

# MWL CUSTOMER NEWSLETTER

Dear Customers,

A pattern of wet, heavy snow walloped the state throughout December (and again just recently in March) causing several of our customers to face outages. Luckily, our area was spared the worst of the storms, and our line crews were able to restore power to our customers quickly and efficiently. Our fingers are crossed that the worst of these winter storms are behind us, and that true spring will soon be upon us!



With the legislature in session, we continue to work with our legislative delegation to find a solution to our Green River Reservoir hydro facility issue. Unfortunately, the state's interpretation of necessary water standards make operating this renewable resource financially impossible. We continue to believe that the best solution for the facility is for the State to purchase it, enabling the State Park and Reservoir to remain in place. As such, MWL recently filed our intention to cease the generation of energy from this facility with the Federal Regulatory Commission and to surrender our federal permit to do so. Additionally, the Agency of Natural Resources is currently studying the structure and safety of the dam. We look forward to the results of that study later this year.

Our annual meeting of the Village of Morrisville will be held on April 17th at 6:30 pm at the VFW hall. We look forward to seeing Village voters then!

Best,

Scott Johnstone

## **STORM DAMAGE**

The July 2023 flooding event caused over three million dollars of damage to MWL's infrastructure. It is estimated that efforts to repair this damage will take most of 2024 to complete. The figures are sobering. The damage to our infrastructure from the flooding was extensive. Our priority is to repair the various facilities and work with FEMA to have them cover as much of the cost as possible.

The cost estimate does not include mitigation projects to deter future flooding damage. Mitigation work is estimated to be at least an additional million dollars and, if approved by FEMA, will begin next spring.

## **ELECTRIC AND WATER RATE INCREASES**

In 2023 MWL filed for a rate increase of 11.25%. This was based on the state's required formulaic method. The state then objected to their own process and approved an increase of 5.16%, which took effect mid-year. While great short-term news for our customers in 2023, this change simply delayed the inevitable and will result in higher costs going forward.

As we look to the near-term future, we will see continued rate pressures due to the increasing costs of buying energy, technology transformation, and the new electrification and renewable policies of the state. MWL is fully supportive of the transition to a more electrified, cleaner energy system. Indeed, we expect a cleaner energy system will ultimately be more affordable than our current fossil fuel-based system, but there will be some short-term cost impacts as we make this large transition.

Electric customers should expect a 2% increase in electric rates this year to occur in the late spring timeframe. Then, it is likely there will be an additional increase this coming fall or winter. There is never a good time for these increases. We're attempting to keep them as small as possible for customers to be able to afford while still meeting the requirements of running a utility in 2024. While perhaps of little solace, MWL electric rates are currently and will continue to be among the lower rates in the state.

The Village Trustees also approved a 5% water rate increase at their January 17, 2024 meeting. The increase will be effective with bills rendered in April 2024. The rate increase is required to maintain a cash balance to operate our day-to-day business. The water department has worked very efficiently over the past few years. As a result, we have not increased water rates since January 2015. This rate increase is attributable to 1) continued capital investments in our water line replacement program, and 2) increased costs associated with inflation and supply chain over the past nine years.

Currently, we anticipate a similar increase will be needed in 2025. The Trustees and our management team adopted an approach to phase in the cash flow imbalance to ease the challenge of increasing bills for our customers. After 2025 the current estimate is that normal inflationary cost pressures will result in small increases over time, but nothing large is currently on our horizon in the water department.

If you have any questions regarding the change in water rates, please contact our office at 802-888-3348 during normal working hours (7:30 a.m. – 4:00 p.m.).

## NEW PAYMENT SYSTEM

Our new payment system is now live. If you were an AutoPay customer on the old platform, you will need to register on the new platform and set up autopay in this platform. The new platform is more advanced than the prior payment platform. We are happy to announce customers can now pay using their checking account, by credit card, PayPal and Venmo. Customers can also enjoy the benefits of autopay, scheduling payments for specific dates, or even pay by text. Paperless billing is an option as well. This system should improve your experience and make our processes more efficient.

If you have any questions regarding this new service please either reach out to us at [customersupport@mwlv.com](mailto:customersupport@mwlv.com) or call us at 802-888-3348.

## INTEGRATED RESOURCE PLAN HIGHLIGHTS

As highlighted in our last newsletter, MWL has submitted its 2023 Integrated Resource Plan (IRP) to the Vermont Public Utility Commission (PUC) for review. The IRP represents our plan for meeting the public's need for energy services safely, reliably and at the lowest cost, both environmental and economic.

Utilities must file IRPs with the PUC and the Public Service Department at least every three years. This IRP comes at an exciting time in the energy industry as we transition away from a dirty, fossil fuel-based system to one that will provide cleaner, more affordable energy.

MWL's IRP can be accessed through Vermont Public Power Supply Authority's webpage: (<http://www.vppsa.com/>) by clicking on "Members" at the top of the page and then "Morrisville." It is also available for review on the PUC's electronic filing and case management system, "ePUC," at <https://epuc.vermont.gov/>.

Customers wishing to intervene in this proceeding or request that the PUC hold a public hearing may do so by making a filing in this case. Comments on Morrisville's IRP may be filed at any time with the PUC by email at: [puc.clerk@vermont.gov](mailto:puc.clerk@vermont.gov), by ePUC, or by mail to: 112 State Street, 4th Floor, Montpelier, VT 05620-2701.

## STAFF NEWS

MWL Lineman Kyle Johnson has a lot to celebrate lately! Please join us in congratulating Kyle on his graduation from Northeast Public Power Association's Lineworker Training School. Kyle's December graduation marked his completion of four years of training and education on the multitude of skills required to be a successful, safe lineworker. If that's not enough, Kyle also just got engaged to longtime girlfriend Hilary. Congratulations Kyle! We are so proud to have you on the team.

