

**Block Island Utility District
Annual Meeting
August 26, 2023 at 4pm
At the Block Island Utility District**

Meeting Minutes

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

1. Public input – Member Cliff McGinnis- said, “Thank you! You people are doing a great job.”

2. Commissioner’s report – Board Chair, Barbara MacMullan welcomed everyone to the meeting and thanked the employees of the Block Island Utility District, and the Board of Commissioners.

Barabara noted some of the many accomplishments of the BIUD over the past year, including increasing employee housing with a new apartment and the Town House on High St. She noted the generous gift of the Electric Bucket Truck from the Solar Initiative, and the award of a Department of Energy technical assistance grant. She noted we had legislation passed that exempts BIUD from retail choice, which now allows us to enter long term contracts and will help us keep our prices down. Barbara noted that we have made great strides in pole replacement, with the voltage conversion, and much needed improvements to the grounds. Going forward, BIUD will continue to work with the Solar Initiative, continue with pole replacements and other infrastructure improvements, and begin discussion with the Town Council regarding taking over the broadband.

Barabara also noted that this year is an election year for us, two seats available, Mary Jane Balsler and Eliot Taubman, who are both running for reelection.

3. Treasure’s report – Treasurer, Tom Risom reported that BIUD is financially sound. Sales are on par with previous years, we have the same inclines and declines as any other business on Block Island. All the financial reports are on the website.

Tom added that we have a flat revenue, but the cost of doing business is going up, and we have managed to maintain a stable rate, but we will need to address our rates next year.

Tom noted that BIUD has maintained stable power supply rates. Our debt-to-equity ratio is improving now at 24% looking to be at 28% (debit to equity ratio). Tom also noted that we have posted our 4th clean audit to the website for everyone to view.

4. President's Report – President, Jeffery Wright reported that in four short years, we have made a positive impact on the lives of the people of Block Island in the past 5 years. This past October BIUD went through a strategic planning session last winter, in order to take the BIUD to the next level.

Jeff thanked the employees and our contract partners; H Brothers tree service, Three Phase Line Construction and local contractor Chris Reeves.

Jeff thanked the Board of Utility Commissioners for their support and guidance.

Jeff thanked the Solar Initiative, noting that Don McClusky has been extremely generous by donating the new EV school bus, rooftop solar, and the new bucket truck. Jeff thanked Don McClusky for his generosity.

Jeff thanked Will Young for his donation of the EV car charger.

Jeff reported on safety, noting we have not had any lost time injuries in the past six years.

Jeff talked about future rate impacts due to inflation. The distribution rate has not changed, but the cost of doing business has increased, inflation has caused the cost of poles, transformers and equipment to drastically increase. The Board of Utility Commissioners will be presented with a small rate increase during the budget process.

Jeff reported on BIUD's first membership satisfaction survey. Overall, the rate is equal with other utility companies around the country. BIUD scored very high for reliability, and employee service. Rates were not viewed as favorably, understandably.

Jeff closed by saying we are lucky to have the support of our industry partners, our community support and look forward to continuing to serve our members.

5. Colleen Taylor, Regional Vice President of National Rural Utilities Cooperative Finance Corporation (CFC) - Colleen Taylor introduced herself and thanked BIUD and it's members for inviting her to the Island, and offered that she looks forward to working with us as our representative with CFC.

6. Introduction of Candidates for the 2023 Commissioner's Election - Each of the five candidates present introduced themselves: Craig Fontaine, Ken Lacoste, Elliot Taubman, William Penn, and Carlos Salinas. Mary Jane Balsler and William A. Wilson, were unable to attend the meeting.

7. Keynote Speaker: Chris Christensen, Montana Representative on NRECA Board of Directors and past NRECA President and NRUCFC Director

Chris introduced himself, noting that he was on the CFC Board of Directors when the Block Island Utility District was formed, and past NRECA President when BIUD joined NRECA. He went

on to speak about his experiences with the cooperative business model and applauded BIUD for taking such large steps towards improvements in its short existence.

8. Member Question and Answers:

1. Member, Rosemary Ives asked about how all the new air conditioning added on the island has affected our system. Jeff answered it has not really affected our system, noting that the new equipment is more efficient.

2. Member, David Kane asked about the wintertime peak changed with new people on the island and with the newly installed heat pumps. Jeff answered that there isn't any significant increase in load. Jeff encourages more installation of heat pumps.

3. Member, Patrick Tengwall asked what challenges the district is going to face with the burning of the Harborside. What can BIUD do to make us more resilient and less flammable. Jeff responded by saying the lost revenue is the biggest impact, overall impact is about \$50,000.

4. Member, Everett Shorey asked about the Maui fire and similarities with block Island as it appears that they were caused by down power lines. Jeff responded saying the best thing BIUD can do is to cut the trees and during dry periods, consider setting protocols to deenergize lines during certain situations (such as a fire).

The meeting concluded at 5:55 PM.

Minutes Approved: September 28, 2023