

WEC's Role In Broadband Deployment Is Changing

By the WEC Board of Directors, ECFiber, CVFiber, NEK Broadband

While Washington Electric Cooperative's member owners will progressively be receiving new access to high-speed broadband over the next few years starting this summer, it will be accomplished without low-interest loans through WEC. The Communications Union Districts (CUDs) expect to receive sufficient grant funding from the federal government, administered by the Vermont Community Broadband Board, to provide enough support for them to build out about 60 percent of the fiber infrastructure required for high-speed internet access. With these assets, the CUDs are confident they can secure loans to complete the remainder of their networks over the next four to seven years.

It has long been recognized that, given the rural character of where we live, modern levels of high-speed internet have not been available to most WEC members, to their detriment. More than three years ago, several of Washington Electric Cooperative's Board, our members, and various groups of Vermonters began talking with each other and with government representatives

about how we as an electrical Co-op might use our resources to help expedite broadband deployment in WEC's service territory.

Leaders of the Co-op and of the three CUDs that serve the towns of WEC territory (ECFiber, CVFiber and NEK Broadband) realized that the four organizations shared a common goal to bring world-class fiber-optic based broadband internet service to the rural parts of Vermont. WEC, as an electric cooperative, is eligible to apply for relatively low-cost loans through the Rural Utilities Service (RUS) of the US Department of Agriculture to improve its electric service. These leaders realized it could also be possible to pay for the construction of a fiber network that could be used for both internet access and improved internal communication for WEC's electric operation. The CUDs would lease, at cost, the use of the fiber. At the time, federal grant opportunities for Vermont high-speed broadband did not exist.

Now, as a result of the response to the COVID-19 pandemic, the state and federal governments are bringing significant grant funding to the CUDs directly. The CUDs and the Co-op have realized that

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Lineworker and Equipment Operator Donnie Singleton works to set a new pole. Increased funding access for Communications Union Districts (CUDs) changes the nature of the partnership between CUDs and WEC, allowing broadband deployment to continue without the Co-op taking on additional debt. WEC will concentrate on doing the necessary work to prepare its poles and Rights-of-Way for installation of fiber by the CUDs.

Board of Directors Asks Members to Vote for Bylaw Amendment

For the first time in a decade, WEC members are asked for their vote to amend the Co-op's bylaws. The proposed amendment to Article II comes from WEC's Board of Directors. Its primary effect would allow for electronic (online) voting. Currently, members may only vote by mailed ballot, or, when it is safe to gather, in person.

The bylaw amendment would also allow notice of member meetings to be delivered electronically, when the Board of Directors determines available technology can reach

members reliably, efficiently, and equitably.

Finally, the proposal updates language to use gender-neutral terms and clarifies omissions and ambiguities in the text of Article II.

The details of the proposed amendment are enclosed with your ballots and return envelope. Please cast your yea or nay vote for the bylaw amendment, select or write in three candidates for the Board of Directors, and return your ballots by mail for receipt at the Barre Post Office by May 4.

Tune in to WEC's Annual Meeting!
WEC's 83rd Annual Meeting of the membership will be held virtually on Thursday, May 5, at 5 p.m.

To register for the meeting, visit wec.coop/annual-meeting.

Join the meeting for:

- Results of this year's Board of Directors election
- Q&A with Board Officers and new General Manager Louis Porter
- Musical performance from Patrick Ross and Doug Perkins
- Door prizes

Remember: fill out and return both enclosed ballots. Ballots must be received by May 4 to count.

See you on May 5 at 5 p.m.!

Official Notice and Annual Report

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President's Report

In a Transition Year, Co-op Sees Changes To Broadband Partnership, Staffing

By Stephen Knowlton

Sometimes, things seem to work out even if they don't come off quite the way as originally planned. Readers of *Co-op Currents* will recall that Washington Electric had been in the process of applying for a \$36.5 million loan from the US Department of Agriculture's Rural Utilities Service to construct a 900-mile long fiber network in WEC territory over the next several years. This network, if approved by the WEC membership, would have two purposes. It would be leased to three not-for-profit Communications Union Districts (CUDs) who would offer access to high-speed internet to WEC customers. Secondly, it would provide the operations staff of WEC with real-time communication to its monitoring

infrastructure as well as to our customers' meters for improved service and customers' rate options. WEC has been investigating the pros and cons of broadband for over four years, performed a feasibility study with support from Vermont's Department Public Service, and recently framed a partnership with the local CVFiber, ECFiber, and NEK Broadband CUDs.

Until a year ago, funding for the prompt construction of such a network appeared to be beyond what CUDs could financially cover on their own. Previous federal grants to several commercial internet providers unfortunately has not resulted in adequate broadband access to rural areas, and paradoxically they precluded other providers from subsequently applying for grants to provide such access. Consequently,

WEC conceived the idea of financing much of the fiber construction with a low-interest government loan available to electric cooperatives. In principle, the CUDs would pay off this loan through revenues and the electric ratepayer of WEC would be held harmless in paying off the loan. Of course, as with any loan, there were risks to be considered, and WEC and its partners have been exploring means to mitigate such risks.

What has changed in the last few months is that the CUDs of Vermont will take advantage of federal grants to build the broadband fiber network on their

own. The impetus of this funding is the recognition across America of the growing importance of reliable broadband to our lives (the same reason WEC originally proposed to improve broadband access to the nearly three-quarters of its members who lacked service at standard modern data transfer speeds), amplified by the impact of being cloistered during the pandemic. The level of funding the CUDs anticipate receiving is sufficient to enable them to build out over half of the network they will need to provide internet service to their customers, including those in WEC territory. This federal jump-start will then allow them to seek the remainder of their cash needs from other sources, e.g. commercial lenders. So now that the dust is settling, it appears that those WEC members who desire high-speed broadband will be likely to receive it on the same time scale that was envisioned in the original partnership between WEC and the CUDs.

Despite this shift in plans, WEC will keep its momentum going to pursue its other goal of implementing high-speed communication and advanced customer metering for improving the functionality of its electric grid. There will be an increasing need to monitor distributed intermittent generators such as solar panels and high-current loads like electric vehicle chargers and heat



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– Stephen Knowlton

pumps. The applications for battery storage will presumably become more widespread as time goes on. Rate structures that depend on the time of day at which customer usage occurs may prove be effective in managing load economically. Providing these features while adapting WEC's system to the uncertainty of the changing weather on outage severity adds another level of complexity. Addressing these opportunities and challenges will ultimately require a more granular, real-time knowledge of the loads and generation across WEC's grid including at all the residences. WEC staff will continue the exploration of

smartening up its grid that it started as part of the larger broadband project.

Not all the updates on the past year at WEC are just about broadband. 2021 ushered in a number of changes in the people at WEC. A new general manager has taken over from the previous one. New people have replaced the outgoing directors of operations and engineering, and of finance. Some individuals have shuffled places in the organization, and we have new faces in member services, accounting, operations, and administration. And we have a new president of the Board, replacing the long-serving previous president who stepped down last June.

We value the experience of these departing employees who successfully served WEC members, and we are grateful for how well they carried out their jobs on our behalf through storms and crises. We welcome those who have newly joined WEC to carry the Co-op forward through a time of challenge and opportunity in the Vermont energy landscape. Despite these recent changes in personnel, the mission of WEC – to safely provide reliable electric service with minimal negative environmental impact – has not changed. WEC members can count on it continuing to reflect the core values of the Co-op. 

Co-op Currents

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

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The Board of Directors' regularly scheduled meetings are on the last Wednesday of each month, in the evening. Members are welcome to attend. Members who wish to discuss a matter with the Board should contact the president through WEC's office. Meeting dates and times are subject to change. For information about times and/or agenda, or to receive a copy of the minutes of past meetings, contact Administrative Assistant Rosie Casciero, at 224-2322, or visit wec.coop/board-of-directors.

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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*.



General Manager's Report

WEC Draws on Its Strengths to Navigate Disruptions

By Louis Porter

About five months ago, I began working for Washington Electric Cooperative, and I continue to be amazed by the warm welcome and generosity shown by my colleagues, the members, the Board of Directors, and those who work in Vermont's public power system.

Our corner of Vermont, and the world at large, have faced tremendous upheaval from ongoing pressures and new ones, including tumultuous energy markets, climate change, a pandemic, and, recently, a war in Europe. But those challenges have made ever clearer the need for electrical cooperatives and the importance of the values on which they were founded.

These values inform every decision the Board of Directors and staff make. Without ownership and control by those who rely on and pay for the power, the Co-op's commitment to community over self-interest cannot be fully realized. Our members count on us for support. And cooperation, education, and shared knowledge are essential tools when circumstances are changing so rapidly and our ability to communicate and gather is hampered.

While it has been a challenging year for WEC, the Co-op has grown in terms of capability and technology. If we learn from those experiences, WEC and other utilities like it will be there to serve members well for another 80 years.

COVID-19

The pandemic has had profound effects around the world and WEC is no exception. Some of those changes have not been surprising, from eliminating non-essential work travel and introducing remote office work to implementing mask and social distancing requirements. Others were harder to anticipate, but just as real,



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such as a shortage of some materials, like transformers, or dramatic increases in prices due to supply chain issues and panic buying.

As of this writing, our offices remain closed to the public, except by appointment, which has been a necessary but difficult precaution for an organization so connected to its community. My office opens off the main lobby of our building, and hearing conversations with members as they come in to pay a bill or ask a question has been an important part of learning the organization. I miss it, as I know others at WEC do, and look forward to

opening the office again as case rates and hospitalizations continue to improve.

Many of our colleagues, members, neighbors, and friends have struggled during the pandemic, whether from illness, financial insecurity, or isolation. The financial part of that has been clear to us, as some members struggle to pay their bills. Our Member Services Representatives have done great work, reaching out to our members with help accessing several state assistance programs and working together to create a plan forward.

Power Supply

Cold weather in January and global insecurity about energy availability and costs have necessitated the Co-op and other New England utilities purchase power from a volatile market seeing prices not experienced in decades. Compounding the issue, expansion of the Coventry landfill caused a decrease in power production at the WEC plant there, which runs off landfill gas and is our largest single source of electricity. In the last couple of years, the plant supplied about 70 percent of WEC's power needs, but that dropped to about 68 percent in 2021. Given the relatively low cost of that electricity—about half the cost of electricity from the Ryegate wood chip power plant—

that decrease has had a significant impact on the Co-op.

Fortunately, the landfill's expansion is largely complete, and we expect power production from Coventry to return to its typical production.

Outages

Of course, one of the most important things to our members is that the power is there when they require it. The Co-op has one of the most rugged territories around and much of its nearly 1,300 miles of power lines is built away from roads and easy access. The operations crews work hard to restore power, even as Vermont weather grows increasingly severe due to climate change. With last year's labor shortage, our team faced even greater

challenges. Members experienced more outages, but were in the dark less—about 20,000 consumer hours less—than they were in 2020. Thank you to our committed lineworkers, operations team, and all of our staff.

In 2021, we had two weather events that met the definition of "major storms"—one in January and one in May. Outside of those major storms, there were 874 outages in WEC territory in 2021, up slightly from 730 in 2020. In all, there were 84,479 consumer hours of lost power in 2021, compared to 105,636 in 2020.

Thank you for being members of this great Cooperative. Reach us at 802-223-5245, toll-free at 800-932-5245, or at wecmembers@wec.coop. When the doors reopen, pop by my office to say hi. 



General Manager Louis Porter, Kim McKee, and their daughters Mae and Molly. The Porter-McKee family lives on WEC lines in Calais.

Broadband

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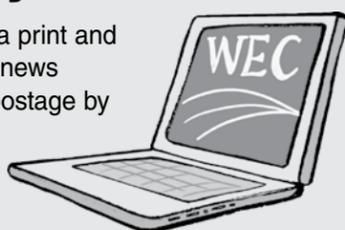
the idea of funding the construction through WEC via federal RUS loans is no longer essential. Indeed, from a business perspective, it would be less cumbersome for them to manage the project's financing, construction, and operation independent of WEC, and pose less of a risk to the Co-op's balance sheet.

Therefore, the partnership between the CUDs and WEC will change from what was originally envisioned. The CUDs and WEC will continue to work together to support our shared goals and missions. Rather than borrowing RUS money and building part of the fiber network, and then leasing that network to the CUDs to support their broadband efforts, WEC will concentrate on doing the necessary work to prepare its poles and Rights-

of-Way for installation of fiber by the CUDs. In addition, WEC and the CUDs are working together to promote and support both the deployment of broadband infrastructure and the creation of a network to allow WEC to communicate with its meters and with other electrical service devices necessary to maintain and improve our infrastructure, improving reliability and programs available to members. 

Co-op Currents in your inbox

Starting in 2022, *Co-op Currents* is both a print and online publication. If you prefer to read your news online, you can save the Co-op paper and postage by opting out of the print publication and going digital-only. Subscribe and change your preferences anytime at wec.coop.



Position Statements of the 2022 Candidates for the Co-op Board of Directors

Seven Candidates Respond to Policy Questions

Seven Co-op members seek election to three available seats on WEC's Board of Directors. Each Director serves a three-year term. WEC members may vote for or write in a maximum of three candidates.

Ballots must be returned by mail in 2022, and must be received by the Barre Post Office before the May 4, 3 p.m. deadline.

In the March issue of *Co-op Currents*, candidates are invited to make a brief statement to the membership introducing themselves. In the April issue, candidates respond 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?

Susan Alexander

I live in Cabot and am a long-time member of WEC. When we moved here, ours was the first power line brought up the road and we have enjoyed increasingly good and clean service since.

My professional career has spanned both private and public sectors.



For the past 12 years I have been self-employed as an environmental management consultant and the founder and former owner of a small craft beverage business. I currently work as an independent contractor managing the Lamoille Solid Waste District's 5 recycling facilities and Lamoille Soil Composting facility. I have degrees in both Forestry (College of ESF) and Soil Science (Cornell). I am available by phone 802-563-3259 or email mullandmor@gmail.com.

Working for a 12-member Board I am cognizant of the commitment and dedication required of Board members. My work has also provided me with experience digesting government regulation and policy. Having served on a number of Boards (school, wastewater, community coalition) I can appreciate the need for diverse perspectives in building a strong program and making compromises when presented with compelling data. When the ban on food scraps in the landfill was passed, I was in the process of building a composting facility that would effectively cut into the supply of methane that runs WEC's generators in Coventry where my electricity was being generated. Understanding and communicating both sides of that equation is an excellent example of where conflicting regulatory and policy priorities benefits from a broad base of stakeholders and decision makers. Additionally, I have experience building budgets, reading financial statements, managing a staff of 18 and I am currently responsible for a \$1.7M budget.

Always important to members are cost and efficiency and while WEC has been a leader in renewable energy and staunchly promoting efficiency there is no terminal point on those fronts.

Making best use of Coop dollars, investing wisely and monitoring debt being critical functions. Updating and security of our infrastructure and the extended network may be less on members minds and yet a real challenge with accelerating technology. And not in any order is climate, climate, and climate. I am involved with a community of practitioners through the Climate Catalyst program of the Vermont Council on Rural Development creating tools to connect, share, and support efforts to mitigate impacts on climate. I am not an expert and I am aware there will be a steep learning curve to become proficient in content and priorities and yet I welcome that.

Thank you for the opportunity to take up the mantle representing our membership on the WEC Board with hopes of filling some very big shoes although that will certainly take some time.

Betsy Allen

Hi, I am Betsy Allen. You can reach me at betsallen@gmail.com or leave a phone or text message at 802-535-7088.

Prior to moving to Plainfield, I resided and raised two children in Glover. My former husband and I built our home and maple sugaring businesses, which some of you may know. Sugarwoods Farm produced and marketed maple products and Waterloo USA sold maple equipment. As in any small business, I learn to do it all. My responsibilities included tapping and boiling, canning syrup, wholesale and retail sales, marketing, bookkeeping, purchasing and inventory, and whatever else was needed.

In addition to co-owning the maple businesses, I have worked in public education for more than 30 years. I was an elementary classroom teacher, then (and currently) a math coach to elementary and middle school teachers, and a graduate level instructor for teachers. Numerous workshops both local and national, the Snelling Institute, and several advanced degrees taught me



leadership and team building skills that apply both to school and business settings. I will bring my experience and tools to the WEC Board of Directors.

While my children were young, I volunteered as a Girl Scout leader and started cross country ski programs for the Glover School and the Bill Koch Ski Program for area kids. I wrote grants to secure ski equipment for the school where I was teaching. Those were very busy years!

When I moved to East Hardwick and built my own home, I chose to live off the grid with a battery solar system and back up generator. This was a personal choice to live simply with renewable power. I look forward to working with WEC's commitment to 100 percent renewable energy.

When electric cars first emerged on the market, I was right there, along with the initial WEC and federal incentives to purchase a Nissan Leaf. I had a Level 2 Charger installed (bought used from Steve Knowlton). I

currently own my second electric car, the Chevy Bolt. I am excited WEC has been in the forefront to support members with incentives, charging stations, and the power shift program.

As we move ahead with technological advances and increased electrical needs with heat pumps and water heaters, pellet stoves, electric cars and more, I believe my personal experiences and history of choosing alternative energy resources will contribute to making informed and thoughtful decisions. I enjoy working with teams of people to affect positive change.

I am eager to run for a Board of Directors position to join the WEC team of dedicated community members and staff who play such an important role in supporting our community and lives. I am a hard worker who will bring commitment to the job. I will listen to and consider members' needs as decisions are made. Thank you for your vote.

Report of the 2022 Committee On Candidates

The 2022 Committee on Candidates convened a teleconference on Wednesday, March 16, at 5:04 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. Seven (7) 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 of the candidates to be qualified for the position of director in accordance with the Cooperative's Bylaws, and hereby presents the following official listing of candidates for the Washington Electric Cooperative 2022 election of Directors:

Susan Alexander
Betsy Allen
Olivia Campbell Andersen
Pat Barnes
Steven Farnham
Rachel Onuf
Joseph "JJ" Vandette

2021 Committee on Candidates:

Robin Arnell *Dale Bartlett*
*Diane Chaffee** *Susan Hatch Davis*
Bud Haas *Ben Hewitt*
*Joe Safranek**

**did not participate in teleconference*



Olivia Campbell Andersen

802-522-8501
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My passion is catalyzing equitable climate solutions and empowering others. I have nearly two decades of experience and diverse skills in creating collaborative partnerships and crafting innovative policies as a communications, renewable energy, and sustainability advisor to non-profit, business, and government leaders. Growing up on a small family farm in southern Maryland under constant development pressure, and now as a beginning farmer and small business owner in East Montpelier, I see intimately the economic challenges and climate changes facing our rural community.



I dwell in possibility, believing that nothing is impossible with hard work, creativity, and integrity. I'm grateful for the opportunity to serve on our electric coop'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.

Climate and economic resilience and lack of broadband connectivity are the most significant issues facing the cooperative. Much of the infrastructure we rely on for daily life—roads, electrical grid, communications, and water systems—was built a half century or longer ago when weather patterns were relatively stable and predictable. 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.

Science fiction author William Gibson said that "The future is already here – it's just not evenly distributed." His words are particularly apt in describing modern broadband, renewable energy, efficiency, and grid management tools. Too many Vermonters are unable to directly access the benefits of these climate and cost saving technologies, and I don't want our community to be left behind due to our rural location or individual household's income. WEC can serve as a facilitator and where appropriate a service provider to increase equitable access to broadband, climate, and energy resilience solutions.

Pat Barnes

802-356-2210
bpatbarnes@gmail.com

I have been a resident of Vershire for nearly thirty years. My career has been dedicated to science education, and my volunteer work has included community work as an EMT, a firefighter, a justice of the peace, a member of the Board of Civil Authority, and a school-board member.



I would like to join the WEC board as part of the team that carries our Co-op toward 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 we face are numerous: increasing local use of electricity; maintaining our power lines in the face of powerful storms and forest threats (such as the Emerald Ash Borer), increasing our grid's capacity to accommodate distribution—all the while delivering premium service at an affordable price.

We will need to combine the right incentives and rate structures—wielding the Co-op's clout with the Vermont Public Utility Commission—to craft policies that serve our members in this decade and beyond. I believe I can bring a collaborative and resourceful energy to this mission.

Steven Farnham

Residence: Five generations of my family have been WEC members since power lines were strung across our farm in Plainfield, my home since birth. The farm's WEC membership has been in my name since 1995. You may contact me at Steven4WEC@gmail.com, or 802-917-2581.

Background: Graduated local school system, secured Associate's in Electronics (with Honours) from VTC; subsequently furthered studies in Business Administration at UVM, and the International College of Cayman Islands. Early engineering career consisted of work at Mitel Semiconductor, GE, and DEC (Digital Equipment Corporation) in Quality Assurance, Manufacturing, Technical Support, and a summer job servicing substation equipment at Green Mountain Power. Recent endeavours include semi "retirement" in heavy equipment operation, selling



agricultural products, carpentry, machinery repair & restoration.

Community: WEC Board of Directors since 2019, as well as present or past service on boards of Hunger Mountain food co-op, Vermont Philharmonic, and Cutler Library. Served with Cutler Friends of the Library, Plainfield planning commission, and Justice of Peace. Fifteen years host of weekly community affairs program - WGDR-FM. Judge at Vermont State Science and Math Fair (now Vt STEM Fair), Volunteer at Barre Opera House, Lost Nation Theatre, and Montpelier Senior Activity Center (pre-CoViD). Forest Pest First Detector: Trained to recognise signs of various exotic invasive tree-eating insect pests. Current membership in five co-ops. Past membership in six others.

My affinity for co-ops stems from their obligation to serve their members, not a separate elite. Washington Electric Co-op serves its members well, and I am committed to seeing this continue and improve. When outages occur, WEC's priority is to see that its members' power is restored. It is uncertain WEC's 11,000 rural households would be priority if served by a larger, corporate utility that also served more densely populated areas. WEC's philosophy places high priority on preventative maintenance in an effort to avoid outages in the first place.

The need for broadband in much of WEC territory provides an opportunity for WEC to broaden the service it provides its members. The WEC Board and Staff have been deeply involved in conversations with various stakeholders to make this a reality, and I support WEC's continued involvement in the effort to design and implement the optimal means to enable underserved and unserved WEC members to finally have the advantage of this vital 21st century technology.

Another way I would like to see WEC broaden its offerings is to facilitate establishing home-generated power for its members. At present, grid design and the political and regulatory environment are not exactly friendly to the peaceful co-existence of utility-generated, and home-generated power, especially in areas of low-population-density like WEC territory. I believe the two can co-exist to the advantage of the end-user, utility, and the environment, and we should strive to make this happen. Maintaining a clean, liveable environment, addressing climate change, and enabling energy independence are far more important than who wins the battle over energy production market share. WEC should lead the way, and evolve to meet this need.

I believe there is an abundance of brilliant thinkers in WEC territory who can help in these efforts, and the WEC Board needs to increase its interactions with these resourceful individuals. Member engagement is not merely a matter of broadcasting "current" company thinking and activity via the newsletter, *Co-op Currents*.

Member engagement means just that: engaging the members.

If one wants to escape a box, one must first dare to think outside it. It took that kind of thinking to extract WEC from its commitment to Seabrook Nuclear, and it took that kind of thinking to build Coventry. If WEC wants to continue to pioneer revolutionary, innovative, cost-effective, environmentally friendly means to keep members' homes and businesses powered, illuminated, and connected, then WEC needs to elect individuals able to imagine bold new ideas.

Rachel Onuf

My name is Rachel Onuf and I am a Co-op member in Washington, where I have lived since 2017. Prior to that I lived in Vershire, and before that, north central Massachusetts. Members can contact me at P.O. Box 138, West Topsham, VT 05086, rachel.onuf@gmail.com or 802-439-3043.



I have worked as an archivist for many years, both as a full-time employee and as a self-employed consultant, contract worker, and adjunct professor. In 2005 I started a yearlong apprenticeship in organic agriculture and after "graduating," spent several years balancing working on a school farm with archival gigs, including serving as the roving archivist for Massachusetts.

I moved to Vermont to work with the State Archivist to start the Vermont Historical Records Program (VHRP), which provides technical assistance to historical societies, museums, town clerks, and public libraries, and strives to build statewide capacity to support the staff and volunteers at these organizations. First we needed to build the capacity of our own program, and I wrote several successful grants to transition my position from a part-time temporary to a full time position. Another archivist has joined the VHRP and to date, we have helped nearly 100 repositories with their historical records and have supported the creation of two new organizations: the Collections Care & Conservation Alliance (CCCA) and the Vermont Arts & Culture Disaster and Resilience Network (VACDaRN), which launched in September 2019 with a daylong educational symposium, funded in part by a grant from WEC's Community Fund. Current initiatives include planning a statewide digital repository to share Vermont's rich cultural heritage more broadly.

I am on the Board of the Old Stone House Museum and Historic Village in Brownington, serving as Secretary. That organization aligns with my professional interests, and I was inspired to get more involved to try to help the staff sustain the

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Treasurer's Report

Planning Pays Off

WEC budgeted accurately for 2021, despite higher purchased power bills due to decreased production at Coventry

by Don Douglas

Washington Electric Cooperative is committed to providing the excellent service our members expect and deserve. The catastrophic pandemic is still with us as we attempt to learn to live with the virus that has caused so many disruptions to our lives. Our office is again closed to walk-ins from the public and is open by appointment only. We have had employees test positive for COVID, but so far, it has not affected our ability to respond to outages or handle day-to-day business.

In 2020, WEC experienced increased energy sales, which guided us in setting the budget for 2021. We guessed that many people would still be working remotely and that we would continue to see about the same level of residential electric sales. WEC's revenue from members in 2020 was



WEC's revenue from members in 2020 was \$16,854,741 and \$16,944,489 in 2021. So, we guessed right in the budget.

\$16,854,741 and \$16,944,489 in 2021. So, we guessed right in the budget.

Of course, nobody bats 1,000. We did not anticipate decreased methane gas production at Coventry that caused us to incur higher power bills than expected. Methane production comes from anaerobic microbial activity, and during construction and pipe replacement, that anaerobic environment was disturbed, causing a marked decrease in methane production. However, we are proud to report that WEC met all its loan covenants in 2021.

The Net Margins in 2021 were \$1,040,204, which is down from \$1,720,571 in the prior year. Coventry production is the main reason for a better year in 2020. When WEC gets more energy from the plant, we don't need to buy quite so much electricity from other sources, or we can sell more excess. Each kilowatt hour produced at Coventry comes with the

sale of Renewable Energy Credits (RECs). The value of the RECs is very much determined by the market, which fluctuates; but more to sell is obviously better than less, no matter the value of the REC.

Capital credits are one of those things unique to cooperatives. Since co-ops are owned by their members, money is returned (retired) to them over the years. The amount retired is different each year because capital credits are all the money in excess of the Co-op's operating costs (we call these "margins"). In short, WEC can return money to members when there's a bit leftover at the end of the year. The Board of Directors is responsible for deciding if we can retire capital credits, and how much. Available cash is the metric we use to make this decision. Some years WEC has had very large allocations, and some years they were small, or even zero.

Our goal is to keep close to a 15-year cycle. Inactive members get a check in the mail if the total amount retired to them that year exceeds \$20, and active members get a credit on their November bill. Since we

began retiring capital credits in 1998, WEC has returned over \$9,000,000 to members. Last year we set out to retire \$770,000, fully retiring the capital credits from 1996 and part of 1997. We were also able to retire portions of 2013 (Contributions In Aid Of Construction) and of 2020.

We also invite members to donate their capital credits to the Community Fund, which provides grants to non-profit organizations in the four counties WEC serves. This is a great way to make a real difference in your community. At present, 1,400 members contribute more than \$55,000 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, attention to detail (every dollar) and their dedication to Washington Electric Cooperative. Copies of the audit can be found on the website at wec.coop/about-wec/financials. 

Candidates

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great momentum they are building. Serving the Co-op is obviously less in my professional wheelhouse, but many of the skills I have developed in my decades in the workforce make me a good Board member, including collaboration, communication, listening, and learning. An avid *Co-op Currents* reader, I am aware of some of the issues the Board is currently grappling with on behalf of the membership – and how complicated they are.

Some of the most important issues facing the Co-op include how to participate in the once-in-a-lifetime opportunity to bring affordable

broadband to every member that the massive influx of federal funding may make possible; how to mitigate the impact of climate change on the electrical grid in our service area and beyond; and how to keep our 100 percent renewably sourced electricity affordable for everyone. I realize I have a great deal to learn about these topics and my perspective, at least initially, would be that of someone freshly engaging with these issues. I would rely on veteran Board members to review the current options on the table for working with Communications Union Districts to roll out universal broadband or to point me to resources that explain the intricacies of net-metering policy. I am eager to listen and read about these issues, and once I have grasped the basics, to begin to work with the rest of the Board and the membership as a whole to develop a path forward that aligns with our mission and will serve our members well.

JJ Vandette

My name is Joseph Vandette but everyone calls me JJ. My wife and I live on Center Road in Middlesex. I can be best reached by email: jjvandette@gmail.com.

I have been a project manager for over ten years in the energy efficiency industry, and during my tenure, I have worked closely with most of Vermont's electric utilities to build programs that serve their customers' and members' energy needs. Through my day-to-day

work, I am obligated to keep up with the latest energy technologies and industry trends. I also engage with Vermont's energy regulators on a consistent basis, and I am familiar with the challenges and vast opportunities facing the electric energy industry today.

In the next few years, the American Rescue Plan Act will be in full force, and Co-op members stand to benefit from these dollars if we are ready. The rollout of broadband, as an example of a significant opportunity, stands to allow the Co-op to serve more members better and to increase our financial stability. Similarly, the advent of electrification technologies, such as cold climate heat pumps and longer-range electric vehicles, are becoming more ubiquitous.

These technological advancements can provide both members and the Co-op with a multitude of benefits—that is, if we're thoughtful about how we embrace them. At the end of the day, my neighbors and fellow Co-op members are echoing a need for affordability and equity to be critical considerations as we embrace these impending changes to the energy industry. In summary, I would like to help the Co-op find ways to seize



new opportunities and to keep energy affordability as a primary focus all the while.

I would be honored to serve as a member of WEC's Board of Directors, and I am looking forward to the potential opportunity to collaborate with fellow WEC members and staff in this capacity. Please reach out to me if you'd like to discuss anything energy—I am passionate about the topic! 

Notice

All ballots must be mailed in 2022. Ballots must be received at the Barre Post Office no later than Wednesday, May 4 in order to be counted. Please read the instructions enclosed with your ballot and allow plenty of time for mail delivery. Contact Rosie Casciero with questions: 802-224-2322.



Have your finances taken a hit from COVID-19?

Don't let your bill go past due. Call Member Services today.

WEC has delayed disconnections since July 2021, but this may change in the upcoming months. All Vermont utility customers are responsible for paying their bills. Help is available: A Member Services Representative will help you put together a budget that works for you. Plus, there are state programs that may help pay down your bill.

Don't let your bill go past due, or grow beyond what you can manage. Call us today, and we'll help you put together a plan: 802-223-5245 or toll free at 1-800-932-5245.



Consolidated Balance Sheet

Assets and Other Debits

	12/31/20	12/31/21	Increase (Decrease)
Utility Plant			
Total Utility Plant in Service	\$83,670,560	\$84,996,735	\$1,326,175
Construction Work in Progress	548,255	902,909	354,654
Total Utility Plant	84,218,815	85,899,644	1,680,829
Accum. Provision for Depreciation	35,348,326	37,694,171	2,345,845
Net Utility Plant	\$48,870,489	\$48,205,473	\$(665,016)
Other Property and Investment - At Cost			
Invest. in Assoc. Org. - Patronage Capital	460,266	482,152	21,886
Invest. in Assoc. Org. - Other	405,045	400,484	(4,561)
Other Investments	8,504,993	9,160,550	655,557
Total Other Property and Investments	\$9,370,304	\$10,043,186	\$672,882
Current Assets			
Cash - General Funds	1,611,281	860,250	(751,031)
Cash - Restricted	842,725	700,000	(142,725)
Notes Receivable - Net	99	99	0
Accounts Receivable - Net	3,837,860	3,630,942	(206,918)
Materials and Supplies	293,818	410,018	116,200
Prepayments	695,784	570,964	(124,820)
Total Current and Accrued Assets	7,281,567	6,172,273	(1,109,294)
Deferred Debits	668,641	589,737	(78,904)
Total Assets and Other Debits	\$66,191,001	\$65,010,669	\$(1,180,332)
Number of Consumers	11,711	11,791	80
kWh Sold *	70,976,128	71,503,428	527,300

*12/31/20 kWh Sold was restated to reflect a system change in accounting for net metering sales.

Liabilities and Other Credits

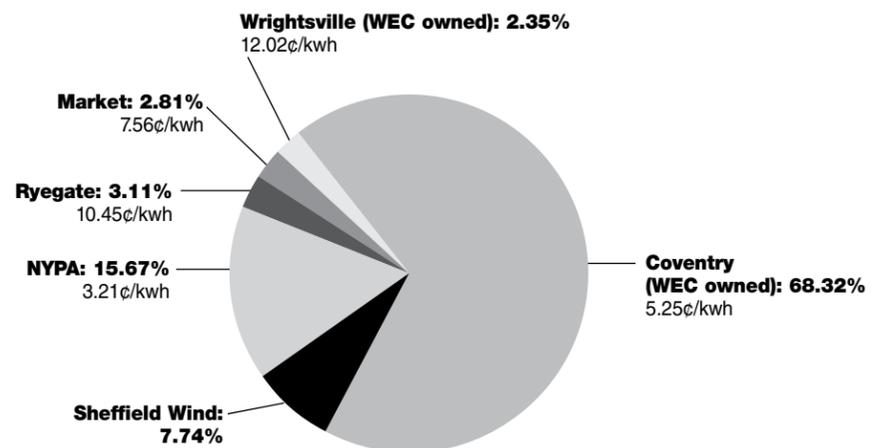
	12/31/20	12/31/201	
Memberships	\$150,410	\$154,735	\$4,325
Patronage Capital Credits	22,923,226	23,944,824	1,021,598
Operating Margins - Current Year	607,582	(61,420)	(669,002)
Non-Operating Margins	1,112,989	1,102,204	(10,785)
Other Margins and Equities	288,269	295,803	7,534
Total Margins and Equities	\$25,082,476	\$25,436,146	\$353,670
Long-Term Debt			
Long-Term Debt - RUS	3,346,976	2,984,083	(362,893)
Long-Term Debt - FFB	21,928,233	21,900,927	(27,306)
Long-Term Debt - NRUCFC	9,744,378	8,438,808	(1,305,570)
Total Long-Term Debt	\$35,019,587	\$33,323,818	\$(1,695,769)
Current Liabilities			
Current portion of Long Term Debt	2,482,245	2,534,833	52,588
Accounts Payable	1,474,429	1,853,229	378,800
Consumer Deposits	201,470	204,998	3,528
Other Current and Accrued Liabilities	876,864	721,896	(154,968)
Deferred Regulatory Liability	842,725	700,000	(142,725)
Total Current and Accrued Liabilities	\$5,877,733	\$6,014,956	\$137,223
Deferred Credits	211,205	235,749	24,544
Total Liabilities and Other Credits	\$66,191,001	\$65,010,669	\$(1,180,332)

2021 Statement of Operations

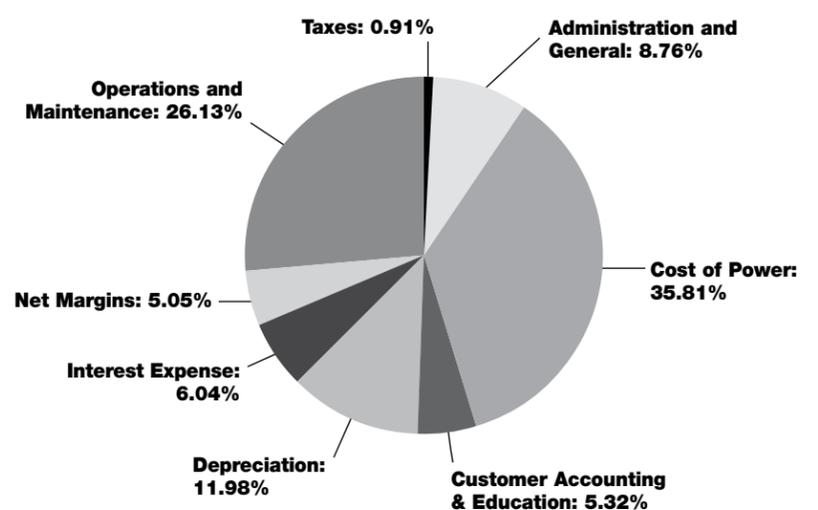
Item	Actual 12/31/20	Actual 12/31/21	Increase (Decrease)
Operating Revenue	\$19,333,465	\$19,526,682	\$193,217
Cost of Purchased Power	4,558,873	5,403,611	\$844,738
Cost of Generated Power - Wrightsville & Coventry	2,106,684	1,983,549	\$(123,135)
Total Cost of Power	\$6,665,557	\$7,387,160	\$721,603
Other Operation & Maintenance Expense			
Transmission Expense	103,783	89,994	(13,789)
Distribution Expense - Operation	2,185,089	2,239,825	54,736
Distribution Expense - Maintenance	2,771,893	3,061,202	289,309
Consumer Accounts Expense	771,598	724,545	(47,053)
Customer Service & Education	372,529	372,766	237
Administrative and General Expense	1,902,982	1,806,891	(96,091)
Total Other Operation and Maintenance Expense	\$8,107,874	\$8,295,223	\$187,349
Fixed Expenses			
Depreciation and Amortization Expense	2,445,668	2,471,299	25,631
Tax Expense - Other	185,976	187,443	1,467
Interest on Long-Term Debt	1,312,990	1,242,514	(70,476)
Interest Expense - Other	7,818	4,463	(3,355)
Total Fixed Expenses	\$3,952,452	\$3,905,719	\$(46,733)
Total Cost of Electric Service	\$18,725,883	\$19,588,102	\$862,219
Operating Margins	607,582	(61,420)	\$(669,002)
Non-Operating Margins - Interest	1,075,038	1,098,720	23,682
Non-Operating Margins - Other	37,951	3,484	(34,467)
Net Margins	\$1,720,571	\$1,040,784	\$(679,787)
Times Interest Earned Ratio (TIER)	2.31	1.84	(0.47)

2021 Sources and Costs of Power

(Total kWh Purchased and Generated)



2021 Where the Dollars Went



2022 Virtual Annual Meeting Questions & Answers

Q. I have a question I want to ask. How can I do that?

A. WEC leadership will lead an online Q&A in the Annual Meeting. Join us virtually, and ask your question live! If you come up with a question later, or can't attend live, you may submit your question to *Co-op Currents* as a letter to the editor. Members are also encouraged to contact any member of the Board of Directors or call the WEC office with questions any time of year.

Q. I want to watch the meeting, but I'm unable to attend virtually at 5:00 p.m. on May 5.

A. We will record the meeting and make it available on wec.coop.

Q. There are a lot of candidates. How do I make an informed decision?

A. Each candidate included their preferred contact information with their policy responses. You may contact candidates with specific and relevant questions to help inform how you vote.

Q. What is a bylaw and what is a proposed bylaw amendment?

A. WEC bylaws are the member-approved rules governing how the Co-op operates. For the first time in a decade, WEC's Board of Directors proposed an amendment to the bylaws. The amendment would allow for members to vote electronically and updates some language. A majority vote is required to amend the bylaws.

Q. How do I get a ballot?

A. Ballots for the proposed bylaw amendment and Board of Directors election are enclosed with this issue of *Co-op Currents*. All voting will take place by mail; all ballots must be received at the Barre Post Office by May 4. 

WEC's 2021 Report Card

By the Numbers

Service Quality and Reliability Results

By Louis Porter

Washington Electric Cooperative annually reports to state regulators how well it provided service to its members over the last year. The Service Quality and Reliability Plan, or SQRP, report consists of 12 categories designed to take a snapshot of where we are doing well and where we need to improve.

While this report is filed with the Vermont Public Utility Commission, it is also a useful tool for WEC and for those it serves to track performance and highlights trends.

As in past years, WEC's performance was very good in most of the category areas. However, in two measures we did not meet our goals. The first is in the number of calls answered within 20 seconds; WEC did not reach its goal of 85 percent (more on this later). We also missed our goal, by just a fraction, for the average time taken to restore lost power.

1. Work Safety Performance. The safety of WEC workers and of the general public is of great importance and is a top priority for WEC. The jobs of any electrical utility workers can be difficult, strenuous, and pose significant risks. Given WEC's service territory, which includes miles of power lines far away from roads, and our relatively few workers, those dangers are of even greater significance. Fortunately, WEC experienced no incidents resulting in loss of time in 2021.

2. Outage Incidents. The "System Average Interruption Frequency Index," or SAIFI, measures the average number of outage incidents that occurred per member, exclusive of major storms. Our goal is no more than 3.8 outages per member, and we averaged 2.7 in 2021.

3. Outage Duration. The "Customer Average Interruption Duration Index,"

or CAIDI, measures the average time it takes to restore power when there was an outage, exclusive of major storms. Our goal is to restore power in 2.7 hours, and in 2021 we just missed that objective and restored power in 2.8 hours on average. In part, this may have been due to the WEC operations crew being short staffed for much of 2021.

4. Calls not answered within 20 seconds. One of our requirements from regulators is that we answer calls to WEC within 20 seconds in all but 15 percent of the cases. In 2021, as in 2020, we exceeded that goal, with an annual average of 24 percent being answered within the time allotted. There were several reasons for this, including that the pandemic necessitated WEC's Member Service Representatives work remotely and that they learn new telecommunications systems to do so and because of staffing challenges, which had WEC down an MSR during portions of the year. In addition, the Cooperative Response Center, which fields calls for WEC outside of business hours, had its own staffing difficulties during the pandemic.

With WEC returning to full staff late in 2021, and with some changes to how CRC handles WEC calls, we saw some improvement in call times in December and will work to continue that into 2022.

5. Bills not rendered in seven days. Our goal is to have no more than

0.1 percent of bills (one in 1,000) issued more than seven days after they were supposed to go out. No bills were issued late in 2021 to WEC's members.

6. Bills found inaccurate. No more than 0.10 percent of all bills (one in 1,000) sent out should be inaccurate. We meet that goal, with 14 bills for the year inaccurate when sent out. This was an improvement over 2020, when there were 29 bills found inaccurate.

7. Payment posting complaints. Our target is no more than 0.05 percent of members (one in 2,000) having complaints about payments not being posted promptly and accurately to their accounts. We had two complaints in 2021, meaning WEC met its goals in this area.

8. Meter readings a month. Although there are situations in which a meter cannot be read and WEC must issue an estimated bill, the goal is for that to occur in no more than five percent of bills, or five in 100. In 2021, there were no bill estimated meter readings.

9. Requested work not done on time. When we extend lines to new homes or do work requested by members, we try hard to do that work efficiently and on time. Although this can be a challenge for a small organization, particularly when WEC has seen a large number of new service requests during the pandemic, we have a target of no more than five percent of jobs not being completed

on time. In 2021, as in past years, all jobs were completed on time.

10. Average delay days after missed delivery date. This measure is not applicable, given that all jobs were completed on time as noted above.

11. Customer satisfaction. WEC conducts a professional survey of members every five years to gauge customer satisfaction. The most recent survey was completed in 2020, and WEC received high marks in most categories. Overall, members were satisfied with WEC service, with a mean rating of 8.34 (out of 10), with 57 percent of respondents giving a 9 or 10.

12. Complaints to DPS/Consumer affairs. Vermonters who get their electricity from any of the state's utilities can report those problems to the Consumer Affairs Division of the Department of Public Service. The Department then contacts the utility for more information. In most cases, those issues are resolved through discussion or the DPS determines there was no basis for the complaint. However, if the DPS determines that a utility has not done something right and requires that it be corrected, this is recorded as an "escalation." WEC's SQRP requires that the number of escalations not exceed 0.07 percent of our membership (or about 7 per year). In 2021, as in 2020, no escalations were reported. 

Be prepared!

Spring can mean high winds and saturated ground. Be prepared for wild weather and potential outages.

Preparedness is taking responsibility for the safety and comfort of yourself and those around you. That means staying informed, having the supplies you need, and making wise choices.

Call WEC to report an outage: 802-223-5245 or toll free at 1-800-932-5245. Call 211 for emergency resources.

To learn more, visit wec.coop/power-lines-safety/#outageprep



A capped section of the Coventry landfill. Methane produced by anaerobic activity in the landfill powers WEC's landfill-gas-to-electricity plant. The landfill expansion temporarily disrupted this process, reducing the plant's output in 2021.

