

**Minutes:**

Stowe Electric Commissioners' Meeting  
October 8, 2009 7:45 a.m.

**Present:**

Ted Teffner, Chairman; Art Lloyd, Vice Chairman; Denise Gutstein, Commissioner; Ellen Burt, General Manager; Pat Householder, Controller; Steve Lambert, Superintendent of Operations; Ed French, SED Attorney; Dawn Haslam, Clerk of the Board

Ted called the meeting to order at 7:45 a.m.

**Approval of August 28, 2009 and September 15, 2009 Minutes:**

Art made the motion to approve the August 28, 2009 minutes as amended; Denise seconded the motion and the motion carried.

Ted commented that a change be made from the Luce Hill Substation first paragraph, 3<sup>rd</sup> sentence from 2 new step-down transformers to 3 new step-down transformers. Denise made the motion to approve the minutes of September 15, 2009 with the above changes; Art second and the motion carried.

**Trapp's Update**

Ted stated he had no update as of now but would report back with the updated information at the next Commissioners' meeting.

**Review of 6 Month Financials**

Pat began by explaining that the 1<sup>st</sup> quarter power use was up and the 2<sup>nd</sup> quarter was down 7 percent. His thought was that the 3<sup>rd</sup> quarter would most likely be down as well.

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He pointed out in the Statement of Revenue Expenditures that in the 6 months ending in June we had a net income of \$212,000 whereas last year we had a loss of \$1.9 million, noting that the \$1.9 million included the \$1.5 million in legal write-offs. He said he felt we definitely made progress in the first 6 months of the year. Pat also stated that when looking at our total revenue we are flat and that there are not many New England utilities that have a flat revenue comparable to last year. Most utilities are reporting negative revenue.

Pat continued by explaining on the 2009 sheet at the bottom of the page in Other Incoming Expense you can see a large interest expense of \$448,000 and other income of \$424,000. He said that the other income is dividends on the \$18.7 million note that we get as income but that we, in return pay it to the project, therefore making it a wash.

#### **Other Business**

It was decided that Ellen would send a follow-up letter to the Mount Mansfield Company regarding a back-up transformer. Ellen stated she would follow up with such letter and report back with any further information at the next meeting.

Art asked if Pat and/or Ellen have quantified the savings since leaving VPPSA in our recent power purchases. Ellen stated that she had done a comparison on an AP standpoint and we had saved around 14%. As for doing a cost comparison for purchasing power it is a little more difficult because we also paid into VPPSA regulatory fees. She said that she has been in contact with Energy New England on the consulting fee costs to have a comparison there as well. Pat and Ellen agreed to put some numbers together as a comparison analysis and get back with the information.

All agreed that the next Commissioners' meeting would be Monday, November 30, 2009 at 7:45 am.

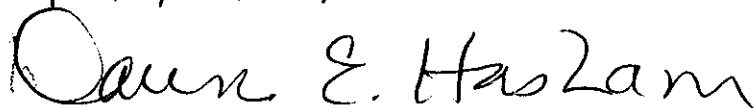
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**Executive Session**

Art made the motion to go into Executive Session at 8:26 am to discuss legal matters; Denise seconded the motion and the motion carried. Executive Session adjourned at 9:25 am. Action was directed to Ellen to provide an informational article for the Stowe Reporter on the Bond Vote. Ellen and Denise will attend the Selectboard meeting on October 13, 2009.

There being no further business the meeting was adjourned at 9:28 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Dawn E. Haslam". The signature is written in a cursive style with a large, prominent initial "D".

Dawn E. Haslam  
Clerk of the Board