

VML/VACo APCo Steering Committee
Minutes of the Committee
June 5th, 2024
Via Zoom

Members in attendance were:

Carol Davis, Chair; Laura Carini, Executive Board; Jeff Shawver, Vice Chair Executive Board member; John Walker, Legal Counsel.

Additional attendees: Sue Mellen VML Staff support; Ashley King, Roanoke County; Ross Campbell, City of Roanoke, David Cox; Western Virginia Regional Jail; Debbie Thomas, Town of Narrows; Donte Harris, Montgomery County Public Schools; Jon Lanford, Roanoke Valley Resource Authority; Lori Stacy, Town of Bluefield; Mercedes Brown, City of Lynchburg; Randy Wingfield, Town of Christiansburg; Robert Wood, Town of Rocky Mount; Scott Shirley, Western Virginia Water Authority; Terry Nicholson, Town of Narrows; Antonia Arias-Magallon, Town of Vinton; and Tim Castillo, Amherst County Services Authority.

Carol Davis welcomed everyone, reviewed the agenda, and welcomed any new members to introduce themselves. The round of introductions established a quorum. Ms. Davis then presented a brief overview of the purpose of the VML/VACo APCo Steering Committee.

Draft minutes of the two previous meetings were shared with the group through Zoom's chat feature. Laura Carini motioned the approval of September 2023 meeting minutes, Ashley King seconded. The motion was unanimously approved. Laura Carini motioned the approval of February 2024 meeting minutes. Tim Castillo seconded. The motion was unanimously approved.

The next topic discussed was the Executive Board. Ms. Davis stated that the current slate of officers has expressed they will continue serving the board. She then invited any member to join the Executive Board. Tim Castillo expressed interest in serving on the Executive Board. Ms. Davis motioned to accept the nomination of Mr. Castillo. Terry Nicholson seconded. The motion was unanimously approved. Ms. Davis then gave the floor to John Walker to discuss recent legislative and regulatory updates.

Mr. Walker updated the membership starting with the State Commission Corporation (SCC). The SCC appointed two commissioners, Sam Towell and Kelsey Bagot, which meets the minimum of required commissioners. He pointed out APCo had started frequently communicating with the SCC's staff before filing, which results in less pushback in cases where it is expected and should be happening.

The Renewable Energy Cost Recovery Methodology case was ruled in the committee's favor and will be applied to future RPS plan cases, which was APCO using the traditional cost-to-service methodology. Therefore, the committee will not be participating in the recently filed 2024 RPS case. Ms. Davis highlighted the case as a huge win due to the committee previously expending

resources on behalf of the membership.

The General Assembly enacted a new statute for base rates to be reviewed biannually instead of triennially in its 2024 session. In APCO's recent filing for the biannual review, it requested a rate increase based on their 2.26% ROE, which is significantly lower than the authorized 9.5 ROE. In addition to the rate increase, APCO requested its authorized ROE increase to 10.8%. Based on APCO's filing, the steering committee believed the 2024 Biannual Review case would be the primary focus this year.

Mr. Walker closed out the update with upcoming contract negotiations. The steering committee approved extending its current contract for one more year. Mr. Walker believed it was not in the steering committee's best interest to negotiate simultaneously with the base rate case based on previous experience. He explained negotiations will start early 2025, when the case is complete.

Sue Mellen reviewed the budget with the steering committee. In previous years, the Executive Committee decided to base assessments on the upcoming year's participation in cases. She explained to the committee that FY25 assessments will remain the same as FY24 because there will be less activity from the committee in cases until next year. Ashley King motioned to adopt the FY25 budget. Debbie Thomas seconded. The motion was approved unanimously.

Ms. Davis explained the Executive Board proposed a couple of revisions to the bylaws that would clarify some confusion. After reviewing the proposals, Tim Castillo motioned to adopt the provisions. Terry Nicholson seconded. The motion was approved unanimously.

Ms. Davis thanked everyone for their time and entertained a motion to end the meeting. Terry Nicholson motioned. Tim Castillo seconded. The motion was unanimously approved.