

# WEC's 80th Annual Meeting Celebrates Community Action

*Sue Minter, head of Capstone Community Action, featured speaker at Annual Meeting on May 2*

**A**s WEC celebrates 80 years of cooperative electric power at its Annual Meeting on May 2, community values will take the spotlight. Sue Minter, the Executive Director of Capstone Community Action, will be the featured speaker. Based in Barre, Capstone's programs support and strengthen about 16,000 Central Vermonters and their communities through economic development, family support and early education, and energy efficiency.

WEC and Capstone share a service area. In fact, Capstone has received donations from WEC's Community Fund, and WEC's Member Services team refers members to Capstone for Button Up-qualifying weatherization work as well as for heat assistance and other resources.

Many WEC members may know Minter as the Democratic gubernatorial candidate in 2016, and before that, as the state's Secretary of Transportation. She's also a Central Vermonter herself, living in Waterbury Center, and has a longtime affinity for co-ops. "I had an early introduction to the cooperative experience," she said, as president of a cooperative living arrangement during her undergrad years at Harvard University.

Trained as a planner and always committed to public service, Minter served Waterbury on the planning commission and as a state representative. In the wake of Irene, as the state's Recovery Officer, she



*Sue Minter, Executive Director of Capstone Community Action, is the featured speaker for WEC's 80th Annual Meeting.*

led efforts to help towns devastated by the storm. While Vermont was reckoning with how destructive weather events can be, caused or intensified by climate change, she focused not just on recovery, but on building resilience in the face of future storms.

She's also an athlete and outdoor enthusiast, drawn to Vermont in the first place by backcountry skiing. "I play in the natural world a lot," she declared. "It's a huge value for me."

So it seems fitting Minter says her primary interests include climate justice as well as social and economic justice. These values intersect in her new role. Minter had been head of the Special Olympics when Capstone hired her in late 2018 following a national search. "Being here at Capstone pulls so

many important threads together for improving lives, removing barriers, building more opportunity," she said. That means helping people in crisis with food, fuel, or emergency housing. It also means programs like Head Start that empower families through wraparound services that simultaneously address many obstacles. Minter says she's deeply concerned about increasing need in Central Vermont – for example, rising rates of homelessness among children and youth. Capstone's goal is to offer the supports people need to help them rise out of poverty. One program Minter is especially proud of is Capstone's weatherization program. Paying for fuel, and keeping heat inside

Vermont's notoriously drafty housing stock, are challenges for many Vermonters, she said. So offering weatherization services helps low-income people reduce their energy bills and energy use. Capstone reports the nonprofit weatherized 155 homes in 2018, and that program participants typically saw energy savings of around 30 percent.

These are some of the direct connections between Capstone's work and WEC's. WEC offers members financial incentives to weatherize, and produces most of its 100 percent renewable power in-state. "The more we can purchase and distribute locally, the

*continued on page 5*

**WASHINGTON ELECTRIC COOPERATIVE, INC.**  
**Thursday, May 2, 2019**

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**80<sup>th</sup> Annual Membership Meeting**

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**WEC's Operation Center, 230 Fassett Rd., E. Montpelier, VT**

**Agenda**

- 4:30 p.m. Registration—Ballot Boxes Declared Open
- 5:00 p.m. Buffet Open  
*Reservations required—see form on Page 8*
- 6:00 p.m. Business Meeting Called to Order  
*Ballot boxes open 4:30 - 6:30 p.m.*  
Board of Director Recognition  
Employee Years of Service Awards and Recognition  
Officers Reports  
Voting Results  
Question/Answer Session
- 7:00 p.m. Guest Speaker: Susan Minter, Capstone Community Action
- 8:00 p.m. Tentative Adjournment  
*Door prizes to be drawn at the end of the evening. (must be present to win)*

**Inside**

**Position statements** from the four members running for WEC's Board of Directors, p. 4.

**From RECs to capital credits:** The Treasurer's report explains how the Co-op's financial decisions affect you. P. 6.

**WEC's report card:** The SQRP index shows how the Co-op performed in 2018. P. 8.

*Members Norma Dutil, Cedric Houston, and Steve Bellefeuille enjoy dinner at WEC's Operations Center before the 79th Annual Meeting. RSVP today for WEC's 80th Annual Meeting, May 2! Form on p. 8.*

**Official Notice and Annual Report**

## President's Message

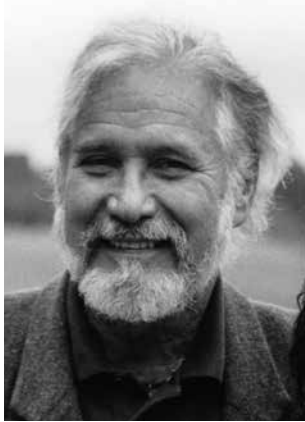
# Challenges Present Opportunities:

## A Forward-Looking Approach to Our Energy World

By Barry Bernstein

2018 was a challenging year for weather at Washington Electric Co-op as we faced more significant and intense storm events. Just this past November, our service territory experienced two major storms. The later storm, Winter Storm Bruce, was called one of the worst of the past several years. That's a label we're starting to hear a lot.

In 2018 we had five major storms, one qualifying for FEMA reimbursement. We are more than ever at the mercy of Mother Nature's severe and erratic wind, snow, and cold events.



### Rate increases in 2018

A dramatic drop in the Renewable Energy Certificate (REC) market over the second half of 2018 caused a significant loss in the revenue WEC receives from selling RECs from Coventry and Sheffield Wind. Coupled with a rise in regional transmission costs, WEC was forced to file for a 3.72 percent rate increase that went into effect July 1, and a 5.95 percent rate increase effective January 1, 2019. See more in Treasurer Don Douglas's report on page 6.

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### Rate redesign

After over two years of discussing a redesign of our rate structure with our members, our Co-op is putting together our filing for the state Public Utility Commission (PUC) and the Department of Public Service (DPS) in May, 2019. The new design will allow us to collect 30 percent of our fixed costs in a \$25 monthly charge. It will maintain a low cost block of 100 kWh at a rate lower than today's 200 kWh low block, and will lower the upper block cost per kWh.

A major reason for the redesign is our commitment to reducing our Co-op-wide carbon footprint in a way that is equitable for all members. Our goal is to continue encouraging energy conservation while creating a paradigm that makes it possible, even sensible, for members to purchase green technologies as they need to replace old vehicles, boilers, and other devices.

By reducing what WEC power costs per kWh, we hope more members can consider using electricity for heat and transportation needs. Our Button Up program complements this effort with financial incentives for weatherization, hot water heat pumps, advanced wood heating systems, and electric vehicles. More to come as we file the new rate design with state regulators.

### Capital credit refunds

Your Co-op Board of Directors allocated capital credit distributions in 2018 totaling \$750,000, the largest amount since we started making distribution in 1998. Capital credit refunds are one of the pillars of the Co-op Difference.

### Community fund stronger than ever

In 2018, 1,356 member-owners donated \$54,245 in capital credit distributions to support local nonprofit organizations working in our service territory. The grants range from \$100 - \$2,500 and applying is easy. To apply for a Community Fund grant, send a brief letter to General Manager Patty Richards describing your organization and how the money will be used. That will enable Patty and the volunteer Community Fund committee to consider your request.

We encourage all our members to consider donating capital credit refunds to this fund. Every dollar helps local nonprofits better serve our community. To participate, call WEC's Member Services team: 802-223-5245 or 800-932-5245.

### Director retirement

This year, at least one new director will join our board, as Roy Folsom from Cabot has decided to step down after 15 years of service. Over his service Roy has chaired the Power & Operations Committee and served on the Policy Committee. His presence, commitment,

and sage advice have been greatly appreciated.

### Commitment to safety

Your Co-op's commitment to safety continued in 2018. Difficult and potentially dangerous fieldwork, often in very challenging and stressful weather conditions, requires safety training to the highest standard. Our warehouse staff, and our office workers, too, must be safety conscious. We're proud to have no significant accidents involving our employees over the past several years.


### Annual Meeting 2019

Please join us on Thursday, May 2, at 5:00 p.m., at WEC's Operations Center, East Montpelier, for our Cooperative's 80th Annual Meeting of the Membership. Share a meal with other Co-op members, our staff, and your elected directors; and participate in democracy and community of belonging to an electric co-op. We look forward to seeing you there.

Also, please vote in this year's elections for WEC's Board of Directors. The best way to preserve a democratic institution is to participate in it.

### Team appreciation

I want to thank our great Co-op team: Patty Richards, General Manager; Dan Weston, Director of Engineering & Operations; Cheryl Willette, Director of Finance & Administration; Brent Lilley, Operations & Construction Services Manager; Bill Powell, Director of Products & Services; Susan Golden, Member Services Supervisor; Dawn Johnson, Administrative Assistant; our line crew, engineering, accounting, and member services staff, and all of our Co-op consultants, for their continued commitment to your Co-op.

Special thanks to my fellow Board members, including officers Vice President Roger Fox, Treasurer Don Douglas, and Secretary Anne Reed, for their leadership, commitment, and thoughtful focus on WEC issues, making the board decision making process so successful. Together we all work on behalf of you, the member-owners of WEC. 

## Co-op Currents

*Co-op Currents* (Publication No. USPS 711 -210 and ISSN No. 0746-8784) is published monthly except February, May, August and November by Washington Electric Cooperative, Inc., 40 Church Street, P.O. Box 8, East Montpelier, Vermont 05651. The cost of this publication is \$.47, which is included in the basic monthly charge to each member. Periodical postage rates paid at East Montpelier and at additional offices. Postmaster: Send address changes to *Co-op Currents*, P.O. Box 8, East Montpelier, Vermont 05651.



WEC is part of the alliance working to advance and support the principles of cooperatives in Vermont.

### Board of Directors

<b>President</b>	BARRY BERNSTEIN (May 2019)	1237 Bliss Road, Marshfield, VT 05658 Bbearvt@myfairpoint.net	456-8843
<b>Vice President</b>	ROGER FOX (May 2021)	2067 Bayley-Hazen Rd., East Hardwick, VT 05836-9873 rfox@pivot.net	563-2321
<b>Treasurer</b>	DONALD DOUGLAS (May 2020)	21 Douglas Rd., East Orange, VT 05086 dondougl@gmail.com	439-5364
<b>Secretary</b>	ANNE REED (May 2019)	3941 Hollister Hill Rd., Marshfield, VT 05658 annereed48@gmail.com	454-1324
	ROY FOLSOM (May 2019)	2603 US Rt. 2, Cabot, VT 05647 RoyGrmsy@aol.com	426-3579
	JEAN HAMILTON (May 2020)	3499 East Hill Road, Plainfield 05667 Jean.myung.hamilton@gmail.com	777-6546
	STEPHEN KNOWLTON (May 2021)	160 White Rock Drive, #2, Montpelier, VT 05602 knowlsf@auburn.edu	223-2230
	RICHARD RUBIN (May 2021)	3496 East Hill Rd., Plainfield, VT 05667 richardirubin@gmail.com	454-8542
	MARY JUST SKINNER (May 2020)	P.O. Box 412, Montpelier, VT 05601 maryjustskinner@gmail.com	223-7123

PATTY RICHARDS  
General Manager  
patty.richards@wec.coop

KATIE TITTERTON  
Editor  
katie@clearspotvt.com

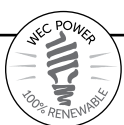
TIM NEWCOMB  
Layout

### Editorial Committee

Patty Richards Donald Douglas Jean Hamilton Anne Reed Katie Titterton

The Board of Directors' regularly scheduled meetings are on the last Wednesday of each month, in the evening. Members are welcome to attend. Members who wish to discuss a matter with the Board should contact the president through WEC's office. Meeting dates and times are subject to change. For information about times and/or agenda, or to receive a copy of the minutes of past meetings, contact Administrative Assistant Dawn Johnson, at 224-2332.

This institution is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).



To call the Co-op, dial 802-223-5245 Mon - Thur 7:30 am - 5 pm and Fri 7:30 am - 4 pm.; toll-free for reporting outages & emergencies, 1-800-WEC-5245.

## Manager's Report

# In the Face of Weather and Market Challenges, WEC's Vision, Innovation, and Terrific Staff Shine

*Weather, new technologies come online, new Button Up incentives*

By Patty Richards

**W**e close out another terrific year at Washington Electric Cooperative as we prepare for WEC's 80th Annual Meeting of our membership. Throughout the year we navigated a busy schedule that was once again dominated by storms and outage restoration work. Once again, our staff were champions. WEC staff worked tremendously hard to help members, answer calls, and restore power as quickly as possible. We are all dedicated to getting power back on as quickly and safely as we can in the wake of damaging weather events.

### Staff appreciation

A big thank you to all WEC employees. Day in and day out they work hard to deliver high quality service to members, and they do it with a smile. Our employees are dedicated to our not-for-profit utility and are focused on our mission of providing an essential service to the 41 rural communities we serve.

A few new faces have come aboard at the Co-op, and they are very excited to join our team and provide our members exceptional service. We love their enthusiasm and the new energy they bring. We have several new apprentice lineworkers: Michael Ruetz and Dinamerico (Dino) Fernandes started in September 2018 and Patrick Smith joined us in February 2019. We welcome them all.

I want to thank our Co-op's great Management team: Director of Engineering & Operations Dan Weston; Director of Finance & Administration Cheryl Willette; Operations & Construction Services Manager Brent Lilley; Director of Products & Services Bill Powell; Supervisor of Member Services Susan Golden; Administrative Assistant Dawn Johnson, and of course all of our operations, engineering, accounting, and member services staff. Thanks too to our many consultants, for their continued commitment to our Co-op.

### Weather and operations

We had five major storms in 2018,



*Normally, power-supply costs are between 60 and 80 percent of a utility's total costs, but for WEC, power accounts for only 36 percent. This combination of low power costs and renewable energy sources represents an impressive accomplishment in the utility industry.*

including one that was declared a disaster by the federal government. The November winter mix hit us especially hard, causing multiple day outages to many of WEC's members. It took a week to fully restore power to everyone. From cutting trees off lines to fixing broken poles, our field crew had their hands full. At the office, member services staff took thousands of calls, with help from our call overflow service CRC.

We had 14,624 member outages (many were out more than once). Almost 30 percent of our lines had damage, with 295 separate breaks needing repair. Once again all hands were on deck, and once again the generous human spirit of our Co-op was alive and well. People came together and did whatever was needed to help out and get power back on.

We continue to work on hardening our system, making it more resilient so we have fewer outages. We continue to focus on improved reliability, as this is of utmost concern to our members. We have increased tree trimming in our rights of way, especially to those areas with high frequency of outages. We are working to remove danger trees as we assess power line vulnerabilities. We also work to keep our costs as low as possible and maintain a power mix that is 100 percent renewable. These are the priorities of your member-owned electric cooperative utility!

### Wrightsville

We have begun a process to renew the federal license for our Wrightsville hydro facility. It is a long and complicated process as we work with state and federal regulators, but we expect to renew the hydro facility license for a 40 year period, commencing with the existing license expiration of October 31, 2022. The hydro plant is a valuable renewable resource and we're hopeful the license renewal process will allow WEC to continue operating the facility.

### WEC's green, local, affordable power sources

Our 2018 power sources are shown

as part of Treasurer Don Douglas' report on page 6. WEC's Board of Directors has consistently supported renewable sources of power. In addition to a clean power mix, WEC's power costs are among the lowest in the state and region. Normally, power-supply costs are between 60 and 80 percent of a utility's total costs, but for WEC, power accounts for only 36 percent. This combination of low power costs and renewable energy sources represents an impressive accomplishment in the utility industry.

In 2018, our generating facility in Coventry, which is fueled by landfill gas, provided 68 percent of WEC's generated power. New York Power Authority, which is from a large hydro facility on the Niagara River in New York, provided 14 percent. The Sheffield Wind project provided 11 percent of WEC's energy, and WEC's own Wrightsville hydro facility provided 3 percent. The Ryegate power plant, which uses wood, and small independently-owned hydro power sources provided an additional 4 percent of WEC's mix.

The Co-op is presently selling Renewable Energy Certificates (RECs) representing the "renewable attributes" from the Sheffield wind facility and our Coventry landfill-gas plant. Although we cannot then claim those "renewable attributes," our purchase of low-cost RECs from other resources restores those green attributes to our portfolio. As a result, we can report we are serving 100 percent of our members' energy needs with renewable power.

### Coventry SRS system

The new scrubber system installed two years ago is working well. The Siloxane Removal System (SRS) removes impurities from the gas before it reaches our engines. Engine performance has greatly improved and emissions have greatly decreased. We're reaping the benefits of the device through lower emissions, less wear and tear on the engines, and increased energy production.

### EV stations

All five of WEC's electric vehicle charging stations are up and running. You can charge your EV or plug-in hybrid in Middlesex at the park-and-ride and at the Rumney School, in Duxbury at Harwood Union Middle/High School, in Fayston at Cabot Creamery Cooperative's administration building, and in East Montpelier at the new park-and-ride.

### Net metering

WEC offers incentives to members to install renewable generation systems at their homes through a program called net metering. WEC has been running a successful net metering program since 1999.

We continue to support net metering, and as Vermont aims for 90 percent renewable energy use in all energy sectors (including heating and transportation), we want to reach that goal in a fair, equitable, and sustainable way.

WEC saw another robust year of installations in 2018: through the end of the year we had 224 members install net metered solar systems, accounting for 1,947 kW. This was the second largest single year in terms of members participating and amount of kW installed.

WEC now has 3,527 kW of mostly solar generation installed at our members' homes and businesses and using our grid every day. Net metering accounts for 22 percent of our peak and roughly 6 percent of WEC's energy sales.

### Rate design

After many months of evaluation, the Board decided to move ahead with a rate redesign. Once approved by state regulators, we anticipate implementing the change in late 2019 or early 2020. See more in Barry Bernstein's President's Report on page 2.

### Rate increases

In 2018, WEC received approval for 3.72 percent and 5.49 percent rate increases, with the later rate increase taking effect January 2019. While no one likes to increase prices to members, it is necessary to assure the financial health of the Co-op. We work hard to keep our expenses as low as possible and avoid rate increases whenever we can. Please read more about rate increases in Don Douglas's Treasurer's Report on page 6.

### Renewable Energy Standard (RES) & Button Up

WEC continues to update and deliver weatherization and efficiency programs to members in response to the state's Renewable Energy Standard. Act 56, passed by lawmakers in 2015, affects WEC and all of Vermont's utilities. It mandates efforts in three categories for utilities to move toward less reliance on fossil fuels, and we are required to meet certain targets

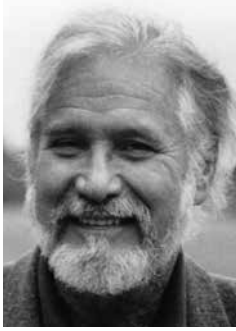
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## Position Statements of the 2019 Candidates for the Co-op Board of Directors

### Barry Bernstein

I live on Bliss Road, East Calais, a WEC owner-member since 1971. Please call if you have any questions; 456-8843; bbearvt@myfairpoint.net



I received a B.S. in Government from the University of Southern California, Los Angeles, and studied business at Miami University, Oxford, Ohio; and Northwestern University, Graduate School of Business in Chicago. I am the president and co-owner of Better World Energy LLC., the Northeast representative for Messersmith Mfg. Inc., the leading manufacturer of automated woodchip heating plants for schools, institutions, and commercial/industrial use. I have been a consultant to for-profit and nonprofit organizations for 50 years.

Barry Bernstein

I have served on WEC's Board of Directors since 1997, and have been President since 1998. I've been involved since the start with several disability rights organizations, including founding the Vermont Center for Independent Living (VCIL) and co-incorporating Central Vermont Transportation Agency (CVTA). I've also served on the Finance Committee of Woodbury College and as Treasurer of several food co-ops, including Hunger Mountain, Buffalo Mountain, and Plainfield Co-ops.

I am seeking re-election to WEC's Board to continue contributing my experience, perspective and knowledge gained during my 20 years

*continued on page 5*

### Steven Farnham

Five generations of my family have been WEC members since power lines were strung across our farm in Plainfield, my home since being born in the sixties. The farm's WEC membership has been in my name since the nineties. You may contact me at Steven4WEC@Gmail.com, or 802-917-2581.



Graduated local school system, secured Associate's in Electronics (with Honors) from VTC; subsequently furthered studies in Business Administration at UVM, and the International College of Cayman Islands. Early engineering career consisted of work in Quality Assurance, Manufacturing, Technical Support, and a summer job servicing substation equipment at GMP. Recent endeavors include bus, truck, and heavy equipment operation, selling agricultural products, carpentry, and machinery repair and restoration.

Steven Farnham

Present or past service on boards of Hunger Mountain food co-op, Vermont Philharmonic, and Cutler Library. Served with Cutler Friends of the Library, Plainfield planning commission, and Justice of Peace. Fifteen years hosted weekly community affairs program - WGDR. Judge at Vermont State Science and Math Fair (now VT STEM Fair), Volunteer at Barre Opera House, Lost Nation Theatre, and Montpelier Senior Activity Center. Forest Pest Detector: Trained to recognize signs of various exotic invasive tree-eating insects. Current

of the Bylaws; and


- have received and understand the responsibilities and time commitments required of a director.

Therefore, the Committee determines all of the candidates to be qualified for the position of director in accordance with the Cooperative's Bylaws, and hereby presents the following official listing of candidates for the Washington Electric Cooperative 2019 election of Directors:

*continued on page 5*

### Glenn Goodrich

I live in East Cabot, I have lived here all my life and my family has been here for eight generations. My membership with the Co-op has always been in Cabot. I have been a Co-op member since 1979-80. My contact info is: home 802-426-228, work 802-426-3418, cell 802-793-9153.



I was raised on a dairy farm where I learned many skills and to work hard. I attended and graduated from Cabot School, going on to further education at University of Vermont, graduating with a B.S. degree in industrial education. I went on to teach engineering, mechanical, civil & architectural, building trades, agricultural, forestry & alternate sources of energy classes at both St. Johnsbury Academy and Danville High School for a total of 14 years. I was the FFA advisor at Danville, where my students won several state competitions and competed in the nationals at Washington DC and Kansas City, MO. During that time I began my own businesses of Construction of timber frame homes, roadside mowing for municipalities and the State of Vermont, installation of tubing systems for sugarmakers from Wisconsin to Northern Maine. In 1979 I also began maple sugaring, gradually growing that part of the business to now tap over 100,000 trees with 2 production facilities. I have served previously in the town of Cabot as a Selectboard member for many years. I have served in a wide variety of civic organizations in leadership positions as well.

Glenn Goodrich


I am seeking a position to serve my community in this capacity. I believe I can bring my skills to the table and be a valuable, contributing member of the board.

I believe that some of the important issues we all face are: the dependability of power, limiting the potential of outages, providing economical power sources, and

*continued on page 5*

### Annie Reed

I have lived in Marshfield for 43 years and on Hollister Hill for 41 years. I have been a WEC member for 19 years. You can contact me by mail at 3941 Hollister Hill, Marshfield, VT 05658, by phone at 802-454-1324, or by email at annereed48@gmail.com.



I graduated from Beloit College with a B.A degree in Anthropology and earned a M.S in Conservation Biology from Antioch University New England. I am a retired freelance ecologist, and since 1997 I have taught hands-on courses in college science.

Annie Reed

I am Chair of the Marshfield Conservation Commission, former member of the Planning Commission, and current trustee and former President of the Friends of the Jaquith Public Library. I am a former trustee of Goddard College and former chair and current member of the Floral Advisory Group to the Vermont Endangered Species Committee. For 10 years I volunteered as an EMT for the Cabot Ambulance and the Plainfield Fire and Rescue Squad. I am a member of the Hunger Mountain and Plainfield food co-ops and two credit unions.

Why would I make a good board member? Because I love this Co-op!! I feel strongly aligned with the Co-op's mission to deliver affordable and reliable electricity to its members using renewable energy resources. I respect the Co-op's model of shared ownership and am proud of the Co-op's reputation as a democratic organization responsible to its members, as well as respectful and supportive to its working staff. This Co-op welcomes ideas, and encourages innovation.

I feel good about my electricity being produced by 100 percent renewable energy!! I congratulate our team on its award-winning safety record. I applaud the Co-op's outreach to our communities with its participation in the WARMTH Program, Operation Round-up, Stuff-a-Truck (one of many holiday projects to which

*continued on page 5*

## Report of the 2019 Committee On Candidates

The 2019 Committee on Candidates convened a teleconference on Wednesday, March 6, at 5:00 p.m. to review the petitions and qualifications of those members who submitted their names as candidates for the Board of Directors prior to the teleconference. There are three (3) positions to be filled. Four (4) members of the Washington Electric Cooperative, Inc. submitted their names as candidates for the three (3) Board positions to be filled. The Committee on Candidates hereby affirms:

- that each candidate submitted a valid petition in accordance with Article III, Section 3A of the Bylaws;
- that each has signed a statement of affirmation indicating that they:
  - have been a member of the Co-op in good standing for at least six months;
  - are residents of Vermont;
  - are not employees of the Coop;
  - do not have a conflict of interest as defined in Article III, Section 2

of the Bylaws; and

- have received and understand the responsibilities and time commitments required of a director.

Therefore, the Committee determines all of the candidates to be qualified for the position of director in accordance with the Cooperative's Bylaws, and hereby presents the following official listing of candidates for the Washington Electric Cooperative 2019 election of Directors:

**Barry Bernstein**  
**Steven Farnham**  
**Glenn Goodrich**  
**Anne Reed**

#### 2019 Committee on Candidates:

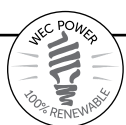
*Dale Bartlett*  
*Ben Hewitt*  
*Michael O. Duane*  
*Dorothy Naylor*  
*Cathy Frey*  
*Carla Payne*  
*Bud Haas*  
*Polly Stryker*

## Candidate Profiles

Four candidates seek election to three available seats on WEC's Board of Directors. Each member of the nine-person board serves a three-year term. Members may vote or write-in a maximum of three candidates. Ballots may be returned **by mail if received by the Barre Post Office before the May 1, 3 p.m. deadline**, or may be cast at the **Annual Meeting on Wednesday, May 2.**

Each candidate submitted a statement in response to five prompts:

1. Please introduce yourself.
2. Please briefly describe your background.
3. Why are you seeking a position on the Co-op board? Why would you make a good director?
4. What do you think are the most important issues that the Co-op must face in the next few years? What should WEC do about those issues?
5. Is there anything else you would like to tell the membership?



## Barry Bernstein

*continued from page 4*

of service as WEC President. I believe my leadership, vision and working relation, with both WEC Board and management, has helped our Coop reach our goals, like achieving 100 percent renewable power supply and building our Coventry generating plant.


If re-elected, I intend to bring my vision and commitment, creatively and thoughtfully addressing the challenges and opportunities we face in an ever-changing energy landscape. I strongly believe that in addition to having a secure, stable non-fossil power supply, our Co-op must keep focused on working with all of our members in their efforts to lower our carbon footprint in our homes, businesses, and institutions, individually and collectively. The continued and increasingly conscious support by each of our members in this effort is extremely important, as we face the consequences of a changing climate, including continuing extreme weather occurrences.

Reliability remains our primary focus as our poles and wires continue to be challenged by extreme weather. WEC must devote more time, funds and planning to increase Right of Way (ROW) clearing, removing more dangerous trees outside the right-of-way to forestall outages. Secondly, WEC should seek to improve its internal automated communication with its distribution network to facilitate maintenance of its infrastructure, enabling us to respond more quickly and effectively during storm events. This may involve switching to a fiber optic communications system.

Broadband internet access to the home and workplace is also viewed by many of our members and the state as essential to the health of local businesses, education at home, health options etc. Fiber optic technology appears to be a reasonable long-term approach to providing this service, although the cost of installing a fiber network is a key concern. We have met with CV Fiber, a Communications Union District, composed currently of 17 towns in our service territory and others, whose goal is to bring high speed broadband accessibility to homes and businesses in their towns. WEC must explore what role it could play in accomplishing this goal. We are currently looking for grant funds to conduct a Feasibility Study & Business Plan that will outline our options, and help us determine the costs and economic viability of various options and roles WEC might fill. Any decisions by the Board must be made without burdening our members who receive electricity and may not be interested in broadband services.

I believe better digital communication throughout our distribution system can be beneficial, improving our responsiveness/reliability, during storms, in our normal operations and in offering cost saving demand reduction, saving WEC and individual members

money, a win-win. Fiber optic networks linking with the expanding state fiber backbones are likely to provide the best long-term solution, in my opinion.

I ask for your vote in this election. 

## Steven Farnham

*continued from page 4*

membership in six co-ops. Past membership in four others. Why the affinity for co-ops?


Because co-ops are beholden to serve their members, not corporate elites. And Washington Electric Co-op serves its members well. However, one way to enhance that service might be for WEC to more aggressively encourage/facilitate establishing home-generated power for its members. Home-generated power is not only possible, but exists in a variety of scales, sizes, and technologies; is affordable to people who earn modest incomes; and is usually purchased and installed successfully. Yet for many, net metering seems not well understood, and fully decoupling from the grid is just an unaffordable dream. Many who can afford home-generated power decline it because of negative publicity or negative price perception.

As time progresses, advances both in technology and scale will make home-generated power more affordable. My hope for WEC is that we'll begin to see the merit of home-based power generation, and move toward a new mission, where WEC's goal includes and encourages affordable home-generated electricity, rather than merely being a manager of poles and wires and a seller of electricity.

This has the potential to render poles and wires obsolete, or at least reduce them to a purpose of lesser importance: to displace high-carbon power on the grid; a source of back-up power; net metering, or power sharing. This may be unlikely in the short-term. But it appears to be necessary/unavoidable to think creatively in the long-term. As maintenance of poles, wires, and rights of way become insufferably more expensive, and severe storm events make long outages more frequent, reducing our dependency on utility power is already making a lot of sense.

If we reach a point where WEC members all/mostly generate their own power at home, what then to do with power produced at Coventry? Push that power onto the grid to reduce others' reliance on high-carbon energy sources. While this may not be an attractive option for WEC in the short term, as pressure mounts for carbon-free energy, policies and prices are likely to change. I believe WEC should lead the way, and prepare for this kind of change, not merely react when it arrives. If one wants to escape a box, one must first dare to think outside it.

It took that kind of thinking to extract WEC from its commitment to

Seabrook Nuclear, and it took that kind of thinking to build Coventry. If WEC wants to continue to pioneer revolutionary, innovative, cost-effective, environmentally friendly ideas to keep members' homes and businesses powered and illuminated, then WEC needs to elect individuals capable of such leadership. 

## Annie Reed

*continued from page 4*

we contribute), and the Community Fund supporting community economic development. I am dedicated to keeping our Co-op strong and a vital part of our community.

I addressed the question "What do you think are the most important issues that the Co-op must face in the next few years" in my last Candidate Statement by saying "I feel like we are living in a bubble that is about to burst." And now, in many ways, it is clear the bubble has burst.

Ultimately, WEC must assure the financial stability of the Co-op. WEC will have to work hard to keep rates realistic over the long term. The operations cost is increasing, while revenues from the sale of power and Renewable Energy Credits (RECs) are consistently decreasing. Currently WEC is charging the lowest fixed fee in the state. The new rate design we hope to send to the regulators in May is designed to lay the foundation for addressing our revenue issues by charging each member a higher fixed fee to cover more of the costs to maintain our poles and wires. At the same time, and accounting for our constraints of size and rural service territory, our goal is to have a parity of rates with other Vermont utilities.

We have always been an advocate of conservation and reducing fossil fuel usage. Now, regulators are stepping in to try to reach a goal of 90 percent renewable by 2050.

## Sue Minter

*continued from page 1*

better," Minter said, adding that when connected to a green, local power grid, efficiency programs are economic drivers.

"Here at WEC, we are constantly thinking about how we can uplift our members and our neighbors and the environment," said Patty Richards, WEC's General Manager. "Capstone serves our members, and they do amazing, comprehensive work to tackle some of the things we're most concerned about."


On May 2, after the meal is shared, the votes are tallied, and the meeting is held, Minter's talk promises to address some of the challenges and values relevant to anyone in this community. "I really love the sense of community we have in our state," reflected Minter. "Our democracy here is a scale where it's quite real."


Tier 3 mandates that utilities be responsible for funding and directing electrification efforts that reduce fossil fuel use, mostly due to heating and transportation. So we are instructed to set aside money to promote electric vehicles and increased reliance on electricity.

Increased storm damage and the threat of the emerald ash borer are straining WEC's reliability and resiliency. We must expeditiously repair damaged infrastructure following storms but also predict, avoid, and mitigate the effects of outages. We have increased our investment in Right of Way management. This could reduce the cost of maintenance over the long term and reduce stress and danger to workers and members while improving overall reliability.

Member engagement and support of our Co-op is the foundation of our strength and central to our identity as a cooperative. Active engagement influences our mission to support the local economy and community organizations. How can we increase opportunities for members to engage with WEC; how can we promote cooperative principles? What will empower the Board to serve members' needs to the best of our ability?

In addition to member support, we need to strengthen partnerships with stakeholders and develop strong networks with NGOs and community organizations. We have to be in constant communication with regulators and legislators so that our needs and concerns are heard and understood.


As we transition to the fossil-free energy future as members and as a community, we need to be proactive. We need to continue to be leaders in providing reliable, clean, and practically produced electric power. I am dedicated to keeping our Co-op strong and hope to share that aim with my fellow board members and all members at large. 

"Come to learn about how Capstone is building programs and economies that are pro-community and green," said Richards, "and learn how you, or your loved ones or neighbors, can take advantage of programs designed to help Central Vermonters rise and thrive." 

## Glenn Goodrich

*continued from page 4*

seeking renewable energy sources.

I look forward to serving the members of the Co-op now and in the future. 

Copies of Washington Electric Cooperative's audited financial statements are available at WEC's office, the Annual Meeting, and on [washingtonelectric.coop](http://washingtonelectric.coop).

## Treasurer's Report

# Increased Costs and Drop In REC Market Lead to Two Rate Increases in 2018

*Weather and ash borer threats lead to increase in ROW funding; Coventry output projections strong; largest capital credit refund in WEC history*

By Don Douglas, Treasurer

**W**ashington Electric Cooperative works hard to keep our rates as low as possible while trying to provide the excellent service our members expect and deserve. Unfortunately, in 2018 it was necessary for WEC to file two separate rate increases.

The first, for 3.72 percent, was filed in May 2018 and was approved by the Vermont Public Utility Commission (PUC) to go into effect on July 1, 2018. The main driver of this rate increase was increased purchase power and transmission costs. WEC was also impacted by the robust pace of net metering, and transmission constraints in the northeast portion of the state caused a drop in the value of energy WEC produced at the Coventry plant and the Sheffield Wind facility.

Due to a dramatic decline in the REC market, WEC needed to file for an additional rate increase of 5.49 percent in November 2018. This rate increase was approved by the PUC on December 31, 2018, and went into effect on January 1 of 2019.

The decline in prices in the REC market is having a significant financial impact on WEC. While the decline can be seen as good news from an environmental perspective, as more renewable generation comes on line



*The decline in prices in the REC market is having a significant financial impact on WEC. While the decline can be seen as good news from an environmental perspective, it does mean a drop in the REC revenues WEC collects at market for our 100 percent renewable generation.*

and loads across New England decrease, it does mean a drop in the REC revenues WEC collects at market for our 100 percent renewable generation. We have sold more than \$20,000,000 in RECs since we built the Coventry landfill gas plant, and that has helped keep our rates lower than they would have been otherwise. Now that the price for RECs is declining, we will need to adjust to the reality of the market. We expect we will need to continue with small rate increases for the next several years.

### Weather and ash borer affect rights of way

2018 weather was a challenge for WEC and for many – if not most – of our members. We had five major storms and many smaller outages throughout the year. The May wind event was so bad that it qualified for Federal

Emergency Management Assistance (FEMA) funding. The November snowstorm, since named Winter Storm Bruce, was just as bad. While we hoped it would also qualify for FEMA funding, the federal government has denied the state's request. The State of Vermont is going to appeal that decision.

WEC's rights of way (ROWs) are facing another challenge. An invasive insect, the Emerald Ash Borer, was discovered in our territory a year ago, and is rapidly killing ash trees. As a result, previously healthy ash trees are now a problem in the ROWs of WEC's 1,300 miles of distribution line. We need to begin to aggressively cut the ash trees before they die and fall across the lines, causing outages. Between cutting more ash and the increasing severity of the weather, we are going to need to spend much more to maintain the ROWs.

### Coventry producing well

Coventry paints a much more positive picture. In 2018, Coventry produced 68 percent of the energy used by our members. While the value of the RECs produced by the Coventry plant have declined, the electricity produced and the volume of available gas have increased. Our consultant John Murphy believes we will be increasing Coventry's electricity output well into the future. This helps WEC

provide affordable renewable energy to our members. WEC is one of only two utilities statewide that provide 100 percent green energy.

### Margins

While we ended the year with a positive net margin of \$744,207, we unfortunately had a net loss on our operating margins of (\$454,314). Due to this, we did not meet our minimum Debt Service Coverage ratio with our lender, National Rural Utilities Cooperative Finance Corporation. We have notified our lender and are working on a waiver for 2018. The impact of the severe storms and the dramatic decline in REC revenues were the main reasons for missing this ratio.


### Capital Credit refunds and healthy audit

Capital Credits are unique to co-ops. The main differences between cooperatives and investor-owned utilities are that co-ops are democratically controlled and refund credits to their

members. All the money in excess of what is necessary to run the business is allocated to members and is retired (returned) over time. For the past 21 years, WEC has been allocating capital credit retirements to members because we want our members to understand the cooperative difference.

To date, WEC has returned \$6.8 million to our members. Each year the Board of Directors must decide if our finances allow for a retirement, and then the Board decides how much we can retire. In 2018, the Board of Directors agreed to pay out capital credit distributions totaling \$750,000, the largest amount since we started making distributions in 1998.

On behalf of the Board of Directors I want to thank our entire Finance Department for their hard work and attention to detail and for their dedication to WEC.

Copies of our audit are available online at [www.wec.coop](http://www.wec.coop) as well as hard copies at the Co-op office. 

## A Big Step Forward In 2018: Board Adopted Climate Change Policy Statement

*Patty and Barry discuss the importance of taking a stand as an electric co-op*

**Patty:** In 2018 the WEC Board of Directors adopted a statement acknowledging the threat of climate change. The statement says:

*The WEC Board of Directors acknowledges that rapid global warming and associated climate instability are real, and are significantly attributable to human activities. We are concerned that global warming presents great risk of serious and negative economic, environmental and health ramifications to humans, along with challenges to the continued existence of numerous other forms of life on this planet.*

The full text is at [washingtonelectric.coop](http://washingtonelectric.coop).

**Barry:** It states what we already have done in practice and strengthens our leadership commitment going forward. Your Co-op is the first utility in the state and one of the first in the country to adopt a statement like this.

**Patty:** As with everything, change starts at home: our primary focus is on the four rural Vermont counties we serve. We have seen an increase in the number and severity of damaging weather events and the arrival of invasive pests. These are symptomatic of and attributable to global warming. These factors negatively impact our members' lives and our ability to serve them safely, reliably, and affordably.

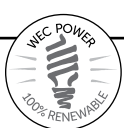
Yet we're leading on this issue well outside state borders. WEC urges regional and national associations in the electric co-op community (NRECA and NEAEC) to support meaningful efforts to address global warming, including legislation at the federal, state, and local levels. An effective response must also address financial impacts incurred by cooperatives burdened with legacy power supply commitments.

**Barry:** I know we in Vermont cannot alone solve this crisis facing our planet. Yet I truly believe that if change is to take place, it will be led by smaller communities across the world.

### Notice

Members may vote at the Annual Meeting on May 2 or by ballots accompanying this issue of *Co-op Currents*. **Mailed ballots must be received at the Barre Post Office no later than 3 p.m. on Wednesday, May 1** in order to be counted. Please allow 3-4 days for in-state delivery and 6-8 days for out-of-state delivery. Ballots mailed or dropped off at the Co-op will be counted.

Contact Dawn Johnson with questions: 802-223-5245.



## Consolidated Balance Sheet

### Assets and Other Debits

	12/31/17	12/31/18	Increase (Decrease)
<b>Utility Plant</b>			
Total Utility Plant in Service	\$79,009,350	\$81,163,654	\$2,154,304
Construction Work in Progress	633,841	72,939	(560,902)
Total Utility Plant	79,643,191	81,236,593	1,593,402
Accum. Provision for Depreciation	29,082,808	31,125,132	2,042,324
<b>Net Utility Plant</b>	<b>\$50,560,383</b>	<b>\$50,111,461</b>	<b>\$(448,922)</b>
<b>Other Property and Investment - At Cost</b>			
Invest. in Assoc. Org. - Patronage Capital	379,942	416,396	36,454
Invest. in Assoc. Org. - Other	448,452	444,581	(3,871)
Other Investments	7,878,963	8,026,483	147,520
<b>Total Other Property and Investments</b>	<b>\$8,707,357</b>	<b>\$8,887,460</b>	<b>\$180,103</b>
<b>Current Assets</b>			
Cash - General Funds	620,054	783,901	163,847
Restricted Cash	400,000	0	(400,000)
Notes Receivable - Net	99	99	0
Accounts Receivable - Net	3,453,278	3,221,894	(231,384)
Materials and Supplies	252,341	254,856	2,515
Prepayments	339,133	386,461	47,328
<b>Total Current and Accrued Assets</b>	<b>5,064,905</b>	<b>4,647,211</b>	<b>(417,694)</b>
Deferred Debits	1,069,735	941,961	(127,774)
<b>Total Assets and Other Debits</b>	<b>\$65,402,380</b>	<b>\$64,588,093</b>	<b>\$(814,287)</b>
Number of Consumers	11,057	11,519	462
kWh Sold	68,821,561	70,493,884	1,672,323

### Liabilities and Other Credits

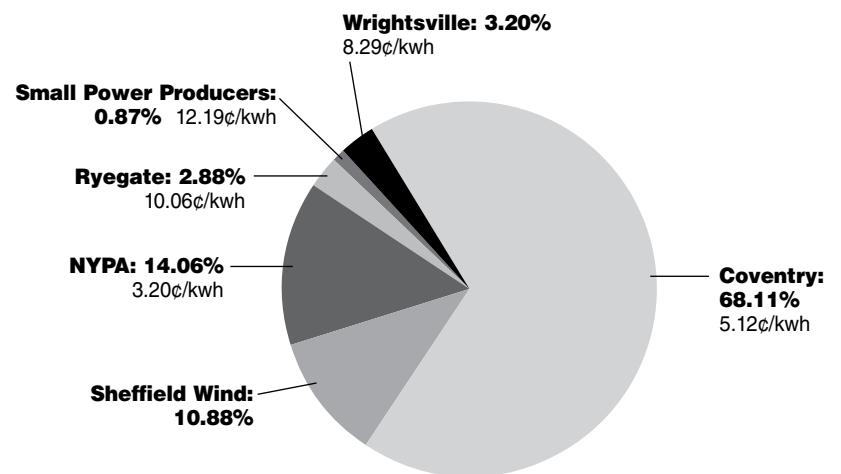
	12/31/17	12/31/18	Increase (Decrease)
Memberships	\$138,715	\$142,505	\$3,790
Patronage Capital Credits	22,579,428	22,658,142	78,714
Operating Margins - Current Year	(156,324)	(399,441)	(243,117)
Non-Operating Margins	928,104	1,143,648	215,544
Other Margins and Equities	264,264	272,434	8,170
<b>Total Margins and Equities</b>	<b>\$23,754,187</b>	<b>\$23,817,288</b>	<b>\$63,101</b>
<b>Long-Term Debt</b>			
Long-Term Debt - RUS	4,347,909	4,028,616	(319,293)
Long-Term Debt - FFB	16,394,239	19,046,296	2,652,057
Long-Term Debt - NRUCFC	13,822,883	12,468,491	(1,354,392)
<b>Total Long-Term Debt</b>	<b>\$34,565,031</b>	<b>\$35,543,403</b>	<b>\$978,372</b>
<b>Current Liabilities</b>			
Current portion of Long Term Debt	2,293,320	2,359,107	65,787
Line of Credit - CFC	1,710,181	0	(1,710,181)
Accounts Payable	1,448,127	1,571,598	123,471
Consumer Deposits	203,822	210,847	7,025
Other Current and Accrued Liabilities	810,062	899,630	89,568
Deferred Renewable Energy Certificates	422,231	-	(422,231)
<b>Total Current and Accrued Liabilities</b>	<b>\$6,887,743</b>	<b>\$5,041,182</b>	<b>\$(1,846,561)</b>
Deferred Credits	195,419	186,220	(9,199)
<b>Total Liabilities and Other Credits</b>	<b>\$65,402,380</b>	<b>\$64,588,093</b>	<b>\$(814,287)</b>

### 2018 Statement of Operations

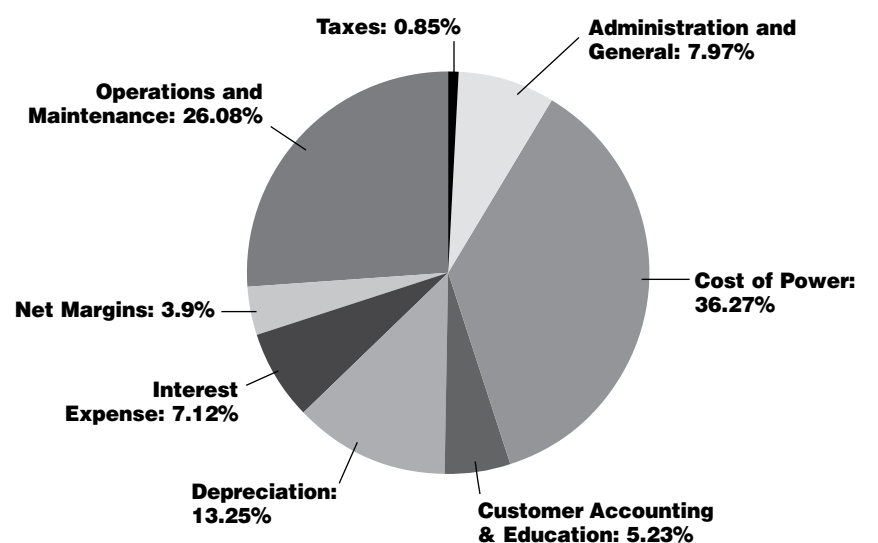
Item	Actual 12/31/17	Actual 12/31/18	Increase (Decrease)
<b>Operating Revenue</b>	<b>\$16,894,752</b>	<b>\$17,956,947</b>	<b>\$1,062,195</b>
Cost of Purchased Power	4,437,693	5,131,919	\$694,226
Cost of Generated Power - Wrightsville & Coventry	2,093,208	1,795,275	\$(297,933)
<b>Total Cost of Power</b>	<b>\$6,530,901</b>	<b>\$6,927,194</b>	<b>\$396,293</b>
<b>Other Operation &amp; Maintenance Expense</b>			
Transmission Expense	86,701	105,733	19,032
Distribution Expense - Operation	1,858,442	1,917,688	59,246
Distribution Expense - Maintenance	2,356,299	2,958,855	602,556
Consumer Accounts Expense	688,322	725,621	37,299
Customer Service & Education	221,532	274,448	52,916
Administrative and General Expense	1,449,166	1,524,016	74,850
<b>Total Other Operation and Maintenance Expense</b>	<b>\$6,660,462</b>	<b>\$7,506,361</b>	<b>\$845,899</b>
<b>Fixed Expenses</b>			
Depreciation and Amortization Expense	2,360,611	2,398,488	37,877
Tax Expense - Other	156,519	162,762	6,243
Interest on Long-Term Debt	1,339,174	1,336,552	(2,622)
Interest Expense - Other	3,409	25,031	21,622
<b>Total Fixed Expenses</b>	<b>\$3,859,713</b>	<b>\$3,922,833</b>	<b>\$63,120</b>
<b>Total Cost of Electric Service</b>	<b>\$17,051,076</b>	<b>\$18,356,388</b>	<b>\$1,305,312</b>
<b>Operating Margins</b>	<b>(156,324)</b>	<b>(399,441)</b>	<b>\$(243,117)</b>
Non-Operating Margins - Interest	884,524	1,100,615	216,091
Non-Operating Margins - Other	43,580	43,033	(547)
<b>Net Margins</b>	<b>\$771,780</b>	<b>\$744,207</b>	<b>\$(27,573)</b>
Times Interest Earned Ratio (TIER)	1.58	1.56	(0.02)

### 2018 Sources and Costs of Power

(Total kWh Purchased and Generated)



### 2018 Where the Dollars Went



### Manager's Report

continued from page 3

as specified in the law.

WEC has already fulfilled the first requirement (Tier I) by being 100 percent renewable, and will meet the requirements of Tier II – pertaining to distributed generation – as long as we continue to accept net metering systems in our service territory, which we intend to do.

The third part, referred to as Tier III, or the Energy Transformation Program, resulted in programs the Co-op offers to help members reduce their fossil fuel consumption. Known to our members as Button Up, these programs aim to curb fossil fuel use through incentivizing technologies like weatherization, air source heat pumps, solar hot water, heat pump

water heaters, electric vehicle charging stations, and pellet stove boiler systems. Our membership must achieve specific amounts of fossil fuel energy reductions from Button Up programs, increasing each year to 12 percent by 2032.

I'm pleased to report that WEC met the state's Tier III requirements in 2017 – and better yet, so did every utility in Vermont.

In 2019 WEC will continue to offer incentives for low and moderate income members to buy electric vehicles or plug-in hybrid cars. We will also offer incentives to any WEC member buying a new EV or hybrid, regardless of income.

For questions about how Button Up can help you weatherize, update your appliances, or buy an EV or hybrid, call Energy Coach Bill Powell:

802-224-2329.

### Sheffield-Highgate External Interface (SHEI)

The Sheffield-Highgate Export Interface (SHEI) is a section of the electric grid in northern Vermont that monitors power in relation to grid capacity and the amount of power produced by generating plants. In order to avoid transmission outages, generation resources in this area have been limited, and dollar credits for renewable energy produced at these plants has declined. WEC continues to work with VELCO, the state's

transmission provider, as well as other utilities and stakeholders to find solutions.

2018 was a year in which Washington Electric Cooperative continued to innovate, to improve our services to members, and to provide reliable electric service while striving to keep our costs in check in the face of new environmental and market challenges. Co-op members with questions, suggestions, and concerns are always welcome to call me at our central office in East Montpelier: 802-223-5245.



# WEC's 2018 Report Card: Service Quality and Reliability Results

By Patty Richards

Each year, WEC must report how we did in terms of service and reliability to our members, something akin to a report card. WEC, like all Vermont utilities, is required by the Vermont Public Utility Commission to report our performance through what is known as a "Service Quality and Reliability Monitoring and Reporting Plan" (SQRP). The SQRP measures the quality of our service to members and our reliability in 12 separate categories.

We are also required to report our performance to Co-op members each year at this time. There are measurements and targets established by regulators for each category, and WEC is assessed on our performance in each area. This allows WEC to measure service, track trends, focus decision making, provide public accountability, and compare our performance with other utilities.

WEC usually does well in meeting the targets, and we did again in 2018, meeting all but one of our requirements. In fact, in many categories WEC performed significantly better than required.

Our system reliability statistics were a challenge in 2018 due to the number of storms that hit us throughout the year. WEC met our goals in beating the outage duration metric, but missed a goal for the number of outages we experienced with both indices excluding major outages. We note that outage and reliability measures are affected by factors outside our control: namely, weather.

**1. Worker Safety Performance.** We care greatly about the safety of our employees, for their own well-being and as an indicator of how safely we operate as a utility. As members may know, the work many of our employees do is high risk, strenuous, and physically demanding. Our target is to have no more than six incidents that result in lost work time, and no more than 39 days of lost work among all employees in a year.

In 2018, we had no lost-time incidents and no lost time days.

**2. Outage incidents.** The "System Average Interruption Frequency Index" (SAIFI) measures the average number of outage incidents that occurred per member (exclusive of major storms, like the storms that occurred in May and November). Our target was no more than an average of 3.8 outages per member.

We averaged 2.5 this past year, meaning we were better than the target (excluding major storms).

**3. Outage duration.** The "Customer Average Interruption Duration Index" (CAIDI) measures the average time it took to restore power when there was an outage (exclusive of major storms). Our target was no more than 2.7 hours average duration.

In 2018, our average interruption rate was 2.85 hours, meaning we missed the requirement. The reason for missing the duration outage statistic was due to the number and severity of storms we experienced in 2018. This was an unusual weather cycle with repeated storms that swept through WEC's 41 towns, often clustering and wreaking havoc in the same areas.

**4. Calls not answered within 20 seconds.** Our requirement is that no more than 15 percent of WEC's incoming calls take more than 20 seconds to answer. Our Member Services Representatives and our backup service from the Cooperative Response Center (CRC) answered approximately 42,717 calls last year.

13.4 percent of those calls took longer than 20 seconds to answer. We met the requirement, but the unusually large volume of calls was due to the number of calls received during the November storm.

**5. Bills not rendered in seven days.** Our target is that no more than 0.10 percent of bills (one in 1,000) are issued more than seven days after they were supposed to.

Out of 130,946 bills that went out to our members over the year, no bills were issued late.

**6. Bills found inaccurate.** No more than 0.10 percent of all bills (one in 1,000) sent should be found inaccurate. WEC sent out 130,305 bills in 2018.

We met our target here too, with 8 bills for the year reported inaccurate, or 0.024 percent of bills issued.

**7. Payment posting complaints.** Our target was that no more than 0.05 percent of members (one in 2,000)

have complaints about payments not promptly and accurately posted to their accounts.

We had one complaint in 2018, or 0.002 percent, meaning we came in below the target.

**8. Meter readings per month.** Although there are situations where a meter can't be read and we have to issue an estimated bill, this should be kept to a minimum of no more than 5 percent of bills (five in 100).

We had nine estimated meter reads in 2018, coming in below the target at 0.007 percent.

**9. Requested work not done on time.** When we extend lines to new homes or perform work requested by members, we want to complete the work efficiently and according to the member's timeline. Although schedules for a project may change, our engineering staff and line crews stay in touch with the member to complete the project in a timely manner.

Our goal was that no more than 5 percent of requested jobs be completed later than expected.

In 2018, as in past years, all jobs were on time. We had 320 projects and no late complaints.

**10. Average delay days after missed delivery date.** Not applicable. If we had missed our timeline estimates in section nine above, we would have needed to report how long these delays actually were.

**11. Customer satisfaction.** WEC's SQRP requires a professional survey be conducted every five years that contains customer-satisfaction questions. We conducted a survey in late 2015 and received high marks. We reported the

results in the December 2015 issue of *Co-op Currents*, which is available on our website. The five-year cycle calls for a new satisfaction survey to be performed in 2020.

To highlight a few sections of the last survey, we note that reliability was the most important service attribute to WEC members. We received high scores in this area, but we need to do more. We will continue to work to improve reliability in towns with rugged terrain. In addition, we continue to invest in equipment that will harden the grid system, with the goal of improving reliability in our remote areas.

Having competent, knowledgeable, and friendly staff also ranked high as a member priority, as well as value for the money you spend for your power. We will work on all these attributes to improve service and keep our rates affordable to all members.

**12. Complaints to DPS/Consumer Affairs.** Vermonters with complaints about their utility can report their concerns to the Consumer Affairs Division of the Department of Public Service (DPS). The DPS then contacts the utility to get more information about the matter. In most cases, issues are resolved by discussion, or the DPS determines that there is no basis for the complaint. However, when the DPS determines that a utility has not done something right and requires that it be corrected, this is recorded as an "escalation."

WEC's SQRP requires that the number of escalations not exceed 0.07 percent of our membership (or about seven per year). In 2018, no escalations were reported.

## DINNER RESERVATION (BUFFET DINNER)

### WEC'S 80th Annual Meeting

Thursday, May 2, 2019

230 Fassett Road, East Montpelier, VT • 4:30pm registration 5:30pm buffet begins

**Cost:** Dinner is free by RESERVATION ONLY. Walk-ins on 5/2 will be charged \$20 per meal if meals available. Confirmation postcards will not be sent, but confirmation emails will be.

Bon Temps Gourmet buffet will accommodate vegetarian and gluten free options. For other special dietary requests please contact Dawn Johnson at (802) 224-2332 or Dawn.Johnson@wec.coop

**RSVP with form below by Wednesday, April 17, 2019 to: WEC, PO Box 8, E. Montpelier, VT 05651**  
**Email RSVP to Dawn.Johnson@wec.coop**

	Member	Guest	Child/Age
Name: _____ <i>(Please print clearly)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Name: _____ <i>(Please print clearly)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Name: _____ <i>(Please print clearly)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Name: _____ <i>(Please print clearly)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Account # _____ Telephone _____ Email _____			

**Please be sure not to put reservation RSVP in ballot envelopes**

