

DEAR CUSTOMERS,

Welcome to the first edition of our quarterly newsletter. This newsletter is intended to provide you with important news about Morrisville Water and Light (MW&L) and keep you informed about updates that may impact you and your community. We hope you can take the time to enjoy this and future newsletters and find it a helpful resource.

Thank you.

Craig Myotte

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General Manager



GREEN RIVER RESERVOIR

MW&L owns and operates the Green River Reservoir Dam. This dam, and the reservoir created by it, are important resources to MW&L, the surrounding communities and the state of Vermont. The dam provides clean and reliable power to the community while the reservoir and State Park surrounding it provide visitors with an unparalleled outdoor experience.

Unfortunately, new Water Quality Certification conditions mandated by the Vermont Agency of Natural Resources (ANR) in the relicensing process for the dam are putting the facility's future at risk. These new requirements would limit the amount of water that MW&L is able to draw down at critical times throughout the year, resulting in water spilling over the dam. This is contrary to the purpose and design of the dam (store and release), would compromise the dam's ability to operate safely, and MW&L's ability to generate power and revenue from the facility. Additionally, the dam was constructed in the 1940s and hydro facilities were added in the 1980s. Significant upgrades are needed if it is to continue to operate as a functional hydroelectric facility.

The conditions imposed by ANR, and the required upgrades to the facility put MW&L in a very difficult predicament. If we comply with ANR's new requirements and invest in much-needed upgrades to the dam, MW&L will be operating at a significant loss. MW&L cannot, in the interest of our customers, operate the Green River Dam at a loss. We are funded by you - the people of Morrisville and the other six surrounding communities in our franchise area. Our revenues must cover our costs and ensure the viability of operating the facility.

We have been exploring all available opportunities to address this challenge. It is our hope that we can work collaboratively with the State of Vermont to come to a resolution that allows MW&L to operate in the black while also ensuring the preservation of the reservoir and the park. It is clear that a solution that meets these goals will benefit the residents of our communities and all those who enjoy the beauty of the park. Interested in learning more about how you can help us achieve this goal? Please reach out to Alex MacLean (alex@leoninepublicaffairs.com) or myself (customersupport@mwlvt.com) for more information.

SEWER SAMPLING AND TESTING PLAN

MW&L has been experiencing a challenge with our wastewater system. The wastewater treatment facility (WWTF) was upgraded in 2009 to meet the needs of our customers through 2029. The WWTF is designed to handle a certain amount of flow and a certain amount of Biochemical Oxygen Demand (BOD). The system is experiencing a mismatch between the flow and BOD levels (essentially the amount of waste in the water) recorded at its WWTF. Flow levels are in the 50 percent range of plant design capacity while the BOD levels are in the 80 percent range of plant design capacity. Put simply, the BOD levels are higher than we were expecting at this point in time. (continued on page 2)

Sewer sampling continued...

The higher BOD levels result in increased costs for processing the higher levels of BOD. Increased costs include electricity, wear/tear on equipment, chemicals and sludge disposal. In order to avoid increases in our customers' sewer rates we need to address the high BOD levels. To do this, we need to first determine the cause of the high levels. We are planning for continued facilities inspections/meetings with customers, testing of samples taken from various locations in the wastewater collection facilities, and detailed sampling at customer facilities.

We hope to have a clear understanding of the cause of the mismatch between the flow and BOD by the end of this summer and will then proceed with a mitigation plan to address this problem.

TREE TRIMMING

Keeping the lights on is our top priority at MW&L. Tree contact is the number one cause of outages on our system. Trimming and removing trees around power lines helps reduce outages. Although we operate a proactive tree trimming program, we need your help and cooperation to identify trees that are close to power lines.

Tree contact and the resulting outages in the winter pose a possible health risk to customers impacted, particularly our senior citizens. In addition, property damage can occur from pipes freezing and bursting. Summer outages can also pose a health risk from extended heat exposure. In addition, property damage can occur from loss of food in refrigerators or freezers.

It is important not to cut trees that are in close proximity to the power lines. Please call us. We will safely cut trees or branches for you.

If you are thinking of planting trees on your property this summer please make sure you are not planting trees in the power line corridor that will grow into the power line and create a problem in the future. Not sure where to plant? Call us and we can help advise.

TROMBLEY HILL SOLAR

Vermont Public Power Supply Authority and Encore Renewable Energy recently announced the completion of their 855 kilowatt (kW) Trombley Hill Solar project on property owned by Morrisville Water and Light.

Trombley Hill Solar is expected to produce approximately 1,500,000 kWh per year, enough to power approximately 208 homes. MWL is thrilled to welcome a solar project of this scale to Morrisville. Our community places high value on committing to renewable energy resources, and we're proud to be able to share the solar energy benefits of Trombley Hill Solar with the entirety of Vermont.



Trombley Hill Solar is the first utility project to come online under Vermont's Standard Offer program in 2019. The Standard Offer Program was established in 2009 to promote the rapid deployment of small renewable electricity generation through long-term, fixed-price contracts. The total program capacity of 127.5 MW is distributed annually by a least-cost auction. Costs are allocated among Vermont utilities based on their share of electric sales.