price risk, which helps isolate Block Island from fossil fuel price volatility.

#2 Price: Renewable contracts tend to be at least priced evenly with fossil fuel contracts. For example, our current load following contract (mostly fueled by natural gas) is priced at \$76.50/MHW, whereas our solar contracts are priced at \$57-\$59 MWH. The purchased energy comes with RECs for these new projects.

#3 Public Perception/Image: Block Island could lead the race to all renewables globally. Only forty power companies globally can claim a 100% renewable portfolio. The one closest to home is Burlington Electric in Vermont, which obtains nearly all of its power from locally produced hydro. If Block Island were to boast a 100% renewable portfolio (with the BI Solar Initiative's help), we would make national news and become a real catalyst for change.

Why not just sell our RECs?

Although selling our RECs does generate revenue to offset power supply expenses, it allows others to purchase them and avoid doing their part in advancing renewable goals. If Block Island Utility District purchased energy that included RECs from renewable resources, then we could clearly demonstrate that we are doing our part to advance renewable energy.

**AGENDA ITEM 9**  
**REVIEW AND ACT UPON HULL SUBURBAN LEASE RENEWAL**