

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

**January 31, 2024**

The regular meeting of the Board of Directors, conducted in person and via video teleconference, was called to order at 4:01 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; the Cooperative's legal counsel Ron Shems of the law firm Tarrant, Gillies & Shems; Director of Engineering & Operations Dave Kresock; Director of Finance & Administration Teia Greenslit; Director of Products & Services Bill Powell; Director of Special Projects & Innovation JJ Vandette; Member Services Supervisor Susan Golden; and Administrative Assistant Rosie Casciero. The Board was joined by member Roger Fox of Walden. Directors Douglas, Hamilton, Farnham, and Skinner; Attorney Shems; staff members Powell and Golden; and Fox attended remotely. Director Skinner arrived at 4:04 p.m. Fox left at 5:42 p.m.

**PRESIDENT'S REMARKS**

President Knowlton welcomed Board Director Pat Barnes of Vershire, who was appointed to the Board in December 2023.

General Manager Porter introduced JJ Vandette, Director of Special Projects & Innovation, who began at WEC at the beginning January 2024. Vandette described his position as supporting and leading WEC's work to modernize its operations and infrastructure, particularly through coordinating large projects for the Co-op.

**CONSENT AGENDA**

The consent agenda included the minutes of the regular December Board meeting, held January 3, 2024.

*Hearing no objections, President Knowlton declared the minutes of the regular December 2023 meeting of the Board of Directors, held January 3, 2024, approved.*

**2024 – 2027 CONSTRUCTION WORK PLAN**

Knowlton introduced the 2024 – 2027 Construction Work Plan (CWP), which the Co-op is required to develop in order to borrow from the USDA Rural Utilities Service (RUS). The CWP details WEC's planned work in ensuring its distribution and transmission systems are operated and maintained in a safe and efficient manner and are capable of serving future loads while maintaining a high quality of service to members.

Porter stated that the amount proposed increased from the \$10 million the Board originally supported in Fall 2023. He reviewed the items and projects that were added to the CWP since it was last discussed by the Board: a chiller for the Coventry plant, an updated control system for the Wrightsville operating system, and WEC's share of the cost for a FEMA line-improvement project in East Montpelier.

Director of Engineering & Operations Kresock reviewed the main projects included in the CWP: the reconstruction of the Bliss Rd/Barnes Rd line in East Montpelier, extending 3-phase lines from the Tunbridge substation to the Brookfield feeder, extending 3-phase lines from the Greensboro feeder to Noyestar Rd, as well as overall maintenance projects. The extension of 3-phase lines will allow the Co-op to segregate loads and balance the system, resulting in less loss, better voltage control, and fewer outages. All of these projects will increase resiliency in key spots in its system.

Porter also reminded the Board that the Co-op anticipates filing an amendment and an additional loan request to rebuild the Jackson Corner and Mt. Knox substations, as well as to replace the transformers at least one other substation. Significant additional engineering and cost estimates, as well as full federal environment reviews that may take as long as a year, are needed before these projects can move forward.

*On a motion by Director Rubin, seconded by Director Farnham, the Board voted to approve the proposed 2024 – 2027 Construction Work Plan and the \$10,407,291 loan request to the USDA Rural Utilities Service (RUS). The motion passed unanimously.*

### **ELECTION OF INTERIM BOARD OFFICERS**

Knowlton stated that the Board had discussed the proposed slate of officers prior to the meeting.

*On a motion by Director Rubin, seconded by Director Alexander, the Board voted to elect the slate of Mary Just Skinner as Interim Vice President and Betsy Allen as Interim Secretary. The motion passed unanimously.*

### **BOARD POLICIES**

Knowlton noted that he intends to update policies to support the Board's functioning and to inform the staff of the Board's intent. This will also facilitate routine governance processes and updates to policy. He also confirmed that Policy 23 – Compensation and Reimbursement for Directors had been updated as approved at the January 3, 2024 (December 2023) meeting.

### **LEGISLATIVE UPDATE**

Porter provided the Board with an update on the current legislative activities. On WEC's behalf, he supported a proposed bill that includes a requirement for utilities to buy a greater share of new load from a limited set of renewable providers. The bill would largely eliminate new group net metering to off-site consumers, but it will not entirely address WEC's problem of lost revenue resulting from the net metering tariff. The Department of Public Service filed comments noting that the carbon load of renewable resources should be examined. Additionally, Porter stated that he continues to reiterate to legislators and stakeholders that the electric sector comprises of only two percent of Vermont's overall emissions.

### **GENERAL MANAGER'S REPORT**

#### *Annual Meeting*

Porter updated the Board on staff's plan to hold the 2024 Annual Meeting at the Barre Auditorium. With the winter storms and outages as the meeting's theme, he expects a higher turnout than in previous years. Holding the meeting at the Auditorium also addresses the concern

of the State fire marshal with one aspect of WEC's use of its warehouse for community events (the closing of garage doors). The Board discussed the proposal and ultimately had no objections.

### **WEC POSITION STATEMENT ON THE NET METERING TARIFF**

Director Hamilton introduced a proposed position statement for WEC. An ad hoc committee of Board directors met several times in previous months to discuss the Co-op's public position on the financial effects of the high penetration of net metering in WEC territory, and how to frame discussion to support policies within the State that would more equitably share the cost to ratepayers of providing renewable power. Porter noted that in 2023 the cost shift of net metering to non-net metering members was roughly \$1 million.

*On a motion by Director Rubin, seconded by Director Farnham, the Board voted to adopt the proposed position statement, subject to wordsmithing. The motion passed unanimously.*

### **EXECUTIVE SESSION**

The Board entered executive session at 5:42 p.m. to discuss the Cooperative's contract with the firm Tarrant, Gillies & Shems for legal counsel.

The Board reconvened in open session at 6:05 p.m. and the following actions were reported:

*The Board voted to approve the renewal of the contract with the firm Tarrant, Gillies and Shems to represent the Cooperative. The motion passed unanimously.*

There being no further essential business to discuss, the meeting was adjourned at 6:05 p.m.

Betsy Allen, Interim 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 a quorum of the Board was present and voting.



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Betsy Allen, Interim Secretary

