Kennebunk Light & Power District
4 Factory Pasture Lane
Kennebunk, Maine 04043
(207) 985-3311
www.klpd.org

BOARD OF TRUSTEES BUSINESS MEETING AGENDA

TUESDAY, NOVEMBER 18, 2025
DISTRICT OFFICES @ 5:00 PM

I. CALL TO ORDER

II. WATER STREET SUBSTATION REPLACEMENT PROJECT

III. REVIEW AND APPROVE SEPTEMBER 2025 MEETING MINUTES

Draft Motion: Move to approve the September 2025 meeting minutes.

IV. REVIEW AND APPROVE OCTOBER 2025 MEETING MINUTES

Draft Motion: Move to approve the October 2025 meeting minutes.

V. SEPTEMBER 2025 & OCTOBER 2025 OPERATING REPORT

VI. SEPTEMBER 2025 TREASURERS REPORT

VII. NET ENERGY BILLING POLICY ADOPTION

Draft Motion: Move to approve the Policy of the Kennebunk Light & Power District Relating to Maine's Net Energy Billing Program as presented by the General Manager.

VIII. INTRODUCE 2026 BUDGET AND FIVE-YEAR PLAN

IX. EXECUTIVE SESSION PURSUANT TO 1 M.R.S. § 405(6)(A) CONCERNING GENERAL MANAGER ANNUAL PERFORMANCE EVALUATION

Draft Motion: Move to go into executive session in accordance with 1 M.R.S. § 405(6)(A) concerning the general manager annual performance evaluation.

X. OTHER BUSINESS
   a. FERC Environmental Assessment
   b. Water Quality Certificate Application

XI. PUBLIC COMMENT PERIOD OF 15 MINUTES

XII. DATE OF NEXT REGULAR BOARD MEETING (*December 16, 2025, Proposed*)

XIII. ADJOURN

KENNEBUNK LIGHT & POWER DISTRICT
COUNTY OF YORK
STATE OF MAINE

- - -

BOARD OF TRUSTEES MEETING MINUTES

- - -

KENNEBUNK LIGHT & POWER DISTRICT
4 FACTORY PASTURE LANE
KENNEBUNK, ME 04043
TUESDAY SEPTEMBER 11, 2025
5:00 PM

- - -

BOARD MEMBERS:

PRESIDENT: ROBERT GEORGITIS – (PRESENT)

VICE-PRESIDENT: WAYNE BERRY - (PRESENT)

CLERK: ROBERT EMMONS (PRESENT)

TRUSTEE: BEVERLY FREUDENREICH (PRESENT)

TRUSTEE: CURTIS MILDNER (PRESENT via Zoom)

ALSO PRESENT:
Anna Henderson, General Manager

(Individuals might have been present but not identified)

I. Call to Order

II. Strategic Planning Workshop

III. Public Comment Period of 15 Minutes

IV. Date of Next Regular Board Meeting (October 7, 2025)

Motion: *To have the next Board of Trustees' Meeting on October 7, 2025, 5:00 p.m. at the District Office was previously made on July 29, 2025 as follows:*

Motion by Trustee Mildner
Seconded by Clerk Emmons
Vote: 5/0

V. Adjourn

Motion: *To adjourn*

Motion by Clerk Emmons
Seconded by President Georgitis
Vote: 5/0

(Thereupon, with no further items to discuss, the meeting adjourned at approximately 6:30 p.m.)

Attest: _____
Robert Emmons, Clerk

KENNEBUNK LIGHT & POWER DISTRICT
COUNTY OF YORK
STATE OF MAINE

- - -

BOARD OF TRUSTEES MEETING MINUTES

- - -

KENNEBUNK LIGHT & POWER DISTRICT
4 FACTORY PASTURE LANE
KENNEBUNK, ME 04043
TUESDAY OCTOBER 07, 2025
5:00 PM

- - -

BOARD MEMBERS:

PRESIDENT: ROBERT GEORGITIS – (PRESENT)

VICE-PRESIDENT: WAYNE BERRY - (PRESENT)

CLERK: ROBERT EMMONS (PRESENT)

TRUSTEE: BEVERLY FREUDENREICH (PRESENT)

TRUSTEE: CURTIS MILDNER (PRESENT)

ALSO PRESENT:
Anna Henderson, General Manager
Kevin Vezina, General Foreman

(Individuals might have been present but not identified)

I. Call to Order

II. FEMA/MEMA Mitigation Grant – Circuit 2

Motion: *Move to authorize the General Manager to execute the necessary agreements to receive up to $504,000 in grant funding from FEMA and MEMA and provide KLPD's ten percent match of $56,000.*

Motion by Trustee Mildner
Seconded by Clerk Emmons
Vote: 5/0

(Whereupon, Foreman Vezina left the meeting at 5:25 p.m.)

III. Review and approve July, 2025 Meeting Minutes

Motion: *Move to approve the July, 2025 Meeting Minutes*

Motion by Vice-President Berry
Seconded by Clerk Emmons
Vote: 5/0

IV. July, 2025 and August, 2025 Operating Report

V. July, 2025 and August, 2025 Treasurer's Report

VI. Adopt Vision Statement, Mission Statement and Strategic Planning Priorities

Motion: *Move to approve Vision Statement, Mission Statement and strategic planning priorities as presented by the General Manager*

Motion by Trustee Mildner
Seconded by Clerk Emmons
Vote: 5/0

VII. Other Business

a. Year-End Board Meeting Schedule

VIII. Public Comment Period of 15 Minutes

IX. Date of Next Regular Board Meeting has been scheduled for Tuesday, November 18, 2025.

X. Executive Session Pursuant to 1 M.R.S. § 405(6)(A), Concerning the General Manager's Annual Performance Evaluation. (Originally Item VII on Agenda.)

Motion: *Move to enter into Executive Session in accordance with 1 M.R.S. § 405(6)(A), Concerning the General Manager's Annual Performance Evaluation*

Motion by President Georgitis
Seconded by Trustee Emmons
Vote: 5/0

XI. Adjourn

Motion: *To adjourn*

Motion by Trustee Freudenreich
Seconded by Clerk Emmons
Vote: 5/0

(Thereupon, with no further items to discuss, the meeting adjourned at approximately 8:20 p.m.)

Attest: _____
Robert Emmons, Clerk

Memorandum

DATE: November 18, 2025

TO: KLPD Board of Trustees

FROM: Anna Henderson, General Manager

SUBJECT: September 2025 Operating Report

In accordance with the By-Laws of Kennebunk Light & Power District Article VII, paragraph 2, I submit the following operating report for the preceding month.

1. Customer Service

    a. NISC representatives were onsite from September 15-17 to conduct a business analysis for the implementation of the Customer Service software.
    b. Issued 6 disconnect notices; 1 account was disconnected due to non-payment.
    c. Added 13 new accounts: 11 Residential and 2 General Service.

2. Administration

    a. The DOE Fellowship officially commenced 09/01/2025 and will continue through 8/31/2026. Contingent on Federal funding for the program, there is an opportunity to apply for a one year extension.

3. Operations

    a. Provided advance notification to customers and the Town of Kennebunk regarding tree trimming activities on several streets in town.
    b. Fidium began pole attachment work within the Town of Kennebunk.
    c. Line crew completed projects on Heritage Lane.
    d. Continued implementation of the AMI project.
    e. Employees attending NEPPA training, including development and annual compliance training.

4. Finance

    a. A new law increasing cash reserve limits for KLPD and similarly structured utilities went into effect.
    b. The Finance Director attended the PURMA annual meeting to engage with fellow members and receive updates on organizational operations.

September 2025 Outage Information				
Date	**Circuit**	**Duration (Hours)**	**# of Customers**	**Cause**
09/06/25	WK2	1.3	28	Vehicle
09/10/25	12	.25	1	Unknown
09/12/25	6	.22	6	Animal Contact
09/19/25	WK2	.56	3	Animal Contact
09/19/25	WK4	7	80	Vehicle
09/25/25	11	1.27	211	Equipment Failure
	Total	**10.6**	**329**	

Memorandum

DATE: November 18, 2025

TO: KLPD Board of Trustees

FROM: Anna Henderson, General Manager

SUBJECT: October 2025 Operating Report

In accordance with the By-Laws of Kennebunk Light & Power District Article VII, paragraph 2, I submit the following operating report for the preceding month.

1. Customer Service

    a. Implementation of the enterprise software service module is on-going, with a go-live date scheduled for the first week of April 2026.
    b. Training and testing for the new software will result in modified office hours during November, December, and January.
    c. Jessica, KLPD's Lead Customer Service Representative, celebrated her 5-year anniversary at the utility!
    d. Delivered 27 disconnect notices; and 13 accounts were disconnected due to non-payment.

2. Administration

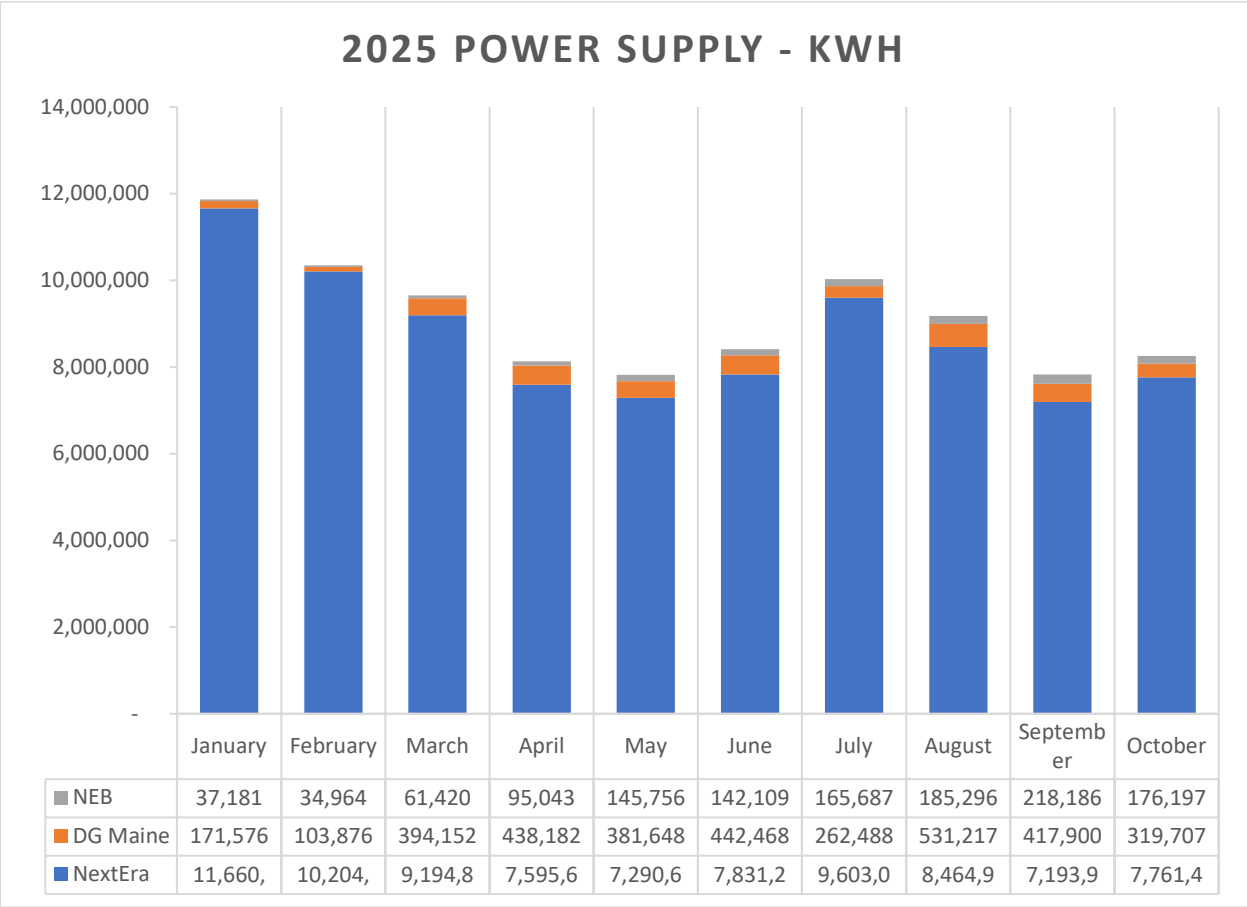
    a. Met with MEMA to discuss FEMA grant administration.
    b. Requested pre-application meeting with Maine DEP to discuss scope of application.
    c. Conducted annual meetings with staff.
    d. Received notification of the sale of NextEra's subsidiary, DGMaine, to Madison Energy Infrastructure.
    e. Attended Dirigo's annual meeting in Bangor.
    f. Met with the Lafeyette Center's property manager to discuss the retaining wall, generator room, and the scope of license surrender activities.

3. Operations

    a. Initiated the Meter Data Management (MDM) implementation process.
    b. DSSMR inspection was conducted; report is pending.
    c. Advanced the AMI Meter implementation project, reaching a milestone of fewer than 1,000 meters remaining.
    d. Met with Town of Kennebunk, KKW, KSD to discuss our respective GIS systems and plans.

4. Finance

    a. Processing annual insurance renewal applications.
    b. Preparing the FY2026 budget.
    c. Adjusted pass-through rates for purchased power and transmission services.



October 2025 Outage Information				
Date	**Circuit**	**Duration (Hours)**	**# of Customers**	**Cause**
10/02/25	WK2	3.25	67	Car Accident
10/31/25	WK2	1.5	17	Tree Contact
	Total	**4.75**	**84**	

Memorandum

DATE: November 10, 2025

TO: KLPD Board of Trustees

FROM: Anna Henderson, General Manager

SUBJECT: September 2025 Treasurers Report

In accordance with the By-Laws of Kennebunk Light & Power District Article VII, paragraph 2, I submit the following financial report for the preceding month.

Statement of Operations

Pass Through Revenues & Expenses

KLPD's pass-through expenses for purchased energy and transmission services have exceeded the annual budget. This is the first year KLPD has included both pass-through revenues and expenses in the budget. Purchased power and transmission costs are variable and therefore, KLPD is allowed to adjust the rates regularly to recover actual costs. Regulatory lag associated with the receipt of the pass-through revenues and the payment of pass-through expenses, causes a variance between the expenses and revenues which causes adjustments in future periods. The true up that occurred in 2025 was netted against the current year expenses and revenues in the budget causing a significant difference between the budget and actuals. KLPD recognizes this challenge and is committed to refining its budgeting methodology in future budget cycles.

Other Operating Revenues & Expenses

KLPD's delivery rate revenue is on track with the budgeted projections. KLPD's expenses associated with the delivery rate are on track with YTD budget projections. Please also note the "Other Expense" line item, which shows a year-to-date (YTD) balance of $424,089 against a FY2025 budget of $220,753. Depreciation is recorded at year-end, and the significant meter retirements this year will reduce the overall depreciation expense, bringing it closer to the budgeted figure.

Statement of Financial Position

Cash assets are lower in 2025 compared to 2024, primarily due to the refund of over-recovered pass-through revenues in 2025. Current cash reserve projections are forecast to satisfy the FY2025 budget target of $1.1 million cash balance.

As of September 30, 2025, KLPD has invested over $466,484 in fixed assets to date in 2025.
Current liabilities have decreased by $31,476 year-over-year, primarily due to a reduction in customer deposits. Long-term liabilities have decreased by $265,000 following a principal payment on the 2007 bond, which will be fully paid off by August 1, 2027.

KENNEBUNK LIGHT & POWER DISTRICT
STATEMENT OF REVENUES AND EXPENSES
September 2025

	MONTHLY			YTD			ANNUAL
Revenue	**September 2025 Actual**	**September 2025 Budget**	**September 2024 Actual**	**2025 Actual**	**2025 Budget**	**2024 Actual**	**2025 Budget**
Energy revenue	$ 475,234	$ 450,000	$ 694,113	$ 4,335,608	$ 4,057,287	$ 6,807,259	$ 5,403,581
Energy expense	(513,894)	(450,000)	(517,063)	(5,519,664)	(4,057,287)	(5,490,750)	(5,403,581)
Net energy revenue	(38,660)	-	177,049	(1,184,055)	-	1,316,509	-
RNS revenue	162,733	150,000	229,563	1,486,737	1,383,280	2,251,411	1,853,497
RNS expense	(308,061)	(150,000)	(271,730)	(2,692,497)	(1,383,280)	(2,125,510)	(1,853,497)
Net RNS revenue	(145,327)	-	(42,167)	(1,205,759)	-	125,901	-
Transmission revenue	36,258	33,000	54,880	326,025	306,632	512,693	407,903
Transmission expense	(32,523)	(33,000)	-	(338,944)	(306,632)	-	(407,903)
Net transmission revenue	3,735	-	54,880	(12,920)	-	512,693	-
Net Energy/Transmission Revenue	**(180,252)**	**-**	**189,763**	**(2,402,734)**	**-**	**1,955,103**	**-**
Delivery revenue	352,332	320,000	200,122	3,170,113	2,900,101	1,870,844	3,876,263
Minimum charge revenue	106,553	105,000	52,408	951,345	951,652	470,437	1,270,644
Other revenue	17,487	16,500	30,598	174,497	158,497	199,006	212,457
Total Operating Revenue	**476,372**	**441,500**	**283,128**	**4,295,954**	**4,010,249**	**2,540,287**	**5,359,364**
Expenses							
General Operations	68,378	130,000	82,358	720,365	1,169,364	728,018	1,554,545
Customer Collections	21,260	31,000	27,664	237,636	286,544	214,901	381,799
Administration	134,228	173,000	126,133	1,748,077	1,534,588	1,302,672	2,044,847
Other expense	47,121	18,000	41,125	424,089	165,660	370,121	220,753
Total Operating Expense	**270,988**	**352,000**	**277,278**	**3,130,168**	**3,156,155**	**2,615,712**	**4,201,943**
Net Operating Gain/(Loss)	**205,385**	**89,500**	**5,850**	**1,165,786**	**854,094**	**(75,424)**	**1,157,421**
Total Gain/Loss	**$ 25,133**	**$ 89,500**	**$ 195,613**	**$ (1,236,948)**	**$ 854,094**	**$ 1,879,679**	**$ 1,157,421**

KENNEBUNK LIGHT & POWER DISTRICT
STATEMENT OF FINANCIAL POSITION

	September 2025	September 2024
Assets		
Cash and short-term investments	1,740,969	3,473,363
Accounts receivable	1,176,620	1,146,688
Fixed assets and property	14,618,152	13,876,748
Other assets	(1,573,524)	107,304
Total Assets	**15,962,217**	**18,604,102**
Liabilities		
Accounts payable	928,063	972,275
Payroll liabilities	53,700	44,767
Long-term liabilities	567,776	835,094
Other liabilities	972,155	966,033
Total Liabilities	**2,521,694**	**2,818,168**
Equity		
Surplus	14,677,472	13,906,255
Current year excess revenue	(1,236,948)	1,879,679
Total Equity	**13,440,524**	**15,785,934**
Total liabilities & equity	**15,962,217**	**18,604,102**

KENNEBUNK LIGHT & POWER DISTRICT
STATEMENT OF NET POSITION

	September 2025	September 2024
Total Assets	15,962,217	18,604,102
add: Deferred Outflows	215,959	138,286
subtract: Total Liabilities	(2,521,694)	(2,818,168)
subtract: Deferred Inflows	(215,959)	(138,286)
Net Position	**13,440,524**	**15,785,934**

KENNEBUNK LIGHT & POWER DISTRICT
STATEMENT OF CASH FLOW

	September 2025	September 2024
Current Period excess revenue	25,133	195,613
Net Cash from Operations	(275,963)	185,528
Net Cash from Other Sources	8,390	(15,657)
Net Cash For Period	(267,572)	169,871
Cash At Beginning of Period	2,007,741	3,302,692
Cash At End Of Period	**1,740,169**	**3,472,563**

KENNEBUNK LIGHT & POWER DISTRICT
HYDRO STATEMENT OF ACTIVITY

Revenue	September 2025	YTD 2025	2025 Budget
Electrical Production	$ -	$ -	$ -
Total Revenue	**-**	**-**	**-**
Expenses			
Labor	106	1,797	5,000
Benefits	53	898	2,450
Supplies	229	18,504	6,000
Electrical Use	3	45	300
Liability/Property Insurance	542	4,875	6,500
Depreciation	500	4,500	24,341
Legal & Professional Fees	-	17,699	57,210
Total Expenses	**1,432**	**48,318**	**101,801**
Gain/ (Loss)	**$ (1,432)**	**$ (48,318)**	**$ (101,801)**

POLICY OF THE KENNEBUNK LIGHT & POWER DISTRICT
RELATING TO MAINE'S NET ENERGY BILLING PROGRAM

WHEREAS, the Kennebunk Light & Power District ("KLPD" or the "District") was created in 1951 by the Legislature pursuant to private and special laws as a body politic and corporate for the purpose of providing electric lighting and power to residents in the towns of Kennebunk, Lyman, Wells, Arundel (formerly North Kennebunkport). See *An Act to Incorporate the Kennebunk Light & Power District*, P&S 1951, Ch. 53, § 1.

WHEREAS, the affairs of the District are managed by a board of trustees elected by the legal voters of the Town of Kennebunk;

WHEREAS, Maine law establishes a right of customers of the District to participate in the net energy billing ("NEB") kilowatt-hours program under which a customer is billed on the basis of the difference between the kilowatt-hours delivered by a transmission and distribution utility to the customer over a billing period and the kilowatt-hours delivered by the customer to the transmission and distribution utility over the billing period, taking into account accumulated unused kilowatt-hour credits from the previous billing period. 35-A M.R.S. § 3209-A; and,

WHEREAS, Chapter 313 of the Commission's rules allow a consumer-owned utility ("COU") such as the District to forbid NEB facilities from participating in the program if the nameplate capacity of the facility exceeds 100 kW and where customers may have a shared financial interest in a facility.

NOW, THEREFORE, the District, by and through its governing board of trustees, hereby adopts a policy whereby customers of KLPD shall be prohibited from participating in the NEB program if the nameplate capacity of a facility exceeds 100kW and when customers have a shared financial interest in an NEB facility.

POLICY

The District adopts this policy in order to ensure that its ratepayers are treated fairly and equitably and in effort to prevent the significant cost shifting and subsidization that can result from deployment of NEB facilities.

100 kW Cap

Section 2 of Chapter 313 of the Commission's Rules defines eligible facilities under Maine's NEB program. For the purpose of Maine's COUs like the District, an "eligible facility" is defined as

> An eligible facility located in a service territory of a consumer-owned transmission and distribution utility must have an installed capacity of 100 kilowatts or less unless the consumer-owned transmission and distribution utility elects to allow facilities with an installed capacity less than 5 megawatts.

Chapter 313, § (2)(J) (exception 2).

The Trustees of the District hereby wish to retain the 100 kW limitation imposed under Section 2(J) of Chapter 313 relating to eligible facilities for participation in NEB.

Effective immediately, and until further notice, customers of the District shall be prohibited from participating under Maine's NEB program for facilities with a nameplate capacity exceeding 100 kW.

Shared Financial Interest

Under Maine law, a "shared financial interest facility" means an eligible NEB facility in which more than one customer has shared financial interest. 35-A M.R.S. § 3209-A, Chapter 313, § 2(BB).

Chapter 313 of the Commission's rules provides an exemption to COUs relating to shared financial interest facilities, stating:

> **4. Consumer-owned Utility Exemption**. *Consumer-owned transmission and distribution utilities are not required to provide shared financial interest net energy billing arrangements pursuant to this section.* Consumer-owned transmission and distribution utilities may elect to provide shared financial interest ownership net energy billing arrangements in accordance with this Section.

Chapter 313(3)(C)(4) (emphasis added).

The Trustees of the District hereby wish to retain the exemption afforded to COUs under Section 3(C)(4) of Chapter 313 of the Commission's Rules

Effective immediately, and until further notice, customers of the District shall be prohibited from participating under Maine's NEB program for facilities in which customers have a shared financial interest.

Adopted by the Board of Trustees of the Kennebunk Light & Power District and hereby acknowledged by the District on _____, __, 2025.

KENNEBUNK LIGHT & POWER DISTRICT

_____

By: Robert Georgitis
Its: Trustee & President

2026 Budget

November 11, 2025

Executive Summary

2025 was a year of significant progress for Kennebunk Light & Power District (KLPD). Our efforts focused on strengthening infrastructure, advancing technology, enhancing cybersecurity, and investing in workforce development. These initiatives reflect our commitment to reliability, Financial Health, and long-term sustainability.

Year in Review

Organizational Development

- Implemented a new employee handbook.
- Added a Staff Accountant position and filled two vacant roles.
- Supported employee development through apprenticeships and advanced training programs.
- Participated in trade association events to stay current with industry trends and best practices.
- Graduated first class lineworker from KLPD's five-year apprenticeship program.

Infrastructure & Facility Improvements

- Installed security cameras at substations and the main building.
- Added fire alarm and access control systems to the main building.
- Upgraded the loading dock to improve safety during equipment handling.
- Installed new signage and floating bollards to enhance dam safety.
- Completed warranty repair of the Water Street Substation transformer.
- Installed 100 new services during 2025.

Technology & Cybersecurity

- Initiated ERP software implementation.
- Advanced Metering Infrastructure (AMI) Project on track for completion in 2025.
- Strengthened cybersecurity measures to protect critical systems and data.

Grants and Strategic Projects

- Submitted grant applications to NOAA and the National Fish and Wildlife Foundation.
- Secured a FEMA grant for disaster recovery and mitigation.
- Received a DOE Fellowship grant to support development of a 10-year Climate Action Plan.

- Explored design and financing options for the Water Street Substation Replacement Project.
- Adjusted delivery rates to ensure operational cost coverage and long-term financial stability.
- Advocated for increased allowable cash reserves to enhance financial resilience.

Looking Ahead to 2026

Equipment & Inventory Investments

- Over $115,000 planned for critical inventory.
- Server replacement planned to address aging hardware and ensure compatibility with current technology standards, estimated cost not to exceed $65,000.
- Planned vehicle purchases:
    - Medium-duty bucket truck for confined space work and third line crew.
    - Additional crew vehicle for the new operations superintendent.
    - Replacement order for the 2014 International Bucket Truck (delivery and payment in 2027).

Safety & Security Enhancements

- Access control and fire alarm system planned for West K Substation.
- Automatic gate installation at Factory Pasture's Southeast exit to prevent pedestrian-vehicle accidents.

Workforce Development

- Three internal promotions proposed to align operational needs and staff responsibilities.
- Budget includes funds for staff training and development to support compliance, industry trends, and apprenticeship needs.

Enterprise Software Implementation

- NISC software rollout will improve operational efficiency and data-driven decision-making. Workflow analysis and documentation will support workload and coverage assessments.
- Module go-live schedule:
    - Service Module – April 2026
    - Financial Module – July 2026
    - Outage Management & MDMS – September 2026

Capital Projects

- Water Street Substation Replacement Project: Pending Confirmation that any flood risk can be mitigated at a reasonable cost, Board authorization will be requested to pursue PUC approval for a Certificate of Public Convenience and Necessity (CPCN) for this project.

  The recommended solution is a metal-clad skid-mounted design constructed adjacent to the existing location, with an estimated cost of approximately $10 million. KLPD is targeting March 2026 for the CPCN filing. To support this effort, $175,000 has been allocated for legal and engineering services related to the CPCN filing and referendum planning in 2026.

- West K Outdoor Storage Facility Project: Proposed 20,000 square foot storage facility is proposed adjacent to West Kennebunk Substation. The project includes fencing, civil work, concrete slab, pole cribs, automatic gate, secure access, and monitoring. Quotes are pending; $200,000 has been allocated for this project in the 2026 budget.

Additional Strategic Initiatives

- Purchased Power Contract (2027-2032): Subcontractor engagement planned to improve portfolio management, new power supply arrangement by December 2026.
- Building Upgrade Planning; Space needs assessment for potential second floor addition.
- Mousam River Dam License Surrender: $360,000 budgeted for maintenance and professional services.
- Operational Enhancements: Larger after-hours call service, Nearmap adoption, GPS devices, GPS devices for mapping/staking, tablets for field crews, preventative maintenance on relays and current transformers.

KENNEBUNK LIGHT & POWER DISTRICT			
PROPOSED BUDGET			
FISCAL YEAR January 1, 2026 to December 31, 2026			
Revenue	2025 Budget	**2026 Budget**	Variance
Energy revenue	$ 5,403,581	$ 8,302,137	$ 2,898,556
RNS revenue	1,853,497	2,851,391	997,894
Transmission revenue	407,903	623,269	215,366
Delivery	3,876,263	5,182,291	1,306,028
Minimum charge	1,270,644	1,297,212	26,568
Cable rental income	32,686	27,015	(5,671)
Customer penalties	14,335	20,674	6,339
Interest income	102,000	110,427	8,427
Other operating income	63,436	72,879	9,444
Total revenue	$ 13,024,346	$ 18,487,296	$ 5,462,950
Expenses			
Wages	$ 1,629,416	$ 1,744,398	$ 114,982
FICA Expense	124,650	137,807	13,157
Health Insurance	365,607	411,796	46,188
Disability Insurance	13,193	13,839	647
Life Insurance	10,166	15,554	5,388
Retirement	186,224	208,996	22,772
General plant operations, maintenance and distribution	742,222	607,524	(134,698)
Customer accounting and collections	92,934	63,867	(29,067)
Bad Debt Writeoffs	23,516	14,415	(9,101)
Administration	793,265	1,678,480	885,215
Depreciation	200,000	540,000	340,000
Interest on long term debt	20,750	28,250	7,500
Purchased energy expense	5,403,581	8,302,137	2,898,556
Purchased RNS expense	1,853,497	2,851,391	997,894
Purchased transmission expense	407,903	623,269	215,366
Total Expense	$ 11,866,924	$ 17,241,723	$ 5,374,799
Net gain /(loss)	**$ 1,157,421**	**$ 1,245,572**	**$ 88,151**

Description	2026 Capital Expenditures
Equipment & Inventory	$ 771,000
Safety & Security Enhancements	$ 32,000
Water Street Substation Replacement Project	$ 150,000
Building Upgrades	$ 50,000
West K Outdoor Storage Facility	$ 200,000
New Construction and Repairs	$ 391,000
Dam Repairs	$ 50,000
Less: Capital Contributions	$ (264,000)
	$ 1,380,000

KLPD 2026 Cash Flow Projections	
2025 estimated ending cash on hand	$ 1,300,000
add: 2026 Operating income	1,245,572
add: Depreciation	540,000
add: Construction contributions	263,713
add: Grant Projects	1,760,000
subtract: Bad debt	(14,415)
subtract: Principal bond payments	(275,000)
subtract: Capitalized labor	(160,723)
subtract: Capital Projects	(854,000)
subtract: Grant Projects	(1,760,000)
subtract: contracted storm relief	(136,680)
subtract: inventory	(340,000)
subtract: contracted pole replacements	(65,242)
subtract: contracted underground repairs	(6,500)
subtract: outstanding transformers	(55,670)
subtract: meters	(25,000)
2026 ending unrestricted cash on hand	$ 1,416,055

KLPD Rate delivery rate projection based on 2026 Budget is detailed in the following table:

	2026 Budget
Delivery Rate Expense	$ 4,896,676
Renewals & Replacements	$ 1,380,102
Debt	$ 275,000
Interest Expense	$ 28,250
Bond Reserve	$ -
Cash Reserve	$ 992,223
Total Revenue Requirement	$ 7,572,251
Delivery Rate Revenues	$ 5,232,860
Other Operating Revenue	$ 47,689
Non-Operating Revenue	$ 183,306
Total Revenue	$ 5,463,855
Revenue Surplus (Deficiency)	$ (2,108,396)
Delivery Rate Adjustment (%)	38.59%
Delivery Rate	$ 0.046487

The projected delivery rates have been incorporated into the residential monthly bill comparison with other Maine utilities in the following table:

Utility	Current Residential Monthly Bill	Residential Monthly Bill after KLPD's 2026 Delivery Rate Increase
Monhegan	$ 588	$ 588
Isle Au Haut	$ 305	$ 305
Matinicus	$ 249	$ 249
Fox Island	$ 241	$ 241
Versant Power - BHD	$ 233	$ 233
Versant Power - MPD	$ 219	$ 219
CMP	$ 199	$ 199
Madison Electric Works	$ 154	$ 154
Brunswick Landing	$ 143	$ 143
Kennebunk Light & Power District	$ 133	$ 143
Eastern Maine Electric Cooperative	$ 114	$ 114
Houlton	$ 83	$ 83
Van Buren	$ 80	$ 80

Five-Year Plan
2027-2031

November 11, 2025

About KLPD

The Kennebunk Light and Power District (KLPD) is responsible for the construction, operation, and maintenance of the electric distribution system within its service territory, which includes two distribution substations. The District also owns, operates, and maintains three small hydroelectric generating stations located on the Mousam River.

Governance of the District is provided by an elected Board of Trustees, which appoints a General Manager to oversee day-to-day operations.

Who We Serve

Located in York County, Maine, KLPD provides electric service to over 7,600 customers across the communities of Kennebunk, Lyman, Wells, and Arundel.
KLPD's customer base has grown by approximately 15% since 2015, reflecting regional population growth and development trends.

Southern Maine experiences a significant seasonal population surge due to its popularity as a coastal vacation destination placing additional demand on infrastructure and services. According to the Town of Kennebunk's Population and Demographics Report, Kennebunk's seasonal population increases by approximately fifty percent, while Wells' seasonal population quadruples.

KLPD also serves more than 900 business and commercial accounts, including:

- Local government and school facilities
- Utilities and industrial customers
- Large commercial customers, including grocery stores and the Maine Turnpike Authority (MTA). In 2024, approximately 2.6 million vehicles passed through the MTA's Kennebunk interchange and service plazas, underscoring the strategic importance of KLPD's service territory in supporting regional transportation and commerce.

Strategic Planning Outlook

This plan was developed during the 2026 budget process and outlines KLPD's strategic priorities and initiatives for 2027-2031to ensure continued operational excellence, financial sustainability, and community service.

Grid Reliability & Resilience

Water Street Substation Replacement Project

Pending Confirmation that any flood risk can be mitigated at a reasonable cost, Board authorization will be requested to pursue PUC approval for a Certificate of Public Convenience and Necessity (CPCN) for this project in 2026. The recommended solution is a metal-clad skid-mounted design constructed adjacent to the existing location, with an estimated cost of approximately $10 million. KLPD will also seek board authorization to obtain voter referendum approval to raise the current debt limit of $6 million and to issue the debt in 2027.

Throughout this multi-year project, the Board will review annual budgets that include project costs, delivery rate adjustment filings, and vendor contracts exceeding the approval threshold. If all required approvals from Trustees, the PUC, voters, and permitting agencies are granted, the substation is projected for completion by 2029.

Mitigation Grant Upgrades

In 2025, KLPD was awarded over $500,000 in grants to upgrade Circuit 2, with an expected completion date of 2028. An application for additional funding to upgrade Circuit 4 is currently under review. These projects will greatly enhance reliability on the circuits.

Equipment & Inventory Investments

Future budgets will include additional substation spare parts inventory following the completion of the Substation Preventative Maintenance Plan. Data-driven inventory planning will be improved in the 2028 budget cycle after implementation of the new ERP software.

In 2026 KLPD plans to order a replacement for the 2014 International Bucket Truck, with delivery and payment scheduled for 2027. For vehicle and equipment replacements planned for 2027 and beyond please refer to the replacement schedule below:

Make	Year	Model	Assignment	Estimated Replacement Date	Replacement Timeline
Heavy Duty Bucket Truck	2014	International	Line Crew	2027	10 years
Toyota	2019	Tundra	General Foreman	2027	7 years
Digger	1999	GMC	Line Crew	2028	20 years
Toyota	2021	Tundra	Line Crew On-Call	2028	7 years
Ford	2024	Lightning	Warehouse	2031	7 years
Chevrolet	2026	Silverado	Systems Technician	2032	7 years
Light Duty Truck	2026	TBD	Operations Superintendent	2033	7 years
Heavy Bucket Truck	2023	International	Line Crew	2033	10 years
Medium Duty Bucket Truck	2026	TBD	Line Crew	2036	10 years
Dumptruck	2022	GMC	Line Crew	2037	15 years
Toyota	2010	Highlander	Admin Pool Vehicle	N/A[1]	N/A

[1] The 2010 Toyota Highlander was replaced as a daily crew vehicle by the 2026 Silverado. It continues to be utilized for travel to and from training in Massachusetts. Once it is removed from service it will not be replaced. If a fleet vehicle is not available for travel to training, employees will be reimbursed for use of their personal vehicle.

Future-Ready Energy Planning

Ten Year Plan

In August 2025 KLPD was awarded a DOE Fellowship to assist with the development of 10-year Energy Security Plan to meet the State of Maine's Climate Action Plan requirements. Plan development will continue until September 2026. Fellowship support may extend through September 2027. The Climate Action Plan is due to be filed with the PUC by December 2027.

Purchased Power Contract 01/01/2027-01/01/2032

Engage a sub-contractor in 2026 to assist with managing KLPD's purchased power and transmission services portfolio and provide strategic market and planning guidance.

Building Upgrade Planning

KLPD has outgrown its office space and is investigating an expansion of it current building. KLPD will also assess its indoor storage capacity for inventory and equipment for safety and adequacy.

Grid Planning

After construction of the Water Street Substation Replacement Project, KLPD will evaluate circuit ties to improve reliability through redundancy. In 2030 KLPD will also begin planning for upgrades to West K while anticipating regulatory driven changes associated with the interconnection to CMP's 115kV line, part of the bulk power system.

Transmission Rights

As transmission infrastructure continues to be constrained in the region and it is important for KLPD to advocate for its access rights locally and regionally to help ensure its customers have affordable and adequate access to transmission capacity.

Customer Experience & Engagement

Customer Relationships & Responsive Service

Significant improvements are planned with the implementation of the new ERP system in 2026. Customers will have convenient payment options, see greater detail about their usage, and be able to request services from a web portal and/or mobile app.

The software will also strengthen KLPD's ability to communicate important utility and account information. As part of the 2026 roll out, KLPD will launch a customer education campaign to explain upcoming changes and provide resources to help customers navigate the transition effectively.

Charter Update

Under the current District Charter, only Kennebunk residents are eligible to vote in Trustee elections, or KLPD referendums. KLPD should pursue efforts to expand its voting rights to customers residing in Arundel, Lyman, and Wells.

Workforce Sustainability & Development

Talent Development

By 2027, KLPD aims to implement an employee evaluation and development program that ensures regular performance reviews, and provides support to keep pace with technology and policy changes.

Operational Efficiency & Technology

A detailed Staffing Plan has been developed to assess resource adequacy. The plan includes phasing in additional staff over the planning period to achieve sustainable operating levels of 18-20 full time employees by 2029. KLPD will continue subcontracting for legal, engineering, and IT services. For context, according to an American Public Power Association survey. utilities of KLPD's size (by revenue and customer count) average 40 employees.

Financial Stewardship & Affordability

The following table projects KLPD's delivery rate over the planning period:

	2026 Budget	2027	2028	2029	2030	2031
Delivery Rate Expense	$ 4,896,676	$ 5,386,344	$ 5,924,978	$ 6,221,227	$ 6,532,288	$ 6,858,903
Renewals & Replacements	$ 1,380,102	$ 1,518,112	$ 1,669,923	$ 1,836,916	$ 2,020,607	$ 2,222,668
Debt	$ 275,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000
Interest Expense	$ 28,250	$ 444,000	$ 425,000	$ 407,000	$ 388,000	$ 368,000
Bond Reserve	$ -	$ -	$ -	$ -	$ -	$ -
Cash Reserve	$ 992,223	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
Total Revenue Requirement	$ 7,572,251	$ 8,848,456	$ 9,519,901	$ 9,965,143	$ 10,440,896	$ 10,949,571
Delivery Rate Revenues	$ 5,232,860	$ 7,419,749	$ 8,706,081	$ 9,396,822	$ 9,852,424	$ 10,335,011
Other Operating Revenue	$ 47,689	$ 70,365	$ 70,365	$ 70,365	$ 70,365	$ 70,365
Non-Operating Revenue	$ 183,306	$ 183,306	$ 183,306	$ 183,306	$ 183,306	$ 183,306
Total Revenue	$ 5,463,855	$ 7,673,420	$ 8,959,752	$ 9,650,493	$ 10,106,095	$ 10,588,682
Revenue Surplus (Deficiency)	$ (2,108,396)	$ (1,175,036)	$ (560,149)	$ (314,650)	$ (334,801)	$ (360,889)
Delivery Rate Adjustment (%)	38.59%	15.31%	6.25%	3.26%	3.31%	3.41%
Delivery Rate	$ 0.046487	$ 0.053605	$ 0.056956	$ 0.058813	$ 0.060762	$ 0.062833

KLPD has planned for a 1.5% increase in revenues annually due to system growth, a 10% increase in expenses annually in 2027 and 2028 and a 5% increase in 2029 through 2031, a 10% annual increase in capital investment throughout the five-year planning horizon. The existing bonds for the West K Substation will be retired in 2027. New Debt issuance in 2027 for the Water Street Substation Replacement Project will increase debt costs by approximately $641,000 in the first year and steadily decline over the twenty year term.

KLPD's rates are divided into two categories. Delivery rates fund KLPD's system operations. Pass through rates are variable rates that recover actual costs tied to purchase power, transmission service, and regulatory programs.

The following table shows how KLPD's average residential customers monthly bill projections compare to the current rates of other Maine utilities:

Utility	Current Residential Monthly Bill	Residential Monthly Bill after KLPD's 2026 Delivery Rate Increase[1]	Residential Monthly Bill after KLPD's 2027 Delivery Rate Increase	Residential Monthly Bill after KLPD's 2028 Delivery Rate Increase	Residential Monthly Bill after KLPD's 2029 Delivery Rate Increase	Residential Monthly Bill after KLPD's 2030 Delivery Rate Increase	Residential Monthly Bill after KLPD's 2031 Delivery Rate Increase
Monhegan	$ 588	$ 588	$ 588	$ 588	$ 588	$ 588	$ 588
Isle Au Haut	$ 305	$ 305	$ 305	$ 305	$ 305	$ 305	$ 305
Matinicus	$ 249	$ 249	$ 249	$ 249	$ 249	$ 249	$ 249
Fox Island	$ 241	$ 241	$ 241	$ 241	$ 241	$ 241	$ 241
Versant Power - BHD	$ 233	$ 233	$ 233	$ 233	$ 233	$ 233	$ 233
Versant Power - MPD	$ 219	$ 219	$ 219	$ 219	$ 219	$ 219	$ 219
CMP	$ 199	$ 199	$ 199	$ 199	$ 199	$ 199	$ 199
Madison Electric Works	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154
Brunswick Landing	$ 143	$ 143	$ 143	$ 143	$ 143	$ 143	$ 143
Kennebunk Light & Power District	$ 133	$ 143	$ 148	$ 150	$ 152	$ 153	$ 155
Eastern Maine Electric Cooperative	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114	$ 114
Houlton	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83	$ 83
Van Buren	$ 80	$ 80	$ 80	$ 80	$ 80	$ 80	$ 80

[1]Based on average 735 kWh. Rates as of 05/01/2025, except KLPD's based on 11/1/2025 rates and forecast for 2026 Delivery Rate Increase, respectively

Financial Stewardship

In 2026, KLPD will begin to implement a fixed asset system and internal processes to provide detailed asset records. Implementation of the Enterprise Resource Software will support data-driven asset management and advanced forecasting tools. The 2028 budget will be the first to fully benefit from ERP-driven improvements in cost management.

KLPD is required by law to allow telecommunications utilities to attach to its poles for a fee. Better administration of pole attachments will protect assets and ensure recovery of revenues.

Mousam River Dams

KLPD faces financial uncertainty related to the dam license surrender process. Current rate projections do not include estimated costs for fish passage requirements or deferred maintenance.

In 2021, KLPD filed with FERC to surrender its License for the dams. In 2025, FERC ordered KLPD to obtain a Water Quality Certificate from the State of Maine Department of

Environmental Protection (DEP) as part of the license surrender process. DEP is asserting its authority under Maine Law to require provisions for fish passage as a condition of the water quality certification. Therefore, KLPD is unable to continue with the FERC license surrender process until it addresses fish passage at the dams.

KLPD's strategy is to fulfill its regulatory obligations and limit the cost of license surrender to its rate payers. In 2025, KLPD applied for grants to study fish passage options and awaiting responses from NOAA and NFWF.

Conclusion

Over the next five years, this plan provides a clear roadmap for achieving sustainable growth, operational excellence, and long-term resilience. By aligning strategic initiatives with our core mission and values, we will enhance customer satisfaction and operational effectiveness across all areas of the organization. Success will depend on disciplined execution, continuous evaluation, and adaptability to emerging challenges and opportunities. Together, we are committed to delivering measurable results that create lasting value for the communities we serve.