

MWL CUSTOMER NEWSLETTER

Dear Customers,

As another season changes outside, we are also in the midst of a larger transition in our energy system. We are moving from an energy system that provided very reliable and affordable, albeit dirty energy to us for a hundred years to one that will provide reliable, affordable, and clean power for at least the next century.

If this transition is done right, electricity will be the cleanest and most affordable energy option for our future. Although it is a messy process, it is also an exciting one. By embracing change, new technology and innovation, we can transition to a clean energy system that will sustainably deliver clean and affordable power to Vermonters for generations to come. Vermonters have a long history of combining Yankee ingenuity and frugality to tackle challenges and embrace change.

At MWL, we carry this spirit of ingenuity and frugality in everything we do, and are working tirelessly to ensure this transition occurs with excellent reliability and our customers' energy bills at the forefront of our minds.

Best,

Scott Johnstone



ELECTRIC RATE INCREASE UPDATE

Late last year, MWL filed with the State to increase electric rates by 11.25%. It appears that the amount approved will likely be 5.16%. At face value, this would appear to be good news to ratepayers. In reality, it is an attack on local control and will only result in additional rate increases in the future.

The State's position is that local utilities should not be allowed to have any funds available with which to pay our bills. Essentially, the State is forcing MWL to continuously borrow short term funds and pay interest for this borrowing. The State's view is that local utilities should always go in debt when making improvements to our utility system. MWL has historically spent around \$500,000 a year to maintain our electric system. Rather than borrowing money or raising rates, we've used funds we receive from being an owner of the statewide transmission system to pay for these improvements. However, the State's policy is now that 70% of the value of all of our assets (things we own) must have debt associated with them. We strongly disagree with this policy. Unnecessarily borrowing money and paying the associated interest is not fiscally responsible or the Vermont way. Further, the State is dictating to our locally elected trustees how to financially manage our municipal utility, directly taking away local control.

In the next couple months, the rate case will be settled and the final rate implemented. This will force MWL to immediately borrow funds and then file for another rate case to be able to pay our bills. In the end, we'll end up having two or three rate cases that will all add up to around or more than our original filing. Long term, the cost of paying the interest will only further increase electric rates. We will make this case to the Public Utility Commission in our upcoming long-term plan with the hope that they reverse their course on this issue.

MORRISVILLE AND MORRISTOWN: WHO IS IN CHARGE OF WHAT?

At our annual village meeting questions arose about the division of duties in Morrisville and Morristown. The good news is, it's actually pretty simple. The Village of Morrisville runs three utilities – electric, water, and wastewater. The village and town share responsibility for zoning and town plan adoption and appointing officials to the Planning Commission and Development Review Board. Morristown provides all other municipal services.

GREEN RIVER RESERVOIR

With spring comes the opportunity to get out and enjoy the incredible resource that is the Green River Reservoir. All of us at MWL greatly value both the reservoir itself and our hydro facility, and are hopeful we can maintain both for generations to come. Doing so remains a priority for us and we continue to talk to the State about ways in which we can meet this goal. We will continue to keep you updated as these discussions develop.

WATER SYSTEM LEAD & COPPER SURVEY

This summer our staff will continue to survey our water utility infrastructure to determine the existence, if any, of lead in the system. This is required by both the Environmental Protection Agency and the state Agency of Natural Resources.

You may see our crew locating the water valve to your house. We're required to have a GPS location for each valve. We may also ask to come into your house to look at what the service line into your house is made of. We'll only do this if we don't already have this information, so it will not be everyone.

ROCK ART

MWL worked closely with Rock Art Brewery on a federal grant to help keep their brewing waste out of our municipal wastewater treatment plant. We are so pleased that our friends at Rock Art received this grant of \$50,000 in federal funds to install a new pretreatment process to remove grain and other organic matter that is hard for the treatment plant to break down. As a bonus, rather than eating up the capacity of our treatment plant, these grains will instead go to local farmers for use in their operations. This means our wastewater treatment plant will have more capacity for local residents and businesses.

NEW PAYMENT SYSTEM

Please be on the lookout for communications regarding our new payment service. The new service will allow customers to pay online, by phone, or even by text. You'll also be able to receive electronic bills and update credit card information for autopay directly.

NEW STAFF

MWL recently welcomed two new linemen to our crew. Rusty Shedd is MWL's new line foreman. Rusty comes to us with a wealth of experience and was able to dive right into the work here in Lamoille County. Nick LeBlanc is a first class lineman and a great addition to MWL's line crew. If you see them out and about please say hi and welcome them to our community.



Please follow our Morrisville Water & Light Dept page on facebook for news and updates.