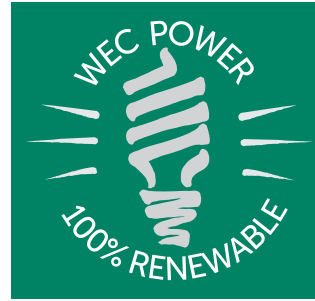




www.washingtonelectric.coop

CO-OP CURRENTS



Vol. 85, No. 3

The newsletter of Washington Electric Cooperative, Inc., East Montpelier, Vermont.

April-May 2024

Meteorologist Roger Hill To Present at Annual Meeting

Worcester-based meteorologist and WEC member Roger Hill will present at the Co-op's winter outage-themed Annual Meeting on May 2. Hill's site-specific forecasts help Vermont utilities, including WEC, prepare their responses to major storms. Many other Vermonters know Hill from his weather forecasts on WDEV Radio Vermont and daily updates through his weather blog, Weathering Heights.

Hill will discuss weather and storms in WEC territory, and the impacts a warming climate has on our weather and electric grid.

"As the meteorologist advising

Vermont's utilities and a WEC member myself, I'm keenly aware of the impact of storms and outages on our rural region," said Hill.

"I look forward to discussing with my fellow members weather trends, weather science, why the mountains and valleys of central Vermont experience weather the way we do, and what might lie ahead with the larger effects of a heating planet and what strains this might put on our power grid."

Learn more about Roger Hill in the July 2018 issue of *Co-op Currents*: washingtonelectric.coop/wp-content/uploads/2018/07/July2018.pdf



Meteorologist and WEC member Roger Hill forecasts from his home office in Worcester. Hill is the featured speaker for WEC's 85th Annual Meeting, which will focus on winter outages.

WEC Receives \$2.5 Million Earmark for Meter Upgrades

At press time, Sen. Bernie Sanders announced \$2.5 million in congressionally directed spending to help fund WEC's advanced metering infrastructure.

WEC also anticipates state funding for this project. More information to follow in the next *Co-op Currents*.

General Manager's Report

Practical and Honest: WEC's Pledge For Addressing Outages

With increasingly severe storms causing more damage to electrical infrastructure across Vermont, I hope to have a conversation with WEC members at our Annual Meeting about winter outages, and how we as members respond to them, both individually and collectively through our Cooperative.

Outages, particularly those in the winter, are understandably one of the greatest concerns for WEC members. This is true now more than ever, with

the increased damage from storms, with more members working or going to school from home, and with greater reliance on electrical power for heating, transportation, and other needs.

We at WEC are making changes in our operations, our system, and our technology that will help reduce the severity and duration of outages. Having heard from members that they would like to know more about when their power will return, we

continued on page 3

WASHINGTON ELECTRIC COOPERATIVE, INC.

Thursday, May 2, 2024

85th Annual Membership Meeting

BARRE AUDITORIUM – 16 Auditorium Hill, Barre, VT 05641

Agenda

- 4:30 p.m. Registration open – Ballot boxes open 4:30-6:30 p.m.
- 5:00 p.m. Featured speaker: Roger Hill, Weathering Heights
- 5:30 p.m. Buffet opens
- 6:00 p.m. Business meeting called to order
 - Board and employee recognition
 - Officers' reports
 - Question & answer session
 - Election results
- 8:00 p.m. Tentative adjournment and door prizes (must be present to win)

To register, visit wec.coop/annual-meeting or submit the form on p. 8.

Official Notice and Annual Report

Inside

President's report: Ensuring WEC maintains access to renewable power as demand grows. P. 2

Manager's report: A pledge for a practical and transparent response to winter outages. P. 3

Treasurer's report: Increases in revenue, margins, and outage costs. P. 6

System reliability index: Reliability by the numbers. P. 6

WEC's report card: Metrics measuring the Co-op's performance in 2023. P. 8.

President's Report

A Good Enough Way To Proceed

Shoring up access to renewable generation, including Hydro-Québec, as Vermont's demand for renewable power grows

Washington Electric Cooperative is now in its 85th year, and it is a good time to reflect on how we got started as a cooperative. As we are already close to being a quarter of the way through the 21st century, we can also review several of the past year's events to see where we are headed, and how WEC is adapting to change.

When WEC began operating in 1939, it was, like many cooperatives, founded on egalitarian principles to provide power equitably to all its members at a time when electricity was generally not yet considered a public service to be made available to all, as it is today. While the world has changed since then, today's Board of Directors and staff of WEC still strive to act in the interests of the entire membership. To the extent possible, the cooperative prefers that investments made by the

members for forward-looking programs are structured to benefit the full membership. The community, whether members know it or not, remains a key part of the cooperative ethic and shapes most of the actions taken by the Board on behalf of the members who jointly own the cooperative and invest in it when they pay their utility bills.

General Manager Louis Porter describes in this issue of *Co-op Currents* an area in which adaptation is taking place in response to a challenge brought by the 21st century. This refers to WEC's improving performance over the last year to communicate local and timely notification to members during outages and plans to extend its effectiveness. This involved more effort throughout the organization than just upgrading our website, and has been in preparation since 2022. Importantly, these new efforts were spurred by

member input. In talking with some members who've been on WEC's lines for decades, I've been happy to hear that they use the system that Louis describes in more detail in his report, and that they appreciate the growing amount of information available to them. While no one likes an extended outage, most members feel more at ease when they can find out how the restoration is progressing after a storm. Just as important is the need to strategically strengthen WEC's system to what appears to be a new normal in storm behavior.

Numbers tell the story: around Vermont, more

members are losing power for longer in recent years. Adapting our system to a changing environment and assisting our members to do the same is an increasingly important theme for WEC in the coming years.

This past year we had to make a decision to assure that we remain a 100% renewable electricity provider. In 2022, the gas output from the Coventry landfill that supplies our gas-to-electric facility decreased by 10-20% and remained low for longer than anticipated, leaving us with a shortfall. Wind energy obtained from the Sheffield turbines is also somewhat reduced from previous years. In June 2023 WEC began buying approximately 1,000 megawatt hours per month of energy from Hydro-Québec (HQ). While we have had a contract for hydroelectricity with HQ since 2016, we have not needed to use it until now because we had enough renewable power to satisfy our members' needs as well as to qualify as a 100% renewably-powered utility without it. Our existing contract provided us with a safety net for our power deficit. WEC chose to make up the shortfall last year by taking HQ power for the rest of the decade.

Why did we think this was a good choice? WEC needed to resolve its recent shortfall, and we also anticipate that the growing numbers of electric vehicles and heat pumps will slowly but steadily increase the overall demand for power. In this transition WEC is committed to remaining the



To the extent possible, the cooperative prefers that investments made by the members for forward-looking programs are structured to benefit the full membership.

– Stephen Knowlton

100% renewable utility it has been since 2014. Increasing renewability is enshrined in state policy, and 100% renewability is likely to eventually be required by state law for all Vermont electric utilities. We believe most WEC members support the use of clean power whenever possible. WEC members, like most Vermonters, place an even higher value on their electric service being reliable and affordable. Hydropower from HQ is particularly valuable because it is dependable, like other so-called baseload generators. And it is relatively inexpensive as renewable power goes.

Some may critique our choice of taking HQ

power. Solar and wind are frequently touted as the mainstays of an ideal power grid based on renewables, even though they are intermittent sources of power that are not highly dependable resources on their own. This is by no means a fatal flaw for such resources. Engineers are capable of finding and implementing a variety of solutions that could mitigate the major weaknesses of large-scale wind and solar. Judging from what I've read in the newspapers, the estimated cost of the latter is a lively topic of discussion among stakeholders and is sizeable enough that it needs to be penciled out more thoroughly than has been done to date.

The Vermont electric grid is actually far cleaner than the country's as a whole, and only 2% of Vermont's estimated greenhouse gas emission comes from its use of electricity. WEC and other Vermont utilities are expecting to continue procuring more renewable power in the immediate future. WEC cannot afford to wait, and perhaps even afford, a perfect solution espoused by some politicians and policy makers if the goal is to continue cutting the emission of greenhouse gases. A portfolio of mixed technologies, some imperfect, that provides reliable power when needed, is a good enough way to proceed and allow for the adoption of even better solutions as they become affordable. Not letting the perfect being the enemy of the good should be the appropriate path for WEC's future.

Co-op Currents

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Postmaster: Send address changes to *Co-op Currents*, P.O. Box 8, East Montpelier, Vermont 05651.



Board of Directors

President	STEPHEN KNOWLTON <i>(May 2024)</i>	East Montpelier knowisf@auburn.edu	223-2230
Vice President	MARY JUST SKINNER <i>(May 2026)</i>	Middlesex maryjustskinner@gmail.com	223-7123
Treasurer	DONALD DOUGLAS <i>(May 2026)</i>	East Orange dondougla@gmail.com	439-5364
Secretary	BETSY ALLEN <i>(May 2025)</i>	Plainfield betsallen@gmail.com	535-7088
	SUSAN ALEXANDER <i>(May 2025)</i>	Cabot mullandmor@gmail.com	563-3259
	PAT BARNES <i>(May 2024)</i>	Vershire bpatbarnes@gmail.com	356-2210
	STEVEN FARNHAM <i>(May 2025)</i>	Plainfield steven4wec@gmail.com	917-2581
	JEAN HAMILTON <i>(May 2026)</i>	Plainfield Jean.myung.hamilton@gmail.com	777-6546
	RICHARD RUBIN <i>(May 2024)</i>	Plainfield richardirubin@gmail.com	454-8542

LOUIS PORTER
General Manager
louis.porter@wec.coop

KATIE TITTERTON
Editor
katie@clearspotvt.com

TIM NEWCOMB
Layout

Editorial Committee

Betsy Allen, *Puzzle Editor* Dawn Johnson Donald Douglas Jean Hamilton Louis Porter 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 us, at 224-2332, or visit wec.coop/board.

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Got something to say?

Letter to the editor, comment, or a story tip? Drop us a line at currents@wec.coop or Washington Electric Cooperative, Inc., P.O. Box 8, East Montpelier, VT 05651, Attn: *Co-op Currents*.



GM's Report

continued from page 1

have begun putting such restoration estimates on our outage maps when we have enough information, although we know it is difficult to make such estimates accurately.

We are now using electronic communication and computer systems more than in the past, both to communicate with crews in the field and to manage our knowledge of and response to outages. Over the next few years, with help from a state grant, we plan on installing a new metering system which will provide us with better, faster, and more complete information about what is happening on our system.

On our grid we are making changes as well, such as working towards federal funding to upgrade lines which are particularly problematic, using different types of lines and construction, and exploring grant funding to install battery storage. WEC already places lines underground in some areas, and we will continue to do so where it makes sense, although our territory can make this approach challenging.

Members have also told us that during major outages, they are more concerned about how long it takes to restore power than the cost of restoring it. In major storms over the last two years, we have made greater use of outside crews, allowing us to turn the power back on sooner. This comes at a cost, however. We have spent close to \$1 million or more in each of the last two winters on restoration efforts. As members know, electric bills are where we pay for these costs.

One thing we do not plan on doing is hiring crews ahead of time in anticipation of outages. While this could be helpful in big storms when utilities around the region are competing to contract available crews, given the size of our territory it is likely that we would at times hire such crews ahead of time but not have the damage necessary to utilize them. As one example, in a pair of storms in January of this year we anticipated major damage, but both times the weather hit all around our territory, causing outages for other utilities, especially Vermont Electric Cooperative, but not in WEC's territory. If we had hired outside crews ahead of time we would have spent a lot of members' money needlessly.

Individual and collective outage preparation in our part of Vermont

I also want to be honest about a reality that I think we need to collectively be prepared for. A rural electrical utility, with among the lowest number of members per mile of line in New England, serving a mountainous, tree covered territory, is going to experience outages and some of those outages will last a substantial amount of time. As your cooperatively owned utility, WEC has a responsibility to prepare for and respond to those events. But members have their own responsibility to individually prepare for them as well, for their own sakes as well as their family and their neighbors.

WEC exists because our part of Vermont was, and remains, rural, with miles of forests and field often separating houses and farms. We all live here because we love that landscape, and because, perhaps paradoxically, we love the deep connections between people when they live scattered across rugged, weather-dependent, country. But living in such a place comes with its own



Members have told us that during major outages, they are more concerned about how long it takes to restore power than the cost of restoring it.

— Louis Porter

costs and challenges. Services, including roads, law enforcement and emergency assistance, communications and certainly electrical power, are different here and place demands on us collectively and individually.

That means planning and preparing for storms which are going to knock out power for lengthy periods, up to days at a time. Long-standing members of WEC know that living in the country requires a level of self-sufficiency foreign to those who live in urban or suburban areas. It means having an alternative source of heat, having food and water, and

having a generator if uninterrupted electrical power is essential. Most important of all, it means having a plan to help neighbors who may not be able to take care of such things themselves.

I hear from members occasionally about Green Mountain Power's plan to make massive investments in their system to reduce outages. The Vermont utilities have great working relationships with each other, including with GMP, and we will carefully watch and learn from their approach. Some of what they

do will make sense for us to emulate and some will not for cost or other reasons.

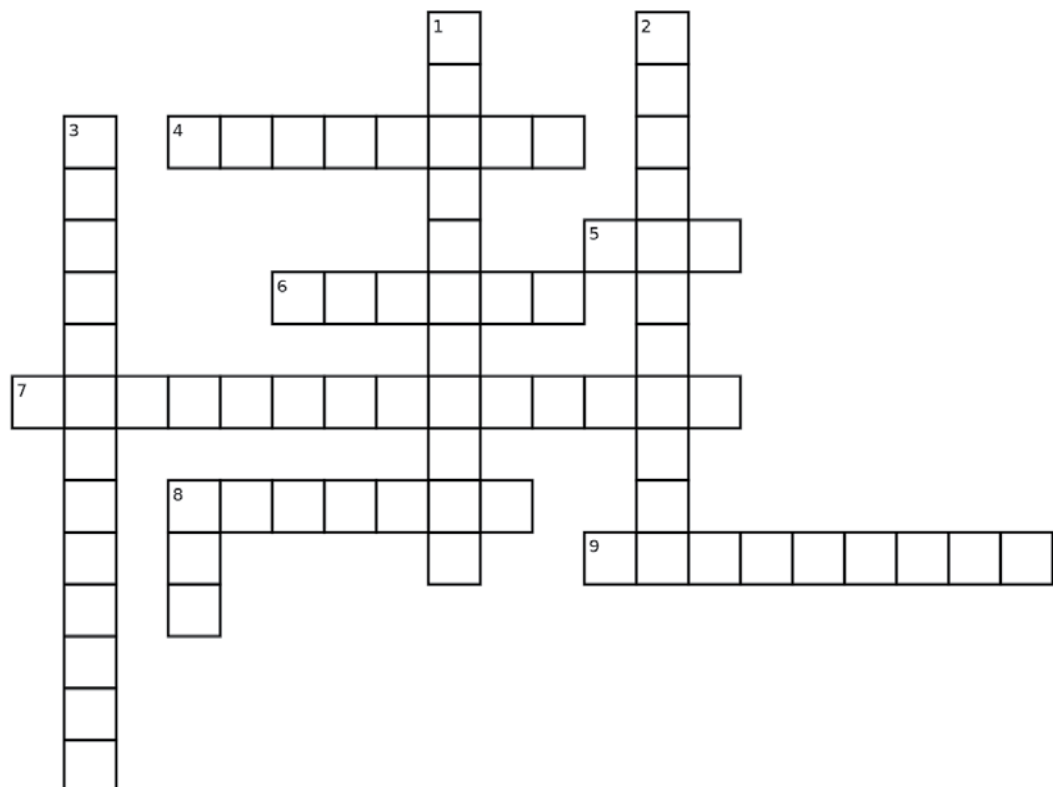
WEC's territory is uniquely rural, but the challenges of being a rural utility customer are not. While we had a massive outage on Christmas of 2022, both GMP and VEC have experienced outages that lasted many days in the last year or so through which the WEC system came through relatively easily. So much depends on where and how the weather hits, what kind of impacts it causes, and how long storms last.

So come to our Annual Meeting, held this year at the Barre Auditorium to provide additional space, and let us know what you think and what you would like us to do. WEC member and weather guru Roger Hill will come and tell us what he has learned about weather, power lines, and how they interact, and we will have a discussion about how individual members and our communities can prepare for these difficult and disruptive events.

I won't promise that WEC members will not experience outages or that there will not be outages that last for extended periods of time because I don't think that is realistic. I can promise that we will hire the most dedicated people to work for you, that we will use all practical approaches to prevent and restore outages, and that we will be honest with you about the cost and the success of those measures.

Puzzle by Betsy Allen

Fun Facts About Your Electric Co-op



Down:

- 1. Policy that allows customers to generate electricity that is transferred to the grid and offsets their utility cost of power
- 2. Our member owned utility is a ____
- 3. Your meter measures ____ (2 words)
- 8. Month of Annual Meeting

Across:

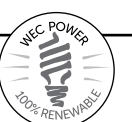
- 4. Board of Directors President's last name
- 5. Most efficient type of lightbulb
- 6. General Manager's last name
- 7. Excess revenue returned to members (2 words)
- 8. Electricity generated from this gas at the Coventry Plant
- 9. WEC electricity is 100% ____

All Members Receive Annual Meeting Co-op Currents

Co-op Currents is both a print and online publication. Subscribe and change your preferences anytime at wec.coop/news. You can save the Co-op paper and postage by opting out of the print publication and going digital-only.



All members, including digital-only subscribers, receive a print copy of the Annual Meeting issue because it is packaged with your ballot.



Position Statements of the 2024 Candidates for the Co-op Board of Directors

Board Candidates' Policy Statements

In 2024, five Co-op members seek election to three seats on WEC's Board of Directors. The candidates are Pat Barnes of Vershire, Ian Buchanan of East Montpelier, Olivia Campbell Andersen of East Montpelier, Stephen Knowlton of East Montpelier, and Richard Rubin of Plainfield.

Buchanan is a first-time candidate. Barnes and Campbell Andersen were both candidates in 2022; at the end of 2023, Barnes was appointed to the seat vacated by Roger Fox. Knowlton and Rubin are long-serving incumbents; Knowlton is WEC's Board President.

Each Director serves a three-year term. WEC members may vote for or write in a maximum of three candidates. Ballots may be submitted at the Annual Meeting on May 2, or returned by mail. Any mailed ballots must be received by the Barre Post Office before the May 1 deadline at 1:00 p.m.

In the February-March issue of *Co-op Currents*, all known candidates may make a brief statement to the membership introducing themselves. In the

April-May issue, candidates may describe their skills, policy perspectives, and leadership styles in response to the following questions:

- *What is your name, in what town is your Co-op membership, and how should members contact you?*
- *What skills, expertise, and/or perspectives would you bring to the Board?*
- *What are the most important issues the cooperative will face in the next few years? How would you guide the Co-op in regard to these issues?*
- *Is there anything else you would like to tell the members?*

Candidate introductory and policy statements are also available on wec.coop/annual-meeting.

Pat Barnes

BPatBarnes@gmail.com

I was selected by the WEC board to fill the vacancy left by Roger Fox's retirement.

Since my appointment in January, I have appreciated the

kindness and generosity of the other board members to teach and counsel me about the complexities of WEC operations. I look forward to being a voice on the board to represent southern Orange County.

I have been a resident of Vershire, Vermont for thirty years. My career has been dedicated to science education and my volunteer work has included being an EMT and firefighter, wilderness search and rescue, Justice of the Peace and member of the Board of Civil Authority, and a member of a school board.

I now operate a home weatherization firm dedicated to helping customers use energy more effectively to increase their comfort and reduce costs and carbon emissions, whatever energy source (petroleum, biomass, electricity) they use.

I wish to be a member of the WEC Board to be part of the team that helps carry our Co-op into the next era. I believe that Co-op members should be producing and consuming more electricity. We need policies that enhance resilience by diversifying our renewable generation (such as solar and wind) while encouraging the transition to efficient electrical power for heat and transportation.

The challenges that we face are numerous: increasing electrical use; maintaining our power lines in the face of increasingly destructive storms and forest threats like the emerald ash borer; increasing our grid's capacity to accommodate distributed sources of electrical power; all the while delivering great service at an affordable price.

We will need to combine the right

incentives and rate structures with the Co-op's clout in persuading the Vermont Public Utility Commission to craft policies that serve our members in this decade and the next.

Co-op members are free to contact me with needs or concerns about the Co-op at BPatBarnes@gmail.com.

Ian Buchanan

isb900@gmail.com
802-595-3828

Following college at CU Boulder and UVM, and before moving to East Montpelier in 2018, I lived in Waitsfield, Washington (state),

Colorado, and Burlington. I grew up in the Northeast Kingdom where my parents operated a small country store. I experienced a wide range of perspectives serving people in one of the state's most economically disadvantaged areas.

Since then, I founded, developed, and continue to run a small business in Vermont. I am aware of Vermont's equity challenges, regulatory climate, and what service organizations face today. We live in a complicated world that rarely is well served by binary "yes" or "no" answers; there is a lot of gray area in many decisions. I am pragmatic and understand that the perfect can be the enemy of the very good. Compromise is often needed to create true progress. I strive to peel back layers of topics to reveal the heart of the big picture and discover the most likely long-term results of different paths.

WEC faces significant issues today and tomorrow. At present, we have to work to systematically improve the reliability of our broad, rough, and tree-laden grid. We have to support broadband accessibility and the desire of many members to adopt more electricity-intensive technology (EV charging, heat pumps, etc...). When it comes to regulations, we need to

continue to advocate for ourselves while simultaneously meeting the expectations the legislature and the Public Utilities Commission have structured for utilities. We also need to maintain a workforce of high-quality and skilled people.

In the longer term, WEC needs to continue to secure adequate clean power to support increasing electrical demand; we need to explore ideas to help overcome our quantity of scale limitations and lower kWh rates; and we need to remain competitive in a marketplace that will continue to shift. We should learn from other utilities while managing risk so that we innovate and progress without overexposure. We should continue to pursue a future where affordable and clean are not mutually exclusive but are also both kept in perspective.

I am aware of the double-edged tendencies of technology and how promises and realities do not always align. I am committed to doing what I can to have technology help us more than it hurts us. My family has an electric vehicle and we converted our old farmhouse to primarily rely on hydronic heat pumps. These conversions, particularly the HVAC, took more planning, experimentation, money, and advocacy than should be required. We can't be blind to how nascent many of these technologies still are or how large the demands on our already compromised grid will be. I am committed to understanding and playing a role in guiding how WEC supports the accessibility of these technologies (lowering costs, improving ease of installation, providing an adequate grid...) to members in a manageable, affordable, and realistic manner.

As recent outages have demonstrated, living without grid power for any length of time is not an option for most of us. WEC is one of the most important resources in our communities.

I commit and work hard to the things I believe in. As a member of the WEC Board, I will explore how WEC is structured to flesh out where the best opportunities exist. I will listen and process what members and other Board members say while

putting in the planning, analysis, and effort necessary to make informed recommendations and decisions. We need to work cooperatively and creatively to build the brightest and most reliable future possible.

Don't hesitate to reach out. I'd like to earn your vote.

Olivia Campbell Andersen

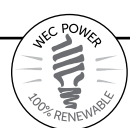
sunshineOliviaC@gmail.com
802-522-8501

As a local business and family farm founder, I deeply understand the need for reliable, affordable, and clean energy in our

rural community. I dwell in possibility, believing that nothing is impossible with hard work, creativity, and integrity. I have nearly two decades of experience creating collaborative partnerships and crafting innovative policies as a communications, renewable energy, and sustainability advisor to non-profit, business, and government leaders. My experience advocating for consumers and small businesses at the Public Utility Commission and state legislature, working with other electric utilities in Vermont and nationally, as well as securing federal funding for local projects can directly benefit WEC and its members.

I'm grateful to be considered for the opportunity to serve on our electric co-op's Board because I believe that we are stronger, smarter, and more effective when we work together and everyone in our community is served fairly and treated respectfully.

Affordability, reliability, and the impacts of climate change are the most significant issues facing the cooperative. Families and businesses cannot afford to stay, grow, and thrive in Vermont when faced with expensive and unreliable electricity bills and expenses. Over the last decade,



the annual cost of electric outages and storm recovery exacerbated by more frequent and intense weather events due to climate change cost each Vermont household hundreds of dollars every year and in recent years cumulatively caused WEC members to lose millions. WEC has a responsibility to build and maintain a distributed, resilient, and modern energy system we need today and tomorrow.

Change is needed to make our electricity and services from WEC more reliable and reasonably priced. Change is needed to ensure that everyone that wants to can access and benefit from cost-saving climate technologies. We also need better and more communications from WEC re: outages in times of emergencies and storm events as to when folks may expect power to be turned back on and other information so that everyone can be safe and healthy and best manage their own household's needs and expenses, especially during winter outages.

Rather than digging further into debt, WEC needs to proactively act and plan for greater reliability in a way that limits the cost to members. Ideas include strategic vegetation management along power lines, creating microgrids, and home or business energy storage as offered by most other Vermont utilities.

I believe that we all deserve to have and make our own choices related to our family's electricity, heating, and transportation needs. Too many Vermonters are unable to directly access the benefits of cost saving climate solutions—like cold climate heat pumps, advanced wood heating, geothermal, and electric vehicles, and I don't want our community to be left behind due to our rural location. WEC can serve as a facilitator and where appropriate a service provider to increase equitable access to broadband, climate, and energy resilience solutions.

Stephen Knowlton

knowlsf@auburn.edu
802-223-2230

Generally, a board member acts as a financial steward on behalf of all the members of this cooperative that we own together, and to ensure that it carries out its primary mission of providing safe, reliable electric service with low negative environmental impact. To this end, I have worked diligently during my time on the Board to understand WEC's not-for-profit cooperative business model and how it meshes with the political, regulatory, and technical environment of Vermont's utility world. Thanks to forward-looking decisions



taken by previous boards, WEC is a leader in providing affordable clean electric power to all its members, and I am confident we can continue to be a 100% renewable utility into the future as long as WEC's options are not overly restricted by statute. WEC, and most other Vermont utilities, have been successful in reducing greenhouse gas emissions from the state's electric sector to minimal levels. But achieving perfection is an expensive burden on the ratepayer when resources are needed for our growing challenges: it is a fact that WEC and other Vermont utilities are experiencing more damaging storms than ever before, probably resulting from the changing global climate. There is an evident need for WEC and its members to adapt to new circumstances. Most members emphasize they want their power to be reliable, particularly those who are coming to depend more on their residential electricity for their heat, work-from-home capability, and electric vehicles. WEC will likely need to invest in a range of storm management options. Maintaining good reliability in this new environment will require a combination of engineering, investment, and close engagement with members on their expectations and what they can do to prepare. Secondly, ratepayers are justifiably concerned about the cost of electricity even when investment is desirable. In a co-op, what this means is that we seek to apportion WEC's operating costs equitably to all members so that everyone pays their fair share, and not more. These are the key challenges I see in 2024.

I was first elected to WEC's Board of Directors in 2015. I served on the Power & Operations and Members & Marketing committees, and became chair of the latter. In mid-2021, I was selected by the Board to be president, replacing Barry Bernstein who stepped down after serving over twenty years in that role. From 2018-2022, Bernstein and I actively researched the feasibility of WEC providing fiber broadband service to all its members in partnership with non-profit Communication Union Districts. While the effort ultimately did not pan out for WEC for several good reasons, some beyond WEC's control, it showed me the opportunity a Board member can have in pursuing the Co-op goal of improving members' quality of life if one is willing to spend time educating oneself in the issues and engaging with others.

I live in the White Pine community near Dillon Rd. in East Montpelier, and have been a member of Washington Electric Cooperative since 2001. Members may contact me at 160 White Rock Dr. #2, Montpelier, VT 05602, at knowlsf@auburn.edu, or at 802-223-2230. I've lived in various places around the US and abroad as a result of my father being in the army. I graduated from Middlebury College in 1975, and received a Ph.D in physics from MIT in 1984. After finishing my

degree I worked at an international plasma physics and fusion energy laboratory in England for several years. Afterwards I spent most of my career at Auburn University where I taught physics and led an experimental fusion energy research laboratory at that university, supporting staff, students, and post-docs. Now retired, I continue to participate in scientific program reviews and federal advisory panels at the request of the U.S Department of Energy and the National Science Foundation. Locally, I served as a mentor in U-32's Branching Out program, and as an advisor to the Vermont Energy Education Project. I am a member of the Vermont Academy of Science and Engineering, and a volunteer judge of the annual Vermont STEM Fair.

Richard Rubin

richardirubin@gmail.com
802-454-8542

I have lived on East Hill Road in Plainfield for more than 50 years and have been a Co-op member since 1973. I can be reached by mail at 3496



East Hill Road, Plainfield, VT 05667 or by phone at 454-8542. My email is richardirubin@gmail.com.

I am 78 years old and have lived in Plainfield since I moved to Vermont in 1972. I have been a Co-op board member for several terms and have enjoyed my experience on the Board a great deal. I enjoy working with my fellow board members and management and would like to serve another term. I believe in cooperatives and cooperative principles, and I am committed to keeping our co-op strong. My experience as an attorney brings a critical perspective to the board and helps me ask the hard questions.

I am particularly proud that our Co-op obtains its energy from renewable sources such as the Coventry landfill methane generation plant, Hydro-Quebec, and the Sheffield wind farm.

Washington Electric Co-op has been able to rid itself from dependence on Vermont Yankee and the use of fossil fuel to generate our energy. Much of our power is also produced inside Vermont. Our Co-op's example is an important one to our policy makers and to other utilities as we move deeper into the twenty first century. It was exciting to see the Sheffield wind project come online. We received a \$1 million grant through Bernie Sanders' efforts and invested in this project several years ago. It took a long time, but as a result, we now have a 20-year contract for energy from that project at very favorable rates.

Our landfill gas-generation plant

in Coventry was also an excellent investment. We can produce renewable electricity from garbage at a very favorable cost.

I also continue to be proud of the efforts of our Community Fund, which now donates more than \$45,000 each year to non-profit groups in our service area, all from members turning back to the fund their annual patronage refunds. I urge all members to sign up and contribute. It's a good way to help our neighbors.

In addition to becoming 100% renewable, we have redone our office building using the best and greenest building techniques, providing an efficient and comfortable working environment for many years to come.

I am especially proud of our staff and the work they do for us in good weather and bad. The recent storms and outages have been hard, and they are likely to be a continuing problem with the changing climate. I am committed to reliability and to ensuring that our line crews are valued and fairly paid for the work they do. It's hard to see them out at night in the snow and mud restoring our power in freezing conditions.

I love Louis Porter and believe that participating in his selection was one of the best things I have done on the Board. He's great. He has deep roots in central Vermont, loves the Co-op and the outdoors, relates well to the staff and the members, and is really smart and committed. Steve Knowlton is our new Board President replacing Barry Bernstein who had been our leader forever. Steve is clear-eyed and a strong leader for our Board. We're lucky to have him.

We are a small business with high rates largely due to our rural nature and lack of large commercial and industrial customers. We run a tight ship but are continually faced with pressure on our rates outside our control. We are also faced with adapting to a new energy future in which more of our members are using solar energy and installing energy efficient heat pumps which will save fossil fuel but burn more electricity. We need to be nimble and creative to adapt what we do to meet our members' needs and to fulfill our mission.

I am confident the Co-op can continue to be a leader in both the energy arena and as a model for how locally owned and non-profit cooperative enterprises can provide our essential services while keeping our capital and "profits" in our local communities. Green Mountain Power is owned by a Canadian company and pays its management very high salaries. Its profit and return on its investments leave the state and the country as well. This is not a model for the delivery of energy that I support.

I am committed to a Co-op that is a leader in environmental stewardship based on nonprofit cooperative principles which operates reliably and keeps our electricity for all our members.

Treasurer's Report

Rising Revenue, Net Margins — And Storm Expenses

By Don Douglas

In 2023 Washington Electric recognized a large increase in revenue in retail sales. In 2022 it was \$17,384,203 and in 2023 the figure increased to \$20,246,823. This represents an increase of \$2,862,620. This large increase is due to the rate increase of 12.83% and because our regulators asked us to shift the net generation credits down to purchase power instead of using those credits to reduce the expense of power generation. This shifted over \$653,000 in 2023. The kilowatt hour sales increased 1.5% over 2022.

Coventry electric production has been a concern because there is plenty of gas available, but technical problems at the plant have increased the time the engines are



We topped \$1,100,000 in expenses in just two months. The storm expenses for the past five years demonstrate an alarming trend as the storms increase in intensity.

either in repair or are unable to run at their capacity. WEC will most likely need to replace some of the equipment at the facility in order to utilize more of the available gas. When we have to flare the gas we are losing the opportunity to produce more electricity.

Outages in November and December were a large factor in the ever-increasing storm budget. We topped \$1,100,000 in expenses in just two months. The storm expenses for the past five years demonstrate an alarming trend as the storms increase in intensity. WEC and all Vermont utilities continue to experience significant damage to the poles, wires, and all of the electric infrastructure.

Sale of Renewable Energy Certificates (RECs) decreased slightly

from \$2,052,720 in 2022 to \$1,978,302 in 2023. This reflects the problems of production at the Coventry plant and not the market value of the RECs.


The net margins in 2023 were \$1,067,669, which is significantly more than in 2022, when the margins were \$458,795. This increase in net margins comes from the rate increase on January 1, 2023 of 12.83% and the strong sales throughout the year.

Capital credits are one of the things unique to cooperatives. Investor owned utilities (IOUs) call the money in excess of what is needed to run the business "profits" and return that money to their investors, along with bonuses to their top level managers. Cooperatives call the money in excess of what is needed to operate the business "margins." The margins are member revenues and get allocated to each member's account based on each member's usage. In short, WEC can return money to the members when there is excess at the end of the year. The Board of Directors is responsible for deciding if we can retire capital credits and how much to retire each year. Available cash is the

metric we use to make this decision. Some years WEC has had very large allocations, and other years they are very small.

Our goal is to keep close to a 20 to 25 year cycle. Inactive members get a check in the mail if their credit exceeds \$50. Active members get a credit on their November bill. Since we began retiring capital credits in 1998 WEC has returned nearly \$10,000,000.

We also invite members to donate their capital credits to the Community Fund, which provides grants to nonprofit organizations in the four counties served by the Cooperative. This is a great way to make a real difference in your community. At present, over 1,400 members contribute a total of more than \$35,000 each year. For more information, please call the Co-op at 802-223-5245 or visit wec.coop/capital-credits.

On behalf of the Board of Directors, I want to thank the entire Finance Department for their hard work and dedication to Washington Electric Cooperative. 

2023 System Reliability Index

Perhaps the biggest news about outages from 2023 is that WEC began changing how it manages them. Last year, WEC made changes to its software so members can access more information in real time. Members experiencing outages now receive estimates for when power will be restored. The Outage Map on wec.coop shows

whether outages are localized or widespread, when the outage was first reported, and when crews are assigned to repair the line, as well as restoration estimates.

As in previous years, trees and weather were the main causes of WEC outages in 2023. Tree damage caused 47% of outages—nearly half—followed by

weather at 17%. As part of the Co-op's ongoing investment in protecting power lines from dangerous trees, 4,326 trees deemed a threat were removed from WEC's rights-of-way. Between 2017-2022, WEC cataloged where tree outages were most persistent, and analyzed this data in 2023. The results will inform a new maintenance plan for 2024.

No one needs reminding that extreme weather impacts infrastructure. Four storms met major storm criteria in WEC territory last year. A storm cycle in November and December closed out the year with week after week of wet snow. July's historic flooding damaged roads more than it damaged lines, but those road washouts caused crews delay in reaching and repairing poles and wires. Overall, WEC replaced 32 poles broken by weather last year.

2024 brings a new three-year Construction Work Plan. The plan dedicates 75% of its budget to reconstruction and upgrades, including a complete advanced metering infrastructure system replacement, approximately 750 new transformers, the complete replacement of two substations and upgrades to others, and more. Other improvements will focus on "hardening the grid," or reducing its susceptibility to damage, such as shortening spans of line between poles.

11,527

Average number of WEC member households in 2023

2,728

Approximate number of square miles in WEC service territory

787

Separate outages on WEC's system in 2023, not including major storms

843 / 874 / 730

Number of separate outages on WEC's system in 2022 / 2021 / 2020

103,876

Number of WEC consumer hours out in 2023, not including major storms

89,264

The rolling average annual number of consumer hours out over the last 10 years, not including major storms

4

2023 weather events that met major storm criteria: March 14, July 9, November 27, December 3

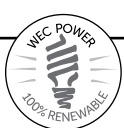
32

WEC poles broken by severe weather in 2023

continued on page 7



Ballot Committee co-chairs Nancy Fuller and Cort Richardson monitor the ballot box during 2023's Annual Meeting. Mail your ballot to arrive at the Barre Post Office no later than May 1, or bring it to vote in person at the Annual Meeting on May 2.



Consolidated Balance Sheet

Assets and Other Debits

	12/31/22	12/31/23	Increase (Decrease)
Utility Plant			
Total Utility Plant in Service	\$86,714,650	\$89,478,061	\$2,763,411
Construction Work in Progress	1,127,628	334,142	(793,486)
Total Utility Plant	87,842,278	89,812,203	1,969,925
Accum. Provision for Depreciation	40,072,161	42,422,585	2,350,424
Net Utility Plant	\$47,770,117	\$47,389,618	\$(380,499)
Other Property and Investment - At Cost			
Invest. in Assoc. Org. - Patronage Capital	397,641	394,610	(3,031)
Invest. in Assoc. Org. - Other	491,052	499,534	8,482
Other Investments	9,177,090	9,683,020	505,930
Total Other Property and Investments	\$10,065,783	\$10,577,164	\$511,381
Current Assets			
Cash - General Funds	1,648,027	1,128,868	(519,159)
Cash - Restricted	0	0	0
Notes Receivable - Net	99	99	0
Accounts Receivable - Net	4,243,182	4,933,067	689,885
Materials and Supplies	529,757	547,801	18,044
Prepayments	607,093	295,476	(311,617)
Total Current and Accrued Assets	7,028,158	6,905,311	(122,847)
Deferred Debits	468,588	542,503	73,915
Total Assets and Other Debits	\$65,332,646	\$65,414,596	\$81,950
Number of Consumers	11,921	12,020	99
kWh Sold *	72,593,372	73,651,053	1,057,681

Liabilities and Other Credits

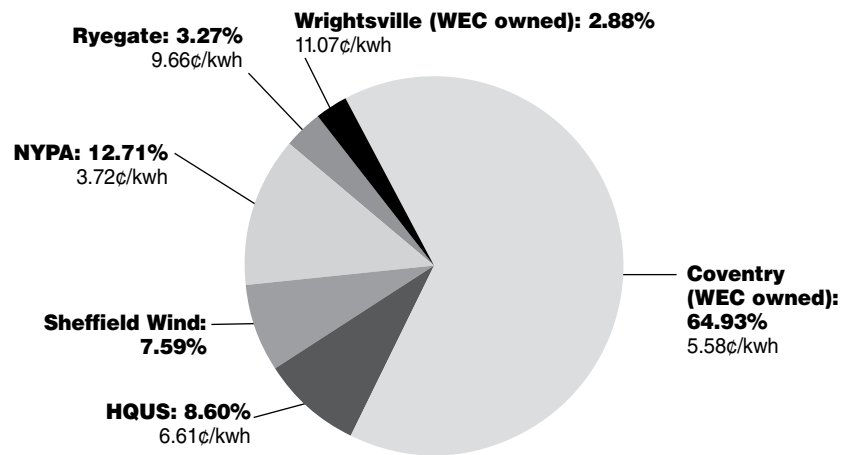
	12/31/22	12/31/23	
Memberships	\$158,150	\$162,105	\$3,955
Patronage Capital Credits	24,624,453	24,703,285	78,832
Operating Margins - Current Year	(755,424)	(174,384)	581,040
Non-Operating Margins	1,214,220	1,242,053	27,833
Other Margins and Equities	302,669	307,954	5,285
Total Margins and Equities	\$25,544,068	\$26,241,013	\$696,945
Long-Term Debt			
Long-Term Debt - RUS	2,606,422	2,212,608	(393,814)
Long-Term Debt - FFB	23,385,671	24,164,265	778,594
Long-Term Debt - NRUCFC	7,239,097	6,193,391	(1,045,706)
Total Long-Term Debt	\$33,231,190	\$32,570,264	\$(660,926)
Current Liabilities			
Current portion of Long Term Debt	2,454,439	2,355,334	(99,105)
Line of Credit - CFC	0	757,996	757,996
Accounts Payable	2,719,194	2,217,103	(502,091)
Consumer Deposits	194,661	187,339	(7,322)
Other Current and Accrued Liabilities	954,708	837,888	(116,820)
Deferred Regulatory Liability	-	-	-
Total Current and Accrued Liabilities	\$6,323,002	\$6,355,660	\$32,658
Deferred Credits	234,386	247,659	13,273
Total Liabilities and Other Credits	\$65,332,646	\$65,414,596	\$45,931

2023 Statement of Operations

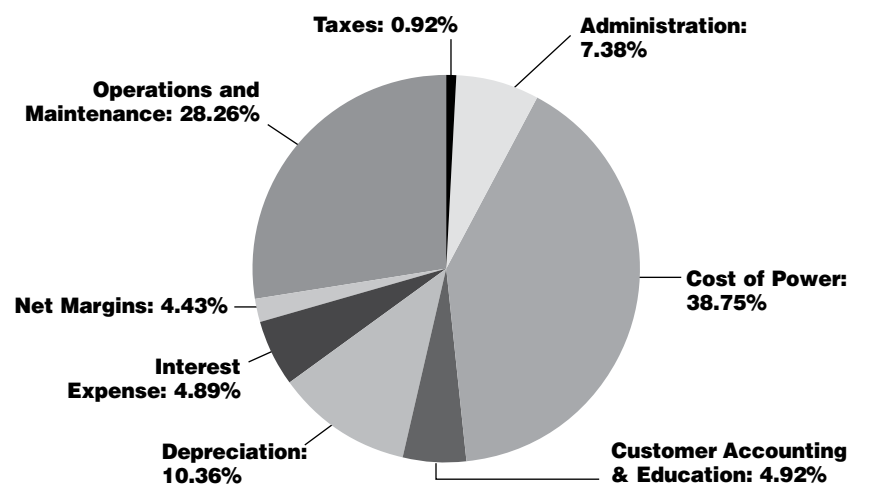
Item	Actual 12/31/22	Actual 12/31/23	Increase (Decrease)
Operating Revenue	\$20,695,105	\$22,849,295	\$2,154,190
Cost of Purchased Power	6,922,415	7,187,026	\$264,611
Cost of Generated Power - Wrightsville & Coventry	1,924,819	2,149,048	\$224,229
Total Cost of Power	\$8,847,234	\$9,336,074	\$488,840
Other Operation & Maintenance Expense			
Transmission Expense	80,043	75,073	(4,970)
Distribution Expense - Operation	2,301,333	2,290,743	(10,590)
Distribution Expense - Maintenance	3,597,885	4,442,297	844,412
Consumer Accounts Expense	750,593	803,260	52,667
Customer Service & Education	433,757	381,256	(52,501)
Administrative and General Expense	1,561,910	1,777,645	215,735
Total Other Operation and Maintenance Expense	\$8,725,521	\$9,770,274	\$1,044,753
Fixed Expenses			
Depreciation and Amortization Expense	2,481,173	2,518,878	37,705
Tax Expense - Other	195,779	221,408	25,629
Interest on Long-Term Debt	1,196,573	1,172,382	(24,191)
Interest Expense - Other	4,248	4,663	415
Total Fixed Expenses	\$3,877,773	\$3,917,331	\$39,558
Total Cost of Electric Service	\$21,450,528	\$23,023,679	\$1,573,151
Operating Margins	(755,424)	(174,384)	\$581,040
Non-Operating Margins - Interest	1,185,443	1,229,692	44,249
Non-Operating Margins - Other	28,777	12,361	(16,416)
Net Margins	\$458,796	\$1,067,669	\$608,873
Times Interest Earned Ratio (TIER)	1.38	1.91	0.53

2023 Sources and Costs of Power

(Total kWh Purchased and Generated)



2023 Where the Dollars Went



System Reliability Index

continued from page 6

47%
Percentage of 2023 outages caused by trees

4,326
Number of "danger trees" removed during 2023 maintenance clearing

67
miles of distribution line that received maintenance clearing in 2023

For updates about where tree crews are currently working to clear rights-of-way, look for the "Where's WEC" column in most issues of *Co-op Currents* or visit wec.coop.

Notice

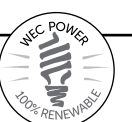
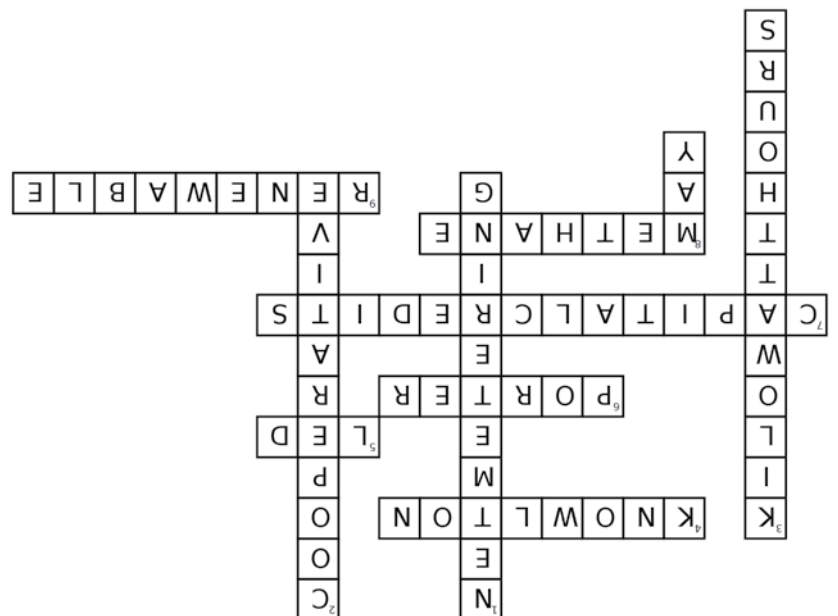
Mailed ballots must be received at the Barre Post Office no later than 1 p.m. on Wednesday, May 1 in order to be counted.

Please allow 3-4 days for in-state delivery and 6-8 days for out-of-state delivery.

Ballots mailed to or dropped off at the Co-op will not be counted.



Answers to puzzle on page 3



SAFETY MINUTE

Preventing House Fires 2: Cord and Appliance Safety

Electrical safety tips from Safety and Environmental Compliance Specialist David Young

In the last Safety Minute, we discussed preventing home electrical outlets from becoming heat sources. In this issue, we're focusing not on the wiring in your walls, but on what you plug into outlets.

I have family members who experienced a house fire because of a dehumidifier plugged into an outlet with an extension cord. The extension cord had a rug placed over it to prevent the cord from becoming a tripping hazard. However, the rug held in the heat of the extension cord, which started the fire.

In that case, part of the issue may have been with the cord itself. When you use an extension cord, it needs to be clear of anything that could trap



David Young, Safety and Environmental Compliance Specialist

heat, and it needs to be the right size for the job. White or brown indoor cords are fine for a lamp, but they're not appropriate for a heavy electric load. For powerful devices, and certainly for any outdoor use, you need to use a cord rated for that purpose.

There are two other common electric causes of house fires. The first is electric heating appliances. Heating appliances must be installed and serviced correctly; wood or pellet stoves need to be serviced at least annually and the stove pipe needs to be clear.

The second is often overlooked: dryer vents. If you use a clothes dryer, keep your lint traps clear, and for the lint that inevitably gets stuck anyway, you can use a big brush that looks like



A step beyond the lint screen: a dryer brush catches and removes lint build-up. Too much dryer lint can be a fire hazard.

a bottle brush to clear it out. I know a few people who bring their battery powered leaf blowers in the house and

use those to blast the lint out of the dryer vent.

- Here's what you need to know:
1. Inspect your extension cords before you use them and make sure you're using one suitable for the energy you'll be using. If you're using one outside, make sure it's intended for outside use.
 2. Don't put anything that could catch on fire over a wire or heat source.
 3. Make sure wood stoves, pellet stoves, furnaces, and other heat sources are professionally serviced at least annually. Most people wait until fall, so for the best availability, schedule your service around May.

Members can request safety presentations from David Young for their school, organization, or community group. Contact him at 802-224-2340 or david.young@wec.coop.

Report of the 2024 Committee On Candidates

The 2024 Committee on Candidates convened a teleconference on Wednesday, March 13, 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. Five (5) 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:
 1. have been a member of the Co-op in good standing for at least six months;
 2. are residents of Vermont;
 3. are not employees of the Cooperative;
 4. do not have a conflict of interest as defined in Article III, Section 2 of the Bylaws; and
 5. have received and understand the responsibilities and time commitments required of a director.

Therefore, the Committee determines

all 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 2024 election of Directors:

Pat Barnes
Ian Buchanan
Olivia Campbell Andersen
Stephen Knowlton
Richard Rubin

2024 Committee on Candidates:

Robin Arnell
Dale Bartlett
Barry Bernstein
Bud Haas
Steve Hatch
Yvette Tomlinson
Charlie Wanzer



Board member Jean Hamilton at the 2023 Annual Meeting with her daughter. The 2024 Annual Meeting is May 2 at the Barre Auditorium. All ages are welcome!

ANNUAL MEETING DINNER RESERVATION WEC'S 85th Annual Meeting • Thursday, May 2, 2024

BARRE AUDITORIUM – 16 Auditorium Hill, Barre, VT 05641

4:30 p.m. registration • 5 p.m. featured speaker • 5:30 p.m. buffet opens

Return form by Friday, April 19 – WEC, Attn: Admin Asst., PO Box 8, East Montpelier, VT 05651

Return this dinner reservation form by April 19 to receive dinner at no charge. Dinner at no charge is by RESERVATION ONLY.

Walk-ins will be charged: \$22 – Adult; \$12 – Child (ages 10+); Children under 10 free. (No guarantee that meals will be available for those who do not register in advance). No-shows will incur a \$3 charge on their May electric bill. The buffet will have a variety of foods, including

vegetarian/vegan and gluten-free options. For special food requests not indicated below, additional accessibility needs, or questions, please contact us at (802) 223-5245 by April 19.

Dinner is an Annual Meeting tradition. However, any member may decline dinner and attend the Annual Meeting only for the business portion of the program.

Registration also available online at www.wec.coop/annual-meeting

	Member	Guest	Child/Age
Name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> _____
Name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> _____
Name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> _____
Name: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> _____
Special food requests/accessibility needs: _____			
Map/Account # _____		Telephone # listed on account _____	

Please do not return this form in ballot envelope.

