

**WASHINGTON ELECTRIC COOPERATIVE, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS**

February 28, 2024

The regular meeting of the Board of Directors, conducted in person and via video teleconference, was called to order at 4:00 p.m. by President Stephen Knowlton. The following Board members were in attendance:

Susan Alexander	Don Douglas	Stephen Knowlton
Betsy Allen	Steven Farnham	Richard Rubin
Pat Barnes	Jean Hamilton	Mary Just Skinner

Also present were General Manager Louis Porter; Attorney Ron Shems of the law firm Tarrant, Gillies, & Shems, the Cooperative's legal counsel; Director of Engineering & Operations (E&O) Dave Kresock; Director of Finance & Administration (F&A) Teia Greenslit; Director of Special Projects & Innovation JJ Vandette; and Administrative Assistant Dawn Johnson. The Board was joined by Heather D'Arcy of Vermont Public Power Supply Authority (VPPSA), members Ian Buchanan, and Roger Fox of Walden. Director Hamilton; staff member Vandette; guest D'Arcy; and members Barnes, Buchanan, and Fox attended remotely. All other participants attended in person. D'Arcy left at 4:30 p.m.

CONSENT AGENDA

The consent agenda included the minutes of the January 2024 regular Board meeting held January 31, 2024.

There being no comments, President Knowlton declared the minutes of the regular January 2024 meeting of the Board of Directors, held January 31, 2024, approved.

ITRON DEMAND REPORT AS LOAD FORECAST

Director Knowlton introduced the Itron Demand Report, which is a 30-year load forecast for the Co-op. It is a required component of the 2023 Integrated Resource Plan (IRP) and Construction Work Plan (CWP). WEC contracted with Itron (through VPPSA) to develop the load forecast demand report. Knowlton invited GM Porter and guest D'Arcy from VPPSA to present the report's findings and then opened the topic for discussion amongst the directors.

Porter noted the IRP will state that WEC is currently experiencing load growth and that growth is expected to continue. He stated that WEC's Operations team and its contracted engineering firm, ControlPoint, are preparing the portion of the IRP that describes how WEC will prepare for the impact of growth on WEC's infrastructure and Ms. D'Arcy from VPPSA will be working on the power supply and compliance portion.

Ms. D'Arcy reviewed some of the Itron report's details and addressed questions previously submitted by the Board. It was mentioned that behind-the-meter solar generation "masks" the extent of real growth in customer load, and that solar generation during the day pushes peak loads to the evening. D'Arcy also explained that data is created from historical and forecasted information and the forecasted value predictions can cause a noticeable difference between actual and forecasted values. D'Arcy /Porter offered to reach out to Itron to verify figures used in the report.

Director Knowlton expressed his concerns with some of the data presented in the draft report. Director Allen requested clarification concerning how WEC was going to use Itron's report for the needs of the IRP and CWP. Porter explained that Itron's forecasting assumptions are an essential component of the IRP to be submitted to the Department of Public Service and of the CWP to be submitted to the RUS. He noted that ControlPoint's substation load growth report, together with the ITRON report, will factor into WEC's preparation for future growth. The general growth trend indicated by both reports is considered a reasonable guide for WEC to follow at this juncture.

Director Douglas moved that the Board accept the Itron Demand Report as WEC's load forecast. Director Skinner seconded the motion. The motion passed, 7-1-1.

POLICY 78 – REMOTE ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

Director Knowlton reviewed the changes and edits proposed for Policy 78 with the Board. Knowlton noted that the policy was originally for telephone participation only, which is outdated since electronic meetings are now a standard part of business. Knowlton noted that in person meetings remain more effective for dialogue and engagement. There was a brief discussion regarding electronic meeting arrangement and set-up responsibilities.

Director Rubin moved that the Board adopt the changes to Policy 78. Director Allen seconded the motion. The motion passed 9-0.

UPDATE ON WEC POSITION STATEMENT AND AD HOC LEGISLATIVE MEETING

Director Knowlton commended Director Hamilton for the extra work she and GM Porter have done regarding the discussions and possible creation of a committee that supports delineates WEC's position on regarding equitable and sustainable energy in the context of the debate over the revised Renewable Energy Standard. Hamilton discussed the need to create talking points around WEC's position statement and renewable energy legislation. Porter added that a nuanced response should be considered. There are nuances and to be careful not to express personal opinions and be supportive in telling members that WEC wants to reduce carbon load and expand efforts in our own territory. Porter noted that Governor Scott has indicated his opposition is against the bill.

QUARTERLY FINANCIAL REPORT Q4-2023

President Knowlton asked for questions and comments from the Board. Director of F&A Greenslit noted that an update had been made to Form 7 due to a late invoice for storm restoration that must be recognized in 2023. This increased the 2023 operation expenses and thus decreased the operating margin reported earlier.

GENERAL MANAGER'S UPDATE

GM Porter introduced his intent to hire a consultant to provide analysis of WEC's options for use of Coventry's excess gas and preparing for a potential new contract between Casella and WEC following the 2038 end of the current contract. Porter provided a brief history of the current contract and the plan for excess gas. Porter will present the consultant's proposal for hire to the Board for approval in the near future.

Porter reported that Kim Masten joined WEC as a new employee in the Member Services Department beginning March 11, 2024, and that employee Dawn Johnson returned to the Administrative Assistant position since Rosie's departure February 23, 2024. The Plant Accountant vacancy has been posted for hire.

There was a brief discussion concerning Annual Meeting costs and ideas on how to reduce the costs in the future.

2023 System Reliability Report


Director Kresock and Porter explained how the restoration response to storms can impact the classification of outages in this report due to such events. Kresock noted that the rubber gloving now instituted has helped reduce the number of scheduled outages.

It was noted that WEC outages due to failure of the power supply delivered to some substations, e.g., by GMP, remain an issue of some significance. Porter stated that GMP has been very helpful when a power supplier outage occurs. Director Knowlton summarized the discussion by stating the importance of the System Reliability Report clearly showing the impact of power supply outages. Kresock acknowledged the power supplier's responsibility and informed the board that WEC is taking steps to minimize WEC's delays in restoring service from its substations once the supplier has resolved the transmission fault. It was noted that WEC's outage performance percentages are comparable to other utilities.

There being no further essential business to discuss, the meeting was adjourned at 5:57 p.m.

Betsy Allen, Secretary

The foregoing record of the minutes was duly accepted by the Board of Directors at a regular meeting held on February 28, 2024, at which meeting a quorum of the Board was present and voting.



Betsy Allen, Secretary