



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

BOARD OF TRUSTEES BUSINESS MEETING AGENDA
TUESDAY, OCTOBER 26, 2021
ZOOM MEETING @ 5:00 PM
[ZOOM MEETING LINK](#)

- | | | |
|--------------|---|-------------|
| I. | CALL TO ORDER | 5:00 |
| II. | BOARD REVIEW OF SEPTEMBER, 2021 FINANCIALS | 5:05 |
| III. | BOARD REVIEW OF PROPOSED 2022 DISTRICT OPERATING BUDGET | 5:15 |
| IV. | GENERAL MANAGER'S REPORT | 6:00 |
| | a. ASPLUNDH PROGRESS | |
| | b. STREET LIGHT UPDATE | |
| | c. CONNECTIVITY COMMITTEE UPDATE | |
| | d. ADDITIONAL FERC CORRESPONDENCE (IF ANY) | |
| V. | PUBLIC COMMENT PERIOD (LIMITED TO 15 MINUTES TOTAL) | 6:10 |
| VI. | EXECUTIVE SESSION PURSUANT TO 1 MRSA 405.6 (C) TO DISCUSS A PERSONNEL MATTER (GM CONTRACT) | 6:25 |
| VII. | NEXT MEETINGS: NOVEMBER 16, 2021; DECEMBER TBD, 2021 | 7:00 |
| VIII. | BOARD RECOMMENDATION FOR AGENDA ITEMS FOR NEXT MEETING | 7:00 |
| IX. | ADJOURN | 7:00 |

Kennebunk Light and Power District
Board of Trustees Meeting
Tuesday, October 26, 2021
5:00pm
ZOOM Meeting Invitation

Join Zoom Meeting

<https://us02web.zoom.us/j/81210090040?pwd=UHBHd1dmbDNtODJaT2hKc3Y2V1BaQT09>

Meeting ID: 812 1009 0040

Passcode: 664545

One tap mobile

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Dial by your location

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Meeting ID: 812 1009 0040

Passcode: 664545

Find your local number: <https://us02web.zoom.us/u/kuG1svYcg>

Kennebunk Light and Power District
Notes to Financial Statements
September 2021

EXPENSES

Department	2021 Actual	2021 Budget	Variance
General Operations	\$ 43,353	\$ 85,507	\$ (42,154)
Customer Collections	14,947	15,111	(164)
Administration	96,518	98,759	(2,241)
Other expense	36,981	38,210	(1,229)

	September 2021	2021 YTD
Photovoltaic Credits	\$ 4,801	\$ 37,994
KLPD electrical usage	785	15,442

**KENNEBUNK LIGHT & POWER DISTRICT
STATEMENT OF REVENUES AND EXPENSES**

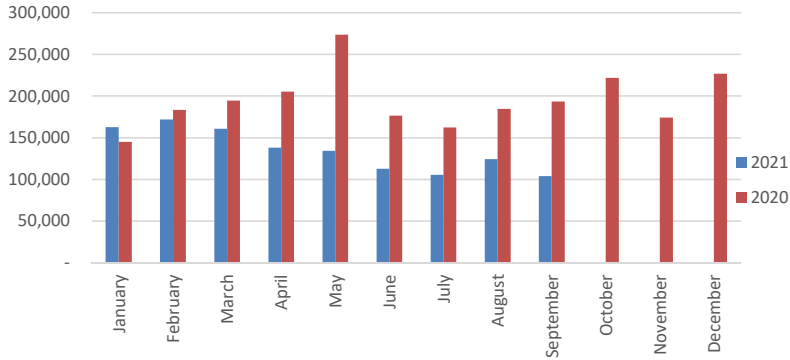
Revenue	MONTHLY			YTD			ANNUAL
	September 2021 Actual	September 2021 Budget	September 2020 Actual	2021 Actual	2021 Budget	2020 Actual	2021 Budget
Energy revenue	\$ 627,182	\$ 597,881	\$ 593,526	\$ 5,570,879	\$ 5,603,465	\$ 5,709,969	\$ 6,648,796
Energy expense	(511,324)	(597,881)	(599,611)	(5,127,618)	(5,603,465)	(5,958,464)	(6,648,796)
Net energy revenue	115,858	-	(6,086)	443,261	-	(248,495)	-
RNS revenue	170,954	165,009	150,651	1,518,511	1,493,330	1,448,782	1,786,638
RNS expense	(219,172)	(165,009)	(193,766)	(1,734,322)	(1,493,330)	(1,457,205)	(1,786,638)
Net RNS revenue	(48,219)	-	(43,116)	(215,811)	-	(8,423)	-
Transmission revenue	48,850	44,904	42,896	429,017	416,657	405,262	493,542
Transmission expense	(35,798)	(44,904)	(28,305)	(318,595)	(416,657)	(279,221)	(493,542)
Net transmission revenue	13,052	-	14,591	110,423	-	126,041	-
Delivery revenue	212,114	203,557	183,495	1,863,539	1,851,338	1,741,322	2,329,598
Minimum charge revenue	50,668	50,500	50,208	453,902	450,637	447,410	595,336
Other revenue	15,544	8,207	27,679	232,370	60,777	133,087	74,308
Total Revenue	359,018	262,264	226,772	2,887,683	2,362,752	2,190,942	2,999,242
Expenses							
General Operations	43,353	85,507	51,237	397,306	440,531	497,646	645,378
Customer Collections	14,947	15,111	12,799	135,489	143,012	119,590	248,890
Administration	96,518	98,759	78,166	999,742	951,380	873,309	1,373,951
Other expense	36,981	38,210	38,208	332,829	343,020	344,798	448,250
Total Expense	191,800	237,587	180,410	1,865,366	1,877,943	1,835,343	2,716,469
Net gain/(loss)	\$ 167,218	\$ 24,677	\$ 46,362	\$ 1,022,317	\$ 484,809	\$ 355,599	\$ 282,773

**KENNEBUNK LIGHT & POWER DISTRICT
STATEMENT OF FINANCIAL POSITION**

	September 2021	September 2020
Assets		
Cash and short-term investments	2,837,598	2,211,119
Accounts receivable	1,087,429	1,098,390
Fixed assets and property	10,603,237	10,309,633
Other assets	789,593	381,743
Total assets	15,317,856	14,000,886
Liabilities		
Accounts payable	830,265	848,997
Payroll liabilities	15,430	5,883
Long-term liabilities	1,561,350	1,789,622
Other liabilities	850,021	730,885
Total liabilities	3,257,066	3,375,386
Equity		
Surplus	11,038,473	10,269,900
Current year excess revenue	1,022,317	355,599
Total equity	12,060,790	10,625,499
Total liabilities & equity	15,317,856	14,000,886

Kennebunk Light & Power District
September 2021

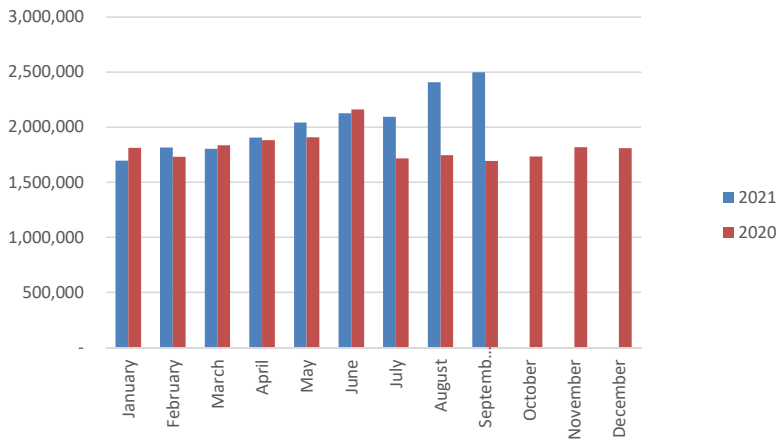
Delinquent Accounts



Aging	2021	2020
29 to 60 days	56,008	93,878
61 to 90 days	11,429	30,186
91 days +	36,558	69,408
Total	103,995	193,472

Delinquent accounts as a % of current month's sales:	9.24%	18.45%
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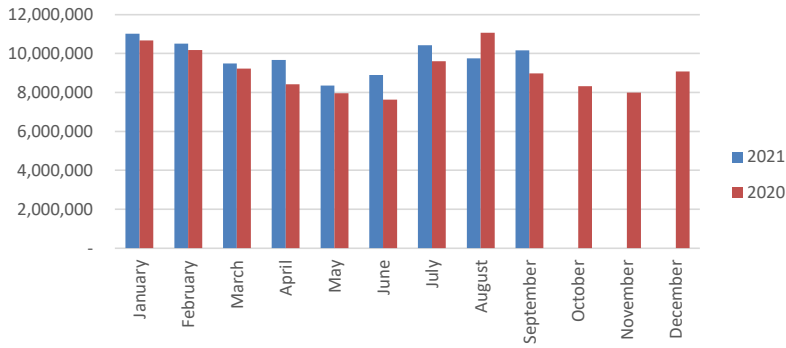
Cash-Unrestricted



Days of Cash on Hand	Without Bond
Required	90
Actual	91
Variance	1

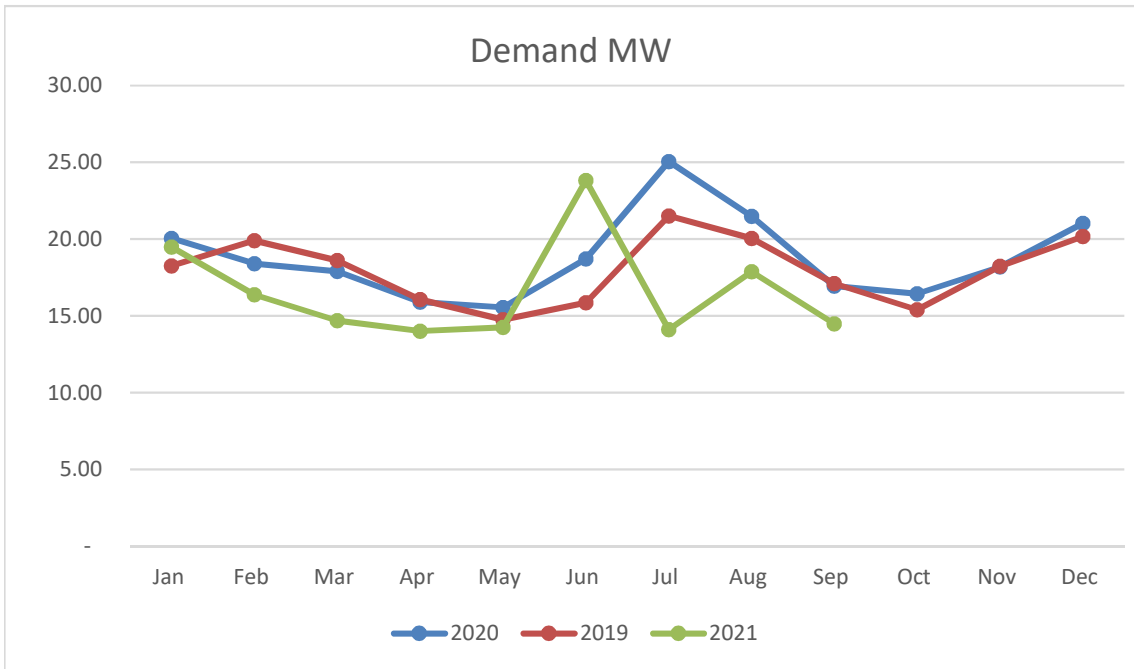
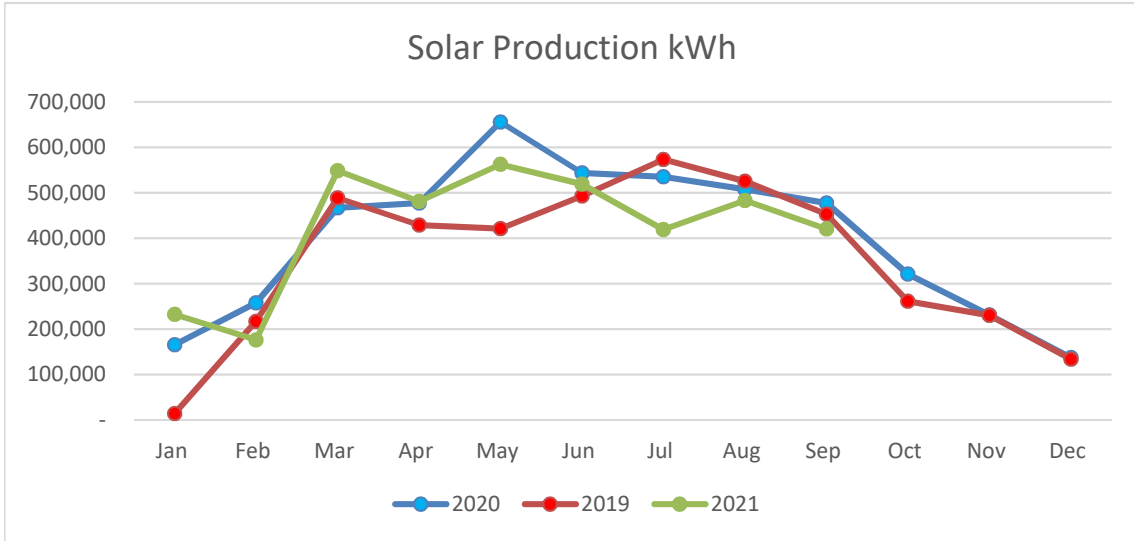
Cash required:	\$ 2,950,000
Cash unrestricted	\$ 2,498,294
Cash-deposits	\$ 146,667
Cash-capital	\$ 192,637
Cash-Efficiency ME	\$ -
Cash-Total	\$ 2,837,598
Variance	\$ (451,706)

kwh Sold



September 2021	10,162,750
September 2020	8,987,723
Variance	1,175,027

Kennebunk Light & Power District
September 2021



**KENNEBUNK LIGHT & POWER DISTRICT
HYDRO STATEMENT OF ACTIVITY**

Revenue	September 2021	YTD 2021	2021 Budget
Electrical Production	\$ -	\$ -	\$ -
Total Revenue	-	-	-
Expenses			
Labor	186	3,625	8,730
Benefits	89	1,740	4,889
Supplies	146	3,839	10,000
Electrical Use	54	1,285	2,500
Liability/Property Insurance	607	5,465	7,287
Depreciation	1,833	16,500	22,000
Legal & Professional Fees	346	57,030	30,000
Total Expenses	3,262	89,485	85,406
Gain/ (Loss)	\$ (3,262)	\$ (89,485)	\$ (85,406)

Kennebunk Light and Power District

Fiscal Year January 1, 2022 to December 31, 2022 Budget Notes

2021 estimated kWh sales are 114,453,977 (budget is 110,869,677). The 2022 budget (based on a 6-year average) anticipates a 0.42% increase in sales above 2021 to 114,938,559 kWh

Overall per kWh rate decreasing to 12.4132¢ from 12.7260¢ or -2.4579%

Our staffing level is unchanged from 2021 with 12 full-time and one part-time team members

KENNEBUNK LIGHT & POWER DISTRICT
DRAFT BUDGET #1
FISCAL YEAR January 1, 2022 to December 31, 2022

Revenue	2021 Budget	2022 Budget	Variance	Explanation
Energy revenue	\$ 6,621,996	\$ 6,287,710	\$ (334,287)	The per kWh rate is decreasing by 9.714% or \$0.007370
Purchased power expense	(6,621,996)	(6,287,710)		
Net energy revenue	-	-		
RNS revenue	1,786,638	2,258,068	471,429	The per kWh rate is increasing by 20.1764% or \$0.004130
Purchased RNS expense	(1,786,638)	(2,258,068)		
Net RNS revenue	-	-		
Transmission revenue	493,542	502,355	8,813	The per kWh rate is decreasing by 2.108% or \$0.000098
Purchased transmission expense	(493,542)	(502,355)		
Net transmission revenue	-	-		
Solar revenue	409,316	395,774	(13,542)	The rate is unchanged at 0.08735. Sales estimated on historical production.
Purchased solar expense	(409,316)	(395,774)		
Net solar revenue	-	-		
Net energy and transmission income	-	-	-	
Delivery	2,329,598	2,439,240	109,642	The per kWh rate is increasing by 1.00% or \$0.000210
Minimum charge	595,336	610,230	14,894	Based upon 113 additional meters in FY2022
Cable rental income	26,095	26,393	298	
Customer penalties	10,000	21,928	11,928	The PUC has lifted restrictions related to charging customer late fees
Interest income	16,000	18,738	2,738	
Other operating income	22,213	23,447	1,234	
Hydro production	-	-	-	
Total revenue	2,999,242	3,139,976	140,734	
Expenses				
Wages	943,272	1,094,795	151,523	Our headcount is unchanged. Wages includes COLA as well as linemen market adjustments
FICA Expense	72,160	83,752	11,592	Based upon increased wages
Health Insurance	296,387	257,920	(38,466)	Estimates a 5% cost increase. Although our headcount is unchanged, we have had turnover resulting in lower coverage levels (and expense)
Disability Insurance	9,692	10,277	585	
Life Insurance	9,019	9,792	773	
Retirement	113,688	151,362	37,674	Based upon increased wages
General plant operations, maintenance and distribution	290,000	346,999	56,999	Increased commercial activity post-COVID19 and hardening of the grid (wildlife protectors)
Customer accounting and collections	64,000	86,590	22,590	Increase is a result of retargeting staff from admin work to collections
Bad Debt Writeoffs	100,000	26,258	(73,742)	Based upon an 11 year average
Administration	370,000	361,931	(8,069)	Decrease is a result of retargeting staff from admin work to collections
Depreciation	360,000	362,000	2,000	
Interest on long term debt	88,250	77,500	(10,750)	As the bond is paid off, payments are more heavily weighted to principal and away from interest
KLPD electrical usage	26,800	20,590	(6,210)	Partially due to energy conservation and cessation of hydro production
Total Expense	2,743,268	2,889,767	146,499	
Net gain /(loss)	\$ 255,973	\$ 250,209	(5,764)	

Kennebunk Light and Power Projected kWh sales 2021

Sales Jan 2021 through September 2021	88,313,024
Sales Oct 2020 through Dec 2020	25,416,871
Sales Oct 2019 through Dec 2019	25,673,167
Sales Oct 2018 through Dec 2018	27,418,033
Sales Oct 2017 through Dec 2017	25,666,117
Sales Oct 2016 through Dec 2016	26,530,577
Projected avg Oct - Dec sales	26,140,953

YTD 2021	88,313,024
Avg Oct to Dec	26,140,953
2021 Projected	114,453,977

Average increase 0.42%

2022 Budgeted kWh 114,938,559

2022 Net Energy

		Costs	
Power Revenue	6,287,710	Power =	0.047410
Power Expense	6,029,776	Capacity/Ancillaries/RECs=	0.018280
Power Line Loss	347,782	Total Power Cost	0.065690
Undercollection	(183,494)		
Net Power	93,645		
RNS Revenue	2,258,068		
RNS Expense	2,130,074	RNS Cost	0.0232056
RNS Line Loss	122,857		
Net RNS	5,136		
Trans Revenue	502,355		
Trans Expense	473,943	Transmission Cost	0.00429267
Trans Line Loss	27,336		
Net Transmission	1,076		
2022 Net Energy	99,857		

SOLAR					
Month	kWh	mWh	Cost	Cost Per kWh	
Jan-21	232,120	232	20,276	0.0873	
Feb-21	175,941	176	15,368	0.0874	
Mar-21	548,547	549	47,916	0.0873	
April-21	480,903	481	42,007	0.0874	
May-21	562,500	563	49,134	0.0874	
June-21	519,280	519	45,359	0.0874	
July-21	418,630	419	36,567	0.0873	
Aug 21	483,350	483	42,221	0.0873	
Sep 21	420,650	421	36,744	0.0874	
Oct 20	320,719	321	28,015	0.0873	
Nov 20	231,143	231	20,190	0.0873	
Dec 20	137,121	137	11,978	0.0874	
Total	4,530,904	4,531	395,774		

		% increase
Sales 2020 total	109,222,271	-1.94%
Sales 2019 total	111,384,585	-2.66%
Sales 2018 total	114,424,897	5.43%
Sales 2017 total	108,529,201	0.45%
Sales 2016 total	108,045,122	1.67%
Sales 2015 total	106,267,018	-0.41%
Sales 2014 total	106,709,841	
Avg	109,226,134	0.42%

Projected Revenues based on 114,938,559 kWh sold

Energy Revenue	2022 Budget	2021 Budget	Variance
(114,938,559 kWh - 4,530,904 solar - 18,616,275 Corning 5 year)			
kWh	Rate	Revenue	
91,791,380	0.068500	6,287,710	6,621,996 (334,287)

RNS Revenue	2022 Budget	2021 Budget	Variance
(114,938,559 kWh - 4,530,904 solar - 18,616,275 Corning 5 year)			
kWh	Rate	Revenue	
91,791,380	0.024600	2,258,068	1,786,638 471,429

Transmission Revenue	2022 Budget	2021 Budget	Variance
(114,938,559 kWh - 4,530,904 solar)			
kWh	Rate	Revenue	
110,407,655	0.004550	502,355	493,542 8,813

Delivery Revenue	2022 Budget	2021 Budget	Variance
kWh	Rate	Revenue	
114,938,559	0.021222	2,439,240	2,329,598 109,642

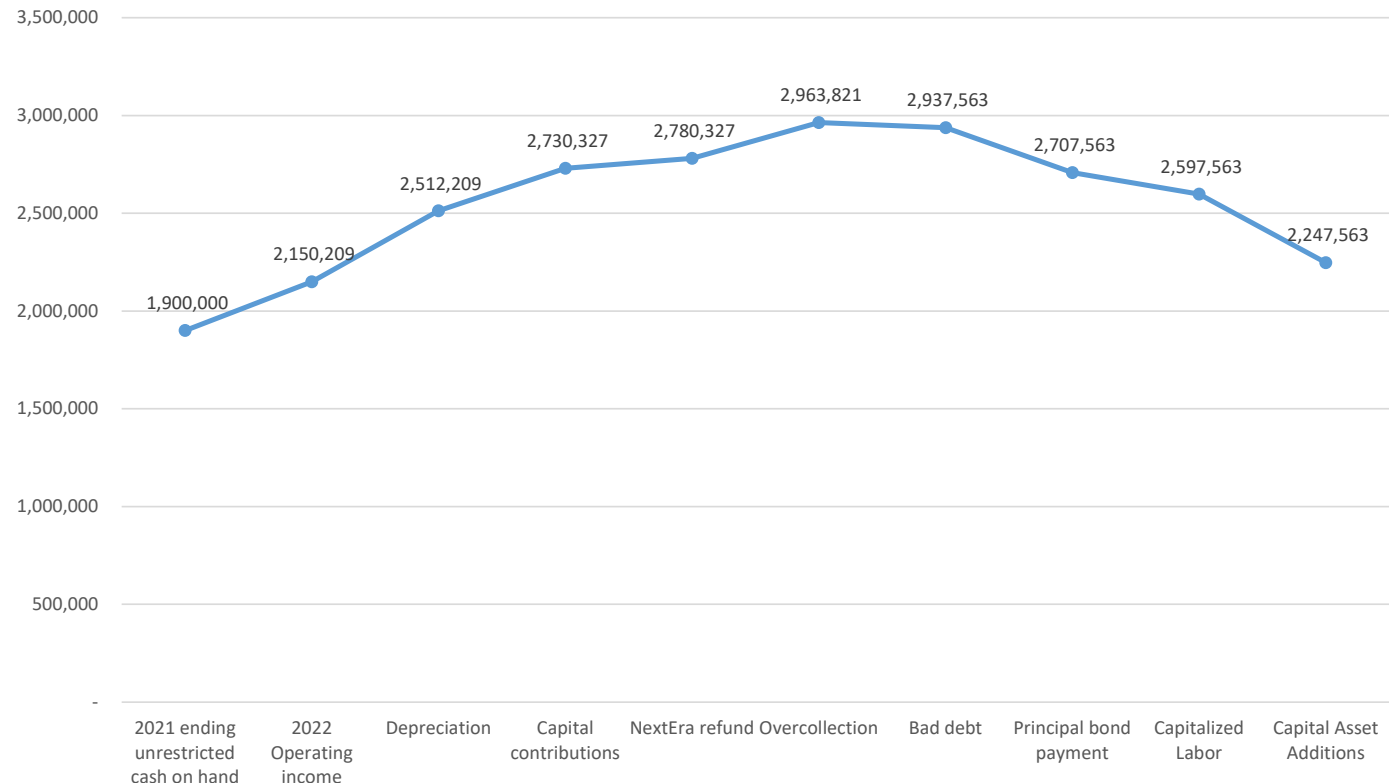
Delivery Minimum Charge

Account Type	# Customers	Rate	Revenue		
Residential	6,303	6.00	453,816	595,336	14,894
Gen Service	947	13.50	153,414		
Industrial	5	50.00	3,000		
Total Minimum Charge			610,230		

TOTAL REVENUE 12,097,602 11,827,111 270,491

Adjusted Rates		Current Rates		% Change	
Energy	0.068500	Energy	0.075870	-9.7140%	(0.007370)
RNS	0.024600	RNS	0.020470	20.1759%	0.004130
Transmission	0.004550	Transmission	0.004648	-2.1084%	(0.000098)
Delivery	0.021222	Delivery	0.021012	1.0000%	0.000210
Conservation	0.005260	Conservation	0.005260	0.0000%	-
Total	0.124132	Total	0.127260	-2.4579%	(0.003128)

2022 Cash Flow



Kennebunk Light and Power District

HYDRO Budget for January 1, 2022 to December 31, 2022

Revenue	2021 Budget	2022 Budget	Variance	Notes
Electrical Production	\$ -	\$ -	\$ -	- No production anticipated
Total Revenue	-	-	-	
Expenses				
Labor	8,730	5,000	(3,730)	
Benefits	4,889	2,400	(2,489)	
Supplies	10,000	5,000	(5,000)	Limited repairs
Electrical Use	2,500	1,000	(1,500)	
Liability/Property Insurance	7,287	7,200	(87)	
Depreciation	22,000	22,000	-	
Legal	30,000	20,000	(10,000)	
Total Expenses	85,406	62,600	(22,806)	
Gain/ (Loss)	\$ (85,406)	\$ (62,600)	\$ 22,806	