

Bylaw Amendment Proposals:

WEC Board Proposes Adjustments In Wake Of New Vermont Co-op Law

For Vermont's two rural electric cooperatives, one of the most significant events of the year 2000 was the state legislature's passing of Act 143, "An Act Related to Electric Cooperatives." On June 7, Gov. Howard Dean held a public ceremony on the apron of Washington Electric's garage and operations center, signing the bill into law beneath blue summer skies in East Montpelier.

The law, which was the first substantive revision since the 1940s of the Vermont statutes governing electric co-ops, could bring significant opportunities to WEC and its members. But before WEC can provide any of the new member services now allowed, it must change its own governing documents: the bylaws of Washington Electric Cooperative Inc., and the Co-op's Articles of Conversion (which will be addressed in the January 2001 issue).

Therefore your Board of Trustees over the next few months will put forth a set of proposed amendments for the members to consider and vote upon at WEC's 62nd Annual Meeting in May 2001. The

discussion begins with this article, and will continue in subsequent issues of *Co-op Currents*. Members are invited to call their Trustees and Co-op general manager for further information, and raise questions and/or state their opinions in letters to the editor.

Tidying up

The Members and Markets Committee of the Board of Trustees coordinated the process of drafting the proposed bylaw amendments, with particular assistance from Management and Projects Administrator Denise Jacques. Jacques said the project entailed much more than rewriting the passages obviously out of sync with the revised Vermont statute. The document needed a thorough housecleaning as well.

"In all the time I've been here – which is 24 years – no one has taken the time to go through the bylaws from beginning to end and bring them up to date," she said. "They are 18 pages, single-space text, with a lot of pretty dense and almost

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'The Dancing Rabbis'

Piper Strong's colorful creations bring joy to the holiday season.

Ruling Allows Co-op To Discontinue Winter Rates

'Levelized' Rates Effective December 1

WEC members got an early Christmas present this year with the approval by the Vermont Public Service Board of the Co-op's proposal to eliminate the winter-summer rate differential.

Acting on that ruling, WEC reduced its rates on December 1 by about 4 cents per kilowatt hour from the rates that had

kicked in a month earlier, on November 1. Members will first see the lower rates reflected on their February electric bills.

Of course, the downside of so-called "levelized rates" is that summer prices for electricity will be higher than they were under the former system. Doing away with the seasonal differential means that

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Inside

It's your co-op; they're your bylaws. And they need a tune-up for WEC to fulfill the promises of the new state law. Read more about how the amendments can benefit you on page 8.

Sticking with United Way. WEC employees recognized as charter candidates for 25 years. Page 7.

The Logger (but not Rusty DeWees). WEC lineworkers teach real-life loggers about power-pole safety, in one act. Page 4.



Co-op member Piper Strong is an artist with an unusual studio in South Walden. See our "WEC business profile" on page 8.

Washington Electric Cooperative
East Montpelier, VT 05651

President's Report

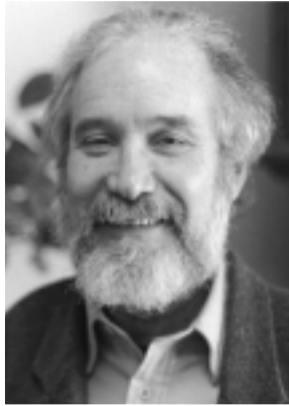
Steady Pulse Of Power Issues As 2001 Approaches

By Barry Bernstein

Energy continues to hold a prominent place in the national news this holiday season. As a result of deregulation, in California and the West, the market price for power has risen to 25 cents/kwh in December. Also, California's governor is considering a number of options for dealing with the emergency, including establishment of a state power authority to own transmission lines, and to build and own electric power plants.

At the same time, significant increases in the cost of oil and gas for home heating is of growing concern.

In Vermont, we are seeing regular news coverage of the proposed sale of Vermont Yankee, Green Mountain Power rate increases, and the Hydro Quebec contract. These issues will certainly be the



I want to thank all the WEC employees for their continued good work.

focus of news stories in 2001, as power costs are affected by the winter cold.

WEC will continue to follow these issues and attempt to ensure that our members' interests are protected. As a cooperative with 37 employees and more than 9,000 member/owners, which has been serving our community for 62 years, we have an important role to play in Vermont.

As 2000 comes to a close I do want to take this time, on behalf of the WEC Board of Trustees, to thank our manager, Avram Patt, and all the WEC employees for their continued good

work in serving our members and working to keep your power on.

I also want to wish our members and staff a happy holiday and a good new year as we move into 2001.

Announcing Our New Web Site

The Co-op's interactive web site will be up and running soon, with useful information about your cooperative. Visit us on the 'Net', and look for a story about the site in the January 2001 *Co-op Currents*.

Co-op Currents

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The Board of Trustees' 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, contact Management and Programs Administrator Denise Jacques, 802-223-5245.

PUBLIC NOTICE

PUBLIC NOTICE

HERBICIDE USE NOTIFICATION

Vermont utilities maintain electric line rights-of-way with several methods, including the selective use of herbicides on trees and brush. They also encourage low-growing shrubs and trees which will crowd out tall-growing species and, thus, minimize the use of herbicides. The application of herbicides may start as early as April 1. Requests to utilities for notice by mail, however, must be made by March 1.

The Public Service Board requires Vermont utilities to carry out vegetation management techniques which allow maintenance of electrical systems in a cost-effective manner.

The types of herbicide treatment used to keep utility lines clear are: stump, injection, basal, soil and foliar. These are the common methods used, although they may not all be used by the utility in your town. Landowners have the options of requesting herbicide treatment on cut stumps only, or that no herbicide be used at all. In the latter case, an administrative fee would have to be paid to the utility. Only electric utility rights-of-way which have tall-growing tree species with the potential of threatening the electric utility system are treated.

Utilities advertise by radio and newspaper prior to herbicide applications on all lines. Lines usually are treated only once in a four-to-six year period depending on the specific management cycle of the utility. Please check with your utility regarding the cycle of a particular line.

Some utilities use metal letters and numbers on distribution and transmission line poles. Others use them only on transmission lines. The letters, such as V.E.C. (Vermont Electric Co-operative), or V.E.L.C.O. (Vermont Electric Power Company), are not found on every pole. A check of several poles on a line should aid you in determining whether poles are marked and which utility is the owner.

Persons owning or occupying land within 1,000 feet of a utility right-of-way may request in writing that the utility notify them individually by mail anytime, but at least 30 days prior to treatment of the line with herbicides. The landowner or resident is responsible for contacting the utility, in writing, to request placement on the mailing list. The utility should be provided with sufficient information as to the exact location of the residence and land. It is the duty of each landowner or resident to make the utility aware of the location of any potentially affected water supply, and any environmentally sensitive areas where herbicide application ought to be avoided.

If personal notification is desired, please fill out this coupon and return it to your local electric utility.

For more information, contact:

Consumer Affairs Division, Dept. of Public Service
120 State St., Montpelier, VT 05602
1-800-622-4496

Plant Industry Division, Dept. of Agriculture
Phil Benedict, Director
116 State St., Montpelier, VT 05602
1-802-828-2420

Coupon for Personal Request

Name _____ Town/City of Affected Property _____
 Street Address _____ Telephone Number (Home) _____
 Town _____ (Work) _____
 State _____ Zip Code _____ O.K. to Use Work Number: Yes No
 Electric Account Number _____ Best Time to Call _____
 Electric Utility _____
 Property of Concern: Year-round Residence Summer Residence Commercial Property
 Water Supply Land
 Other _____
 Line and Pole Identification: Utility Initials _____ Numbers _____

We need ALL of this information in order to determine if you qualify for personal notification. If information is unobtainable, please state why. Use an extra sheet of paper if you need more space.

RETURN TO YOUR LOCAL UTILITY

VEL96

Manager's Report

WEC To Weigh In Your Co-Op And The Sale Of Vermont Yankee... Again.

By Avram Patt

If you follow the news in Vermont, you know that the Public Service Board has been considering the proposed sale of the Vermont Yankee nuclear power plant to a company named AmerGen. Although I reported on this in *Co-op Currents* twice recently, so much has changed that an update to our members is warranted, especially since the Co-op will likely need to be more involved in these proceedings than we had anticipated.



A Recap: Why is this important to our Co-op?

Vermont Yankee is owned by a number of utilities in New England who invested in the plant in the early 1970s. In Vermont, the two principal owners, or "sponsors," are Central Vermont Public Service Corporation (CVPS) and Green Mountain Power (GMP).

There are also four consumer-owned minority shareholders: Burlington Electric Department, the Village of Lyndonville, Vermont Electric Co-op and Washington Electric Co-op. Together, these four utilities own less than 5 percent of the stock (WEC owns 0.6 percent). We are not represented on Vermont Yankee's board and have not played a role in managing the plant, or in negotiating its sale.

Unlike CVPS and GMP, whose obligation to take power from Vermont Yankee extends through the end of the plant's license in 2012, WEC and the other three smaller utilities, along with a number of others, are "secondary purchasers." Our obligation to take power from the plant expires at the end of 2002.

As we consider the potential sale of the plant, we are concerned about the best interests of our members and the state as a whole. From a financial perspective, we want to be sure that if the plant is sold, WEC and our members will benefit. We have to consider both the total cost of power to us for the remainder of our contract, as well as the value of our shares. Since our members own WEC, any benefit from the sale should benefit them, whether the benefit is on the power-contract side or in payment for our shares.

AmerGen, Round 1

A sales agreement was first announced in 1999. We were told by Vermont Yankee that this was the best deal that could be negotiated. We did not spend a lot of time analyzing whether this deal was good for CVPS' and GMP's ratepayers. Instead, WEC, VEC, Burlington and Lyndonville worked together to negotiate agreements with the sellers that would have treated us fairly financially if the sale went forward.

At WEC, this analysis involved a lot of discussion among management, our counsel Jerome Diamond, our power-planning consultant La Capra Associates of Boston, and your Board of Trustees. We did not intervene in the Public Service Board's docket (No. 6300) investigating the original proposal, nor did we take a position for or against the sale.

Those PSB proceedings have been reported on at length in the press. As you may be aware, the original proposal was seen by many, including the Department of Public Service and a number of public interest intervenors, to be flawed.

AmerGen, Round 2

In recent weeks, there have been some dramatic and unusual developments. A new deal, said to be better than the first one, was announced. Apparently this new deal was negotiated primarily between AmerGen and the Department of Public Service (DPS), rather than with Vermont Yankee's owners. (It is unusual for the state to be involved in negotiating a business deal in the regulated utility business; more on that later.)

"AmerGen 2" was filed with the PSB with the support of Vermont Yankee, GMP, CVPS and the Public Service Department. The Public Service Board has agreed to consider AmerGen 2 as an "amendment" to the original proposal, rather than denying the original "AmerGen 1" proposal and opening a new proceeding.

Needless to say, selling a nuclear power plant is a lot more complicated than selling your business or your house. The value of both the first and second of these proposals is not measured just in the purchase price. The deals contain complex agreements about future power costs, the enormous decommissioning

funds that are set aside for eventually closing the plant, who bears the burden of certain future operating and insurance costs, and much more.

For analysis purposes, the benefit is calculated as the "net present value" in current dollars of all the immediate and long-term factors in the sales agreement. According to the sellers, the AmerGen 2 deal has a net present value to GMP and CVPS of \$78.7 million, which is \$27.6 million more than they said the net present value of AmerGen 1 was. These benefits are to be delivered to GMP and CVPS primarily by reducing power costs over the remaining life of the plant through 2012. In other words, the additional financial benefits are "backloaded," rather than occurring at or near the point of sale, so they only benefit the major owners.

Not the End of the Story

After the AmerGen 2 proposal was filed, a competitor of AmerGen's, Entergy, suddenly announced that it was prepared to offer still more. The Public Service Board has given Entergy until January 12 to file a proposal, at which point the PSB will presumably decide whether it is a credible proposal or whether to consider only the AmerGen 2 proposal.

And to further complicate things, a third major energy company, Dominion, has now said the plant should be put up for an open competitive auction, and that Dominion would put in a bid if this was done.

Normally, when a proposal is put before the Public Service Board, it is either approved – often with changes – or rejected. In this case, the PSB is now considering an amended proposal that some have argued is not an amendment but in fact an entirely new proposal that should be taken up as a new case. At the same time, other potential buyers are now contacting the PSB directly rather than the owners, which is unusual to say the least.

AmerGen 2 and WEC

When we reached the settlement on AmerGen 1, we felt that on balance we were treated fairly from a financial perspective. That agreement is now void, since the plant will not be sold under the terms originally proposed. When the AmerGen 2 deal was announced, it was again without our knowledge or involvement. What made it all the more unusual was that, this time, the negotiator with AmerGen was apparently the

Department of Public Service. Usually, the Department's role is as an independent advocate for the public to objectively review all proposals.

Unfortunately, the AmerGen 2 deal, as filed, provides no additional benefit to the minority stockholders or "secondary purchasers." While our Co-op has been purchasing power and supporting the plant for 29 years, and is a stockholder entitled to receive fair value for our shares, none of the additional \$27 million in "net present value" goes to WEC or any of the consumer-owned utilities. This is because AmerGen 2 deal has been structured to "backload" the benefits.

Your Co-op is Intervening

After considering these developments, the Co-op's Board of Trustees has decided that we need to request to intervene in the Public Service Board Docket 6300. If the PSB does ultimately approve a sale, it needs to determine that ratepayers and the public benefit. If the AmerGen 2 deal is truly an improvement over AmerGen 1, then the increased value should not just go to GMP's and CVPS' ratepayers.

The Department of Public Service has played an unusual role as a negotiator in this matter, and we are concerned about that role. The Department is staffed by competent and well-meaning people. However, they negotiated and signed on to a business deal that affects our Co-op (and other consumer-owned utilities) without providing any additional benefit to WEC and without consulting us. There may now also be other suitors for the plant, and we are not assured that new proposals will be fully evaluated by an independent party.

Consequently, we feel we need to go through the effort and expense of intervening in the PSB docket. We want to assure that our rights as a company and your interests as owner/ratepayers are fully represented as the AmerGen 2 deal is reviewed, and as other options are put on the table.

A Final Comment Worth Repeating

I often finish my reports to members with an invitation to contact me or any of your Trustees if you have questions or thoughts on matters that affect us. Vermont Yankee is one issue that I know WEC members are interested in.

The people you elect to the board and the people who manage the Co-op are responsible to you. We return calls and we answer letters. Most Vermont electric customers don't get to put their two cents in about Vermont Yankee with the people who run their utility. You can.

Co-op Business Profile

Juggling The Moon

Piper Strong Metal Works Brings Whimsy To Walden

If your holidays are humdrum affairs, their original joyous purpose long since dulled by routine, don't blame Piper Strong. If your conversation pieces inspire only silence; or if you scarcely even notice your old candlesticks, gimcracks and doodads when you pull them out of storage to decorate the room, consider yourself Piper-deprived.

On the other hand, if your home fairly shimmers with gaiety on those special occasions, if your guests, children and grandchildren dwell in delight in front of the sprightly, brightly painted pieces you've placed out in view, the reason just might be that they came from Piper Strong Metal Works in South Walden, Vermont.

Strong, who moved her studio into a former stable and equipment garage on the Bayley-Hazen Road three years ago —

thus becoming a member of Washington Electric Cooperative — has a goal for the creations she and her employees make out of iron, copper and brass. She expresses it in her business brochure:

"I make each piece functional, and no matter if it's a tiny candleholder, lamp, box, bed, bowl, menorah, chair, set of gates, etc., I would like them to help their owners to celebrate life every day."

Indeed, you'd have to be half dead not to find joy in Strong's art pieces. Whimsical and lively, they breathe new life into the most ordinary of functions — a candleholder in the shape of an ancient Mediterranean sailing ship, iron waves slapping happily against the hull and colorful, dancing figures holding up the spiral inserts for the candles; more candleholders in the shape of circus animals and acrobats, a wailing three-piece jazz band, a jester juggling the moon, a woman strolling her poodles on thin iron leashes. A chess set with a culinary persuasion — pawns fashioned like yummy deserts, kings wearing floppy chef's hats.

It's a small leap from candelabras to menorahs (used in the celebration of

Hanukkah), and Strong has developed a brisk market for her "dancing rabbi" design, with three robed and bearded rabbis holding aloft the nine candles burned during the holiday.

"Most menorahs tend to be plain and mechanical looking, not even celebratory," Strong points out. "You want your objects to be alive!"

Although the repertoire of *objets d'art*



at Piper Strong Metal Works is vast — from large chairs and benches to something as small as a mezuzah (an icon of peace and safety attached to the door jamb of many Jewish homes) — the artist says, "Our mainstay is the candleholders and menorahs. There's nobody else doing anything like that anywhere."

And business is brisk. Packages leave her studio every day, addressed to museum gift shops and retail galleries in New York City, San Francisco, Seattle, Fort Lauderdale, Montreal, Chicago and Nashville. From Portsmouth, New

Hampshire, to Portland, Maine, and in outlets in Texas, Kansas, Virginia and elsewhere, you can find Piper Strong's metallic creations. Keep your eyes open for them in Vermont outlets and at Vermont craft shows, as well.



Piper Strong at work.

Creative process

The birthplace for these celebratory works of art is the plainest-looking, most utilitarian, shanty of a studio you'd ever want to see. The building is divided into three sections: a cutting room, a metal production room, and a finish room, with an office space at the front that provides rug comfort for a shaggy 16-year old mongrel named Mars and his father —

yes, his father! — cranky (he's got a right) 18-year-old Simon, along with a bouncy Ihasa apso known as Orie. Sometimes the next human generation is also in evidence: Piper's sons Ian (nine) and Benjamin (18 months).

The magic starts in the cutting room. Strong's metal work begins in the form of drawings. After sketching a design she places it on a table, where a computerized eye scans its dimensions and guides a laser, which simultaneously cuts out an identical form from a sheet of iron immersed in shallow water on an adjacent table. Strong demonstrates the technology by outlining a star on a piece of paper. She lays the drawing on the table under the hovering computer, which reproduces it out of metal, with sizzle and pop as the beam cuts through the water.

"You can make your drawing whatever size you want, or you can reduce the image or enlarge it," Strong explains.

You can also change the perspective of the image, as if the computerized eye was observing something three-dimensional. The machine makes the interior

cuts in the design as well as the outline cuts.

After removing the metal image from the water, Strong refines its edges and shape with a small torch



'Matches' decorates with careful brush strokes.

and other tools at her work bench. On the floor beside the bench is a pile of discarded objects in the shape of dogs, stars, human figurines and metal slivers and curlicues.

Next stop for the nascent artwork is the metal production room, where two employees — one man a Jamaican artisan and the other an experienced machinist from Hardwick — use gas welders to add brass relief to the pieces, breaking up the flat simplicity of the plain iron.

Now they are ready for the finish room, where Rebecca Fox, Judith Salmon and Bentley Morgan (also a Jamaican, his nickname, Matches, is pronounced "Mahchez") hand-paint the pieces using water-based enamel. Bending patiently over his work, Matches creates small differences with detail, striving to make each piece unique. He'll add stars to this rabbi's shawl, paint small stripes on the shawl of another, and leave a third shawl unmarked. It is the painters who create the faces, and thereby impart character to the plain figurines. But they are on the same page as Strong, and know that a playful, positive

image is what her art is about.

Depending on production levels, Strong's workforce varies from three to seven people.

"There's not the capacity here for any more than seven," Strong says. "They're all talented independent artists on their own, and some have worked with me for several years. They are usually available when I need them."

Elbowing in

A New Englander, Piper Strong is a Rochester, New Hampshire, native who studied at the Maine College of the Arts and in 1987 earned a Master's Degree in Fine Arts from the University of Pennsylvania. After leaving Philadelphia she lived in the Caribbean for a while, and taught at Plymouth State College in New Hampshire.

Meanwhile, she was developing a style in both drawing and metal work that was based on the folk arts that had captivated her as a student of art history. She was particularly taken with Egyptian designs.

"I really like the Old World, crafted appearance. The people (who originated these styles) were really ingenious," says Strong.

She also got practical, deciding she wanted to make her living as an artist. Strong believed she was onto something commercially viable with her lively, eye-catching adaptation of traditional folk-art images put to modern, festive purposes.

But Strong had little understanding about how the art world works. She didn't

Black-and-white photos cannot do justice to these fanciful, colorful statuettes.



realize, for example, that artists had to apply to participate in craft shows and submit samples of their work to judges. Thus, she more or less blundered her way into the business. She tells one story about loading her 1963 Volvo full of art pieces and heading from New Hampshire to New York City, where she (unintentionally) pirated a spot at a prestigious showing on Columbus Avenue. Nor was this her only *faux pas* in the refined and ceremonious art world.



But her ironwork pieces were irresistible, and Strong soon found herself in demand. She also got more savvy along the way, and made friends as well as connections on the business side of art.

Production was disrupted when her landlord in New Hampshire lost ownership of his property a few years ago and Strong had just three months to leave. Anxious about down time, she visited her brother in Plainfield, Vermont, and decided to move close by.

"I gave the realtor a day to find me a good building for my shop," Strong laughs. "I was really intense back then."

When the agent found the property in South Walden, Strong never made it past the equipment shed, which is the first building you come to on the driveway. She judged it adequate for her studio and said, "Okay, I'll take it."

"Don't you want to see the house?," the agent asked.

'Pleased to meet you...'

Now a Co-op member and citizen of Walden, Piper Strong and her family and employees bring something new to their Bayley-Hazen environs. Tucked back off the road, they labor at an enterprise few would have thought existed in these parts – cranking out menorahs and lamps and chess tables and furniture of imaginative, uplifting design, and in the process making heirlooms and memories for the children and grandchildren of her largely urban clientele.

In the process, Strong has attracted some famous customers.

"I made two oversized arcs for Steven Spielberg," she recalls, and adds with a laugh, "I sold tables and chairs in New York to Bob Dylan. The first question he asked me was 'What planet are you from?'"

The legendary songwriter then motioned to one section of her display and said, "I'll take all that big stuff there and whatever else you think I should get." As for future purchases, she says, Dylan told her "I'll send my people to talk to your people."

Dylans' people may have to look hard to find them. Piper Strong and her people are at work in near seclusion in a shabby, unpretentious garage in South Walden. But their colorful, intriguing creations are spreading throughout the western world.

Winter Rates

continued from page 1

the rate structure has (approximately) struck the median – about halfway between the summer's lower rates and the winter's higher rates. With seasonal rates, the cost of electricity rose every November for some 25 years, and rolled down to summer rates at the start of May. Now, with levelized rates, members will pay the same electric rates 12 months a year.

Likewise, any future rate increases that are necessary will apply evenly all year 'round.

The Co-op requested permission from the Public Service Board (PSB) to adopt levelized rates because most WEC members – like most Vermonters in general – shared the sentiment that having higher rates in winter was a financial kick in the pants.

"People have long resented the fact that electricity has cost more in the winter, when most people need to use more electric power for heating and lighting purposes," said Co-op General Manager Avram Patt in the wake of the PSB's decision. "That's why I'm happy we've

been able to secure this change."

WEC first brought its request for levelized rates to the PSB in November 1999, in the context of a group of proposed changes to the Co-op's rate design, which is the mechanism used to ensure that the different classes of customers – such as residential, commercial and seasonal customers – are paying their fair share of WEC's costs for providing power to them. As discussed in the October 2000 issue of *Co-op Currents*, some elements of the rate-design case led the Department of Public Service (DPS) to request further study before the board ruled on WEC's proposal. Those studies are underway.

But WEC and the DPS agreed that ending the winter-summer rate discrepancy was in the best interests of the Co-op and its members. So in October they asked to PSB to rule on that issue alone.

The Board scheduled a public hearing for November 2 – announced to WEC members in the October issue of *Co-op Currents*. Patt said the only Co-op member who attended made an interesting, but unusual, point.

"He thought the winter rates were an effective means for motivating people to

conserve energy, which is a priority for the Co-op," said Patt. "He made his point very effectively. But after he had finished speaking, the counsel for the Department of Public Service observed, with some amazement, that she had never, ever heard anyone argue in favor of winter rates."

The Co-op continues to promote energy efficiency and increased use of renewable energy sources through various programs for its members. The primary reason for the seasonal rate differential was that winter peaking power – power that is produced specifically at times of high electricity demand – used to cost more on the wholesale market than summer peaking power. Because of market changes, that is no longer the case.

While the reduction in winter electric rates will provide some seasonal cost relief, on the whole it is not expected to have major financial implications for WEC or its members. The change is revenue-neutral for the Co-op, so its annual income should neither increase nor decrease as a result of levelized rates. And studies by WEC and the DPS concluded that for 90 percent of our primary residential members (a category that

does not include those with homes or camps occupied only at certain times of the year), levelized rates will result in changes of no more than plus-or-minus 5 percent of their annual electricity costs.

WEC was the first Vermont utility to ask the PSB to waive winter-summer rates and allow it to charge its member/customers the same rate year 'round. A number of other Vermont utilities now have either had such a change approved by the PSB, or are in the process of seeking approval.

Marketplace

FOR SALE: Some beautiful furniture which must seen: bureau, mirror, coffee table, two captain's chairs, two end tables, and twin beds. For more information call 802-563-2512. We are moving and must sell. Edward Accardi, 1603 Bayley Hazen Road, East Hardwick.

WEC Joins With Forest Products Association To Tutor Loggers In Safety

*He's up every morning at the crack of dawn
With his high-top boots and his Levys on
He eats ham and eggs and biscuit bread
Oh he's in the woods when the sun turns red*

*He's a chain-sawing, log-skidding,
tree-climbing, limb-dodging
Truck-driving, rough old logging man.*

— From the song "The Logging Man,"
by Del McCoury

When Washington Electric Cooperative first began extending power to rural people in central Vermont it only made sense to take the most direct route possible from Point A to Point B. Usually that meant going "crosslots" with the poles and wires as it built line from one farmstead to the next. WEC would obtain easements from the landowners involved, who were eager for electric power, and the construction crews would set off across an open field, setting poles and stringing wire as they went.

Well, that was 50-60 years ago, and a lot of those fields are grown into forests now.

What's more, there are loggers working in those forests, harvesting the trees and selling them for pulpwood or lumber. WEC has relocated many of its old rights-of-way to roadsides in recent years, upgrading the lines and making them more accessible for repairs and maintenance. But some of those old crosslots easements remain, which means there are power lines running through the woods in places where loggers are cutting timber.

That's a bad mix – logging and power lines. If a tree falls onto the wires it becomes a conductor of electricity, and any logger who tries to dislodge the tree could be electrocuted. If the tree brings down the lines, then you have live wires on the ground – also a dangerous situation – as well as Co-op members without power.

And you have a logger who is liable to the Co-op for the damage he has caused. That's a lose-lose proposition.

For all these reasons, Washington Electric Co-op participates about twice a year in training sessions for loggers that are organized by the Vermont Forest Products Association (VFPA). Dan Weston, WEC's engineering and operations director, typically takes one or two Co-op line workers with him and heads out to a training site to give the woods-

men a crash course in poles, wires and hardware so they will be prepared if they encounter a power line right-of-way where they are working, and know how to work safely in the area.

"We did a logger training in Hardwick early in the fall," says Weston. "The next

logging operators who supply the wood to be certified under the standards of its Sustainable Forestry Initiative. Such certification is intended to prevent APA members from running afoul of forestry and environmental laws like Vermont's Water Quality Standards, through which the

Photo by Jeb Wallace-Brodeur, courtesy of The Times Argus



Logging is hard work, and even harder where power lines are involved.

one in this part of the state will probably be late winter or spring. This is a joint effort we undertake with Green Mountain Power and Central Vermont Public Service. We provide our part of the training at no cost. We recognize that the landowners have an ownership and economic interest in the timber that grows adjacent to our lines, and that it represents a livelihood for the logger. We are there as a courtesy, and everyone wins in the end."

When the cutting is done right, there is value to the Co-op.

"It clears away trees that might have caused damage to our system," Weston says. "And this way I'm not paying a tree crew to go out and do the work. The loggers are taking care of it at no cost to the Co-op."

Getting certified

Art Young, secretary of the VFPA, explains that loggers in Vermont do not have to be licensed by the state (which is not true in the surrounding states). But most of the large paper companies, such as International Paper, Mead Paper, Finch and St. Regis, belong to the American Pulpwood Association (APA), and that organization requires the private

state complies with the 1972 federal Clean Water Act.

"Our training concentrates on fundamentals of forestry, and areas like Vermont's harvesting laws (including requirements for clearing brush, and the heavy-cutting law that prohibits clearcuts on tracts of more than 40 acres), chain saw safety, First Aid and power line safety," says Young.

The certificate the loggers receive for completing the course is also advantageous if they want to cut wood for the major sawmills in the state. Like the paper companies, the sawmills too want to ensure that their suppliers abide by the required forestry management practices, for their own legal protection and to protect the environment.

Crash course

When WEC gets the call from the Vermont Forest Products Association, Weston taps a couple of line workers and heads for the training session. Recognizing that in the eyes of the loggers Washington Electric Cooperative might be seen as a big utility with an impersonal bureaucracy, he tries to melt the ice right away.

"I try to pick linemen who are from that

area, wherever we're going," Weston says. "That way 15 or 20 percent of the guys there will already know them. And I try to take people who are familiar with the work the loggers do – like Phil (Poulin), who cuts on the side, and Dennis (Bador) who cuts on the side. This can get past their notions about us being a big bureaucratic utility.

"We educate the loggers about the legal repercussions of breaking the conductors (wires) and about their responsibility to contact Dig Safe if they're working around buried cable. And we teach them to recognize what wires are what on the utility poles. We tell them, 'If you think the electric utility's wires are expensive (to repair), try breaking the phone company's fiberoptic lines. You'll go bankrupt.'

"We get a little dramatic," Weston admits, "because we want to open their eyes. It's serious business out there."

WEC's chain saw professors have even been known to behead a utility pole and lug the top, complete with its crossarm and hardware, to the safe-cutting seminars. Weston shows them the fuses, the insulators, where the main conductor is attached and which wire is the neutral. He talks about "current" and "voltage." And he provides a list of towns and locales where Washington Electric supplies power.

Accidents happen

The loggers, of course, have expertise of their own. They know how to fell a tree and work safely in close quarters. But sometimes things can go awry.

"It doesn't happen a lot," says the VFPA's Art Young, "but I was talking to an operator a few months ago who had hung a tree on a power line. He had designed his cut so the tree would fall in a certain way, but it didn't cooperate."

At such times the logger's best recourse is to call the utility. The company can shut off power to that section of line and help the logger work out of his jam with minimal damage.

In some instances, Young explains, loggers shouldn't even try to work close to a right-of-way until they've summoned the power company.

"There are situations you run into where there's really no way (to take the tree safely)," says Young. "In those situations you can ask the utility for help at the outset."

WEC's Dan Weston is convinced that the seminars have made a difference.

"We have cut way down on the number of outages caused by loggers dropping trees on our lines. We measure that for our outage reports, and we've all but eliminated it," he says.

"These sessions make the loggers safer, they bond Washington Electric with the community, and they help us communicate with the people we serve. Besides," he adds, "for us, teaching these courses is fun."

Washington Electric Employees: 25 Years Of Giving To United Way

In 1976, when a pioneering group of business and community leaders organized a new chapter of United Way in Washington County, one of the first companies to offer its employees a payroll-deduction plan for charitable giving was Washington Electric Cooperative.

The commitment has never wavered. WEC has continued its affiliation with Washington County United Way – which now, after mergers expanded its territory, is called Green Mountain United Way – and in November this year the Co-op received an award honoring it as one of six employers whose workers have contributed continuously for 25 years.

The award – a handsome glass arc 8 inches high and a 12 inches wide, featuring the United Way logo – is inscribed with these words: “Washington Electric Co-op Employees ... Your support and generosity are greatly appreciated... Thank you for helping our community through United Way... 25 Years of Continuous Support... Green Mountain United Way.”

Besides Washington Electric, the other Charter Corporate Employee Campaigns – “charter” means companies that have

participated since the local United Way came into being; the “employee campaigns” are their payroll deduction programs – are IBM, National Life of Vermont, New England Telephone (now Verizon), Rock of Ages Corp., and The Times Argus.

WEC Financial Administrator Janet LaRoche manages the Co-op’s payroll. She said a relatively high percentage of WEC’s staff donate to United Way from their paychecks.

“At the present time, 16 of our 36 employees are contributing,” she said.

Workers can make a one-time annual deduction, designate a sum they would like to give and make withdrawals from several paychecks, or have an amount withheld from each paycheck to contribute to the charity.

“The majority (or our contributors) have a deduction taken out every pay period,” LaRoche said.

Another Green Mountain United Way (GMUW) stalwart with affiliations with Washington Electric is the Co-op’s attorney, M. Jerome Diamond, of Diamond and Robinson in Montpelier. Diamond has served GMUW as General (fundrais-



WEC’s United Way plaque, with Christmas lights shining through the glass.

ing) Campaign Chairman twice – in 1986 and 1988.

GMUW held a celebration of its first quarter-century at the Barre Elks Club on September 16. Molly Abare, a driving force for the organization from its earliest days up to the present, compiled a booklet that tells the story of the local chapter through its history and through the breadth of its contributions to the central Vermont and Northeast Kingdom communities. She credits the late Lilly R. Keve and Elmer Kelly – both of whom were associated with National Life – with founding the chapter and recruiting a roster of the region’s most prominent citizens as board members, fund raisers and organizers.

The first annual fund drive (1976) raised just over \$78,000 for the new organization. It took seven years (until 1983) for the chapter to reach its first \$1 million milestone, and by 1999 GMUW had raised \$8.3 million in contributions over a 24-year period.

The provider agencies that benefit from Green Mountain United Way are so many and varied that the list reveals how

valuable GMUW has become to central and northeastern Vermont’s communities. A partial list of those organizations includes: Battered Women’s Services, the Barre Town Elementary School Community Service Learning Program, the Montpelier Teen Basement, O.U.R. House in Barre, the People’s Health and Wellness Clinic, the Good Samaritan Haven, the Vermont Foodbank and the Washington County Mental Health Program for Children of Alcoholics.

“Green Mountain United Way is a far-reaching charitable organization that provides great benefits to the people in our communities,” said WEC General Manager Avram Patt. “At the Co-op, we realize that our contributions are fairly small from a corporate perspective, because we don’t have the number of employees of an IBM or National Life.

“But Washington Electric Co-op has made it easy for our employees to contribute to United Way for 25 years now, and that’s a record we are proud of. We are also proud of our employees who choose to give to United Way, year in and year out.”

CO-OP MEMBER SKI TICKET DISCOUNT!

Washington Electric Cooperative (WEC) is proud to offer a member discount at the nation’s only cooperatively-owned ski area, Mad River Glen in Waitsfield, Vermont. This discount is valid for WEC members through the end of the 2001 ski season (or April 2001). This discount is valid only when the WEC member provides sufficient photo ID (driver’s license, etc).



To apply for discount when purchasing Mad River Glen tickets, WEC members must complete the form on the reverse, including all household member names for whom discounts would be applicable.

MAD RIVER GLEN’S 2000 – 2001 SPECIAL TICKET PRICING:

Weekday Co-op Member price: \$20

Weekend Co-op Member price: \$35

Holiday Co-op Member price: \$35

For more information contact
Mad River Glen Co-op at 802.496.3551
or visit: madriverglen.com

Washington Electric Cooperative Inc.

Statement of Non-Discrimination

Washington Electric Cooperative Inc. is the recipient of federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture, which provide that no person in the United States on the basis of race, color, national origin, age or handicap shall be excluded from participation in, admission or access to, denied the benefits of, or otherwise be subjected to discrimination under any of this organization’s programs or activities.

The person responsible for coordinating this organization’s nondiscrimination compliance efforts is Avram Patt, the Cooperative’s General Manager. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from, and/or file a written complaint with, this organization; or the Secretary, U.S. Department of Agriculture, Washington, D.C. 20250; or the Administrator, Rural Utilities Service, Washington, D.C. 20250. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.

Bylaw Amendment

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unreadable information. It was a time-consuming job, but it needed to be done."

One thing Jacques was asked to do was to redraft the language to make it gender-neutral, just as Vermont's statutes are gradually being modified for the same purpose.

"It's all written in the masculine form," said Jacques. "He' this and 'his' that. No surprise there. Most of the language was written in 1958."

Another housecleaning measure was to update all references to the "REA," the federal Rural Electrification Administration. The term is passe, as the agency that now provides funding and support services to America's electric co-ops is the RUS (Rural Utilities Service).

One of the committee's guiding principles in reviewing the bylaws and seeking to bring them into compliance with the revised electric-co-op statute was not to try to cover too much ground initially, said Trustee and committee chair Roger Fox of Walden.

"The approach we have taken is to make as few changes as necessary at this time," he said. "If the members agree to the changes we're introducing this year, we can then consider what our next steps should be."

Some of the changes – while necessary to square the bylaws with the state statute – are fairly minor: Act 143 uses "treasurer" instead of "clerk" to designate the Board officer who is responsible for the co-op's records and official paperwork, so WEC's proposed bylaw amendment follow suit; and whereas the current bylaws simply require a person to be a Co-op member in order to qualify for a seat on the Board, the new statute demands that he or she also be a resident of Vermont. Thus a similar requirement is set forth in the proposed amendments.

But on certain more important, functional matters, Fox said the Members and Markets Committee is advocating a go-slow approach.

"The time isn't ripe yet for us to move in some directions now allowed by law.

For example, the revised statute makes provisions for telephonic and electronic voting in co-op elections. That could be a valuable tool for increasing member participation and reducing the Co-op's cost of running elections. But we decided not to change the paper-ballot system yet, because the technology for those alternatives isn't readily available. We didn't want to try to draft a bylaw to implement a system whose workings are not yet known.

"Our approach is conservative," he summarized. "We're seeking the members' support for the necessary changes to put the Co-op in a position to benefit from Act 143, but at a slow and careful pace."

Expanding membership and services

Act 143 removes archaic restrictions upon the kinds of services electric co-ops can provide, and enables such co-ops – at this point, WEC and VEC (Vermont Electric Cooperative) are the only ones operating in Vermont – to offer new energy-related products and services, as well as continuing to provide power over their wires. Co-ops can now pursue opportunities in renewable and alternative energy, fossil fuels, telecommunications, and advanced member services in developing technologies.

But first WEC must rewrite sections of its bylaws that hold to the old restrictions.

The first proposed change comes at the beginning – in Article I, Section I of the bylaws – where those qualified for membership are defined as "Any person, firm, corporation or body politic" served by the Co-op. The proposed new language is more inclusive, reading "Any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or agency thereof, or a body politic or other entity..."

"This section was expanded to make it consistent with the language in our state statutes," said Fox, whose committee was aided by staff and WEC legal counsel, Diamond and Robinson of Montpelier. The narrower wording in the present bylaws, he said, could be construed as implicitly restricting membership, and should be altered.

Perhaps the crux of the proposed changes appears in Section 1(b), where it presently says that such people, businesses and entities can become members by "agreeing to purchase from the Cooperative electric energy."

This is essentially the limitation on services that Act 143 is designed to lift. When Gov. Dean signed the law, he cited its "potentially huge (impact on) rural Vermont," because it held out possibilities for co-ops to provide modern and alternative energy services, and even telecommunications, TV and other cable services, to rural people. None of that can come to fruition as long as WEC's bylaws restrict membership only to those who "agree to purchase (their) electric energy" from the cooperative.

Under the proposed new language, people and organizations may become members by "using electric energy or other services, goods or products furnished by the Cooperative when they are made available through its electric distribution facilities."

It is no coincidence that Act 143 sets forth expanded energy and telecommunications services for rural electric co-ops. WEC and VEC helped draft the bill, and their goal was to secure the ability to go in directions that would be helpful and attractive to their members – as determined to a significant extent from membership surveys.

Separating 'selling' from borrowing

For the most part, the proposed changes are straightforward and easy to understand. In one area, however, the route the Trustees propose to take is, necessarily, more complicated. This involves financing, and WEC's ability to borrow money as needed for new projects as well as for conducting its regular business.

WEC's bylaws were originally written to protect a small and financially fragile co-op from being bought out by some predatory competitor. While the member/owners could agree to such a sale, Article IX, Section 1 of the bylaws mandates that any decision to sell be agreed to by two-thirds of the entire membership – not just two-thirds of those interested enough to vote.

"The idea was to make it nearly impossible for people to lose their co-op," said Fox, "or at least to have nearly all of the members involved in the decision."

But what does the provision on the sale of the co-op have to do with borrowing money?

The answer is that Article IX, Section 1 also pertains to other means of raising cash, besides selling. It reads: "... the Cooperative may not . . . sell, mortgage, lease or otherwise dispose of or encumber all or a substantial portion of its property unless such sale, mortgage, lease or . . . encumbrance is authorized by the affirmative vote of not less than two-thirds (2/3) of all of the members." An encum-

brance, such as a mortgage lien, is a common way for lending organizations to secure collateral on a debt.

"The nature of business in the 21st century is such that our Co-op might very well need access to credit from other than our traditional sources – the federal government and the Cooperative Finance Corporation – to support our operations and also to take advantage of new opportunities to serve our members," said Fox. "The original bylaws never contemplated the kind of business environment we're operating in nowadays, much less the kind of long-term stability WEC has achieved."

"So it seems advisable to amend Article IX – not to make it easier to sell the Co-op, which we could continue to protect, but to make it easier to access alternative financing."

Catch-22

Surprisingly, though, that is not what the Board is proposing to do. At least not this year.

And the reason is a sort of Catch-22 in our bylaws: it is just as difficult to amend the bylaw restricting the Co-op from mortgaging its property as it is to actually approve a mortgage (or sale). You need approval by two-thirds of the entire membership to amend the mortgage-and-sale bylaw – and *only* that bylaw. Article II, Section 8, "Amendment of Bylaws," sets a lower standard – "an affirmative vote of not less than a majority of those members voting" – for changes to all bylaws except Article IX, Section 1 – specifically the bylaw that now needs to be changed.

Amending the 'problem' bylaw

So where does this leave us? We've got a bylaw that limits the Co-op's mobility, hampers future efforts to broaden member services, and is out of compliance with state law to boot.

What's more, it's the only bylaw that can't be changed without approval of two-thirds of the membership, which these days would amount to some 6,000 people – several times the number that typically participate in Co-op elections.

The practical solution is to amend the bylaw on amending bylaws. "There is no provision saying you need a supermajority to amend the bylaw that dictates how you can amend the bylaws," Fox said.

That's what the Board is aiming to do in May.

Keep your eye on these pages for the language of that amendment proposal as it evolves. If the membership supports such a bylaw change this year, a proposal to alter the "problem" bylaw itself (Article IX, Section 1), will probably follow at WEC's Annual Meeting in 2002.

For now, however, Fox and his fellow Board members feel this is enough for people to chew on.

Anyone interested in obtaining a copy of Washington Electric's bylaws showing the proposed amendments is invited to contact the Co-op.

Bylaw, Trustee Deadlines In 2001

Trustees are not the only ones who can present bylaw amendment proposals to the Co-op's membership. Members have the same right, and can receive guidance from the Cooperative in how to present an amendment. The deadline for proposing amendments for the May 8, 2001 Annual Meeting is Friday, February 9. Members must submit petitions with the signatures of at least 50 Co-op members by that date.

As required by WEC's bylaws, three seats on the nine-seat Board will expire at the time of WEC's Annual Meeting. Board members are elected at large. Members interested in offering themselves as candidates must gather the signatures of at least 25 Co-op members on a petition and present it at WEC's headquarters on Route 14 in East Montpelier. The deadline for submitting the petitions is Friday, March 9, 2001.