

TRUSTEES

Carl Fortune, Chairman
Tom Snipp
Todd Deuso
Robert Heanue
Brad Limoge

Village of Morrisville

Water & Light Department

857 Elmore Street
Morrisville, Vermont 05661-8408
(802) 888-3348
Fax: (802) 888-5911
customersupport@MW&Lvt.com

MANAGER

Penny Jones

The Future of the Green River Reservoir

There is no disputing the fact that the Green River Reservoir and its State Park is a special place for Vermonters, anglers, paddlers and the wildlife that make it home.

Morrisville Water and Light (MW&L), the municipal, not-for-profit utility that operates the dam creating this reservoir, recognizes and greatly appreciates the value of this unique place. Unfortunately, due to new State conditions on our hydroelectric operation, the utility will no longer be able to economically operate the dam. Recognizing this impossible financial reality as well as the value of the reservoir and the State Park, MW&L is asking the State to purchase the Green River Reservoir dam and in doing so, preserve both the reservoir and its park.

This is a complex situation with a long history. We would like to take this opportunity to ensure people understand our position and clarify some inaccurate information that has recently been published.

MW&L is a small municipal utility providing reliable water and sewer services in Morrisville and electric service to over 4,000 customers in Morristown and to five of the surrounding communities. Our mission is to provide clean, reliable and affordable service to our customers.

As a municipal, not-for-profit utility we cannot ask our ratepayers to pay for a facility that is forecasted to run at a loss under the State's Water Quality Certificate conditions. MW&L contracted with HL Turner to provide an assessment on the 30-year operating, maintenance, and capital costs at the Green River Hydroelectric Facility. This analysis forecasts the total operating and capital costs of the facility over 30 years under the State's conditions to be \$6.7 million.

At the same time the Vermont Public Power Supply Authority (VPPSA), conducted an analysis on the reduced generation. This analysis projects the revenue from operating under the new conditions at \$1.9 million over 30 years. The resulting loss to MW&L ratepayers is \$4.8 million over a 30-year period. Both the HL Turner analysis on operating and capital costs and the VPPSA analysis on the reduced generation are available to the public.

Recognizing that the State's Water Quality Certificate conditions would make operating the dam economically unfeasible, MW&L litigated the conditions in court for years. We stand by the decision to fight to be able to continue to operate a renewable energy generating facility that creates a beautiful reservoir. However, we want to clarify that while the resources spent to litigate our case have been substantial, they are far below the \$1.2 million that was recently asserted in an opinion piece.

While all of us at the utility value the reservoir, MW&L will not raise electric rates on our customers by \$4.8 million only to preserve the reservoir and State Park. Preserving a reservoir and a State Park is not the role of a municipal, not-for-profit utility.

However, it is an appropriate role for the State, which is why we are asking the State to purchase the hydro facility. Indeed, there is precedent for State ownership of a dam. The State owns and maintains a dam that is operated by Washington Electric Coop. Federal funds are available to the State at a level not seen in decades and it is our hope that a portion of these funds be utilized to purchase the dam and preserve the Reservoir and the State Park.

We hope you will join us in asking the State to purchase the Green River Reservoir hydro facility. State ownership of the facility will ensure a protected future for the Reservoir and the State Park in perpetuity. To help preserve this special place, please e-mail the Secretary of ANR and the Governor as follows: Sec of ANR Julie.moore@Vermont.gov , the Governor <https://vermont.force.com/vermontce/s/governor-office-ce>. Or call the Governor at 1-802-828-3333.

Village of Morrisville Board of Trustees