

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

September 28, 2022

The regular meeting of the Board of Directors, conducted in person and via video teleconference, was called to order at 4:02 p.m. by President Stephen Knowlton. The following Board members were in attendance:

Susan Alexander	Steven Farnham	Richard Rubin
Betsy Allen	Roger Fox	Mary Just Skinner
Don Douglas	Stephen Knowlton	

Also present were General Manager Louis Porter; Attorney Ron Shems of the law firm Tarrant, Gillies, & Shems, the Cooperative's legal counsel; Acting Director of Finance & Administration (F&A) Teia Greenslit; Director of Engineering & Operations Dave Kresock; Director of Products & Services Bill Powell; Member Services Supervisor Susan Golden; Administrative Assistant Rosie Casciero; and Operations Assistant Kayla Dunbar. Also in attendance was Katie Titterton, *Co-op Currents* Editor. Attorney Shems; Directors Alexander, Allen, and Rubin; Mr. Powell; and Ms. Titterton attended remotely via video teleconference. All other participants attended in person. Attorney Shems joined the meeting at 5:35 p.m. Director Hamilton was absent. Ms. Titterton left at 5:30 p.m. and Ms. Dunbar left at 4:25 p.m.

CONSENT AGENDA

The consent agenda included approval of the minutes of the regular Board meeting held August 31, 2022.

There being no comments, President Knowlton declared the minutes of the August 31, 2022 Board meeting approved.

MAKE-READY CONSTRUCTION UPDATE

Operations Assistant Kayla Dunbar reviewed with the Board the make-ready work the Co-op is completing to aid the Communication Union Districts (CUDs) CVFiber, NEK Broadband, EC Fiber, and Charter Communications in deploying fiber optic broadband internet to Central Vermont. She described the newly acquired tools that allow multiple crews to set new poles, the time necessary to complete the make-ready work for a multi-pole attachment application, and the costs incurred by this work. Director of E&O Kresock commented that the number of applications was expected and that WEC crews have been completing the work in a timely fashion, thereby adhering to deadlines set forth in the Public Utility Commission's (PUC) Rule 3.700.

In response to queries by the Board, General Manager Porter stated that the long-term effects of the make-ready work are likely to be increased economic development through WEC's territory—in the form of remote employment—and delays in completion of the Co-op's Construction Work Plan (CWP) and system maintenance. He noted that WEC's cash flow will be positively impacted by the application fees paid by the CUDs, though not as much as had been originally anticipated.

RETIREMENT SECURITY & 401(K) PENSION PLAN AMENDMENT AUTHORIZATION

The Board discussed this administrative task relative to the amendment and restatement of the National Rural Electric Cooperative Association's (NRECA) adoption agreement for retirement benefits the Co-op's current and former employees receive. No financial impact to

WEC will occur with these amendments, as noted by Acting Director of Finance Greenslit. The Board was asked to support staff's recommendation, as described in the following motion.

Director Douglas, with Director Skinner as second, moved to authorize General Manager Porter to sign an Amendment and Restatement of the Adoption Agreements for the Retirement Security (RS) and 401k Pension Plans and adopt the Board Resolution pertaining thereto. The motion passed with two abstentions.

CAPITAL CREDITS CHECKING ACCOUNT

The Board discussed staff's request to open a checking account with Northfield Savings Bank for the purpose of distributing 2022's capital credit refunds to the Co-op's members of record. Director Skinner suggested that, in future, the Board adopt in perpetuity a procedure to authorize staff to open and close these capital credits checking accounts. Director Farnham again requested that the Finance and Administration and Power Planning (FAPP) Committee consider having the Co-op do business with a local financial cooperative.

On a motion by Director Skinner, seconded by Director Farnham, the Board voted to approve execution of an authorization to open a checking account with Northfield Savings Bank to facilitate 2022 capital credit distribution. The motion passed unanimously.

CO-OP CURRENTS

General Manager Porter introduced the discussion of possible revisions to the Co-op's newsletter—*Co-op Currents*—and its production process. He also referred to more general questions regarding the content, resources, process, and, particularly, the oversight of the newsletter.

Editor Katie Titterton provided an overview of the proposed changes to the newsletter's schedule, contents, and production, particularly noting the increased efficiency possible should WEC move to six issues per year, rather than eight. She then described the amendments to her contract to be further discussed in executive session. The Board offered opinions on the proposal, informally agreeing that six issues per year would be acceptable.

Director Rubin thanked Editor Titterton and complimented her on her great work on the newsletter.

RATE INCREASE FILING

General Manager Porter reviewed with the Board the Co-op's filing for a 14.19 percent rate increase with the Public Utility Commission (PUC) on September 15th. WEC is now waiting for a response from the Department of Public Service (DPS), which will likely open an investigation. He noted that should the Co-op implement the increase in November on a provisional basis, it may have to refund to members any amount over the approved increase. Member Services Supervisor Golden stated that this has been common practice for WEC with past rate increases.

2023 BOARD CALENDAR

Administrative Assistant Casciero requested that the Board review and discuss the draft calendar(s) provided so as to finalize the calendar and committees prior to the end of 2022. This matter will be considered further at the October Board meeting.

ELECTRONIC VOTING

Administrative Assistant Casciero and President Knowlton reviewed details relating to the implementation of electronic voting for meetings of the membership. President Knowlton also noted that the matter will be further discussed by the Policy and Members and Markets committees. Several directors raised questions related to the cost and number of members expected to vote, should this be implemented; Ms. Casciero stated that she would address those concerns with the Board committees.

FINANCIAL REPORT

President Knowlton stated that he was pleased with Acting Director of Finance Greenslit's report within the Manager's Report and thanked her for her work. Director Skinner requested and received an overview of the time allotted to complete the financial reports.

GENERAL MANAGER'S UPDATE

Renewable Power Portfolio Status

General Manager Porter informed the Board of an increase to purchased power costs totaling roughly \$85,000 before the end of 2022, which is required to maintain WEC's status as a 100 percent renewable energy provider.

Coventry Generation Plant

President Knowlton expressed concern regarding the improvements to the Coventry gas-to-energy plant scheduled for the beginning of October. Director of E&O Kresock reassured him that both he and Mr. Porter have been in frequent contact with the firm conducting the repairs, and believe that the work should proceed smoothly.

Write-offs

Director Fox inquired as to why the amount reported in write-offs was so large. Mr. Porter responded that those items were related to disconnections performed after the moratorium ended.

EXECUTIVE SESSION

The Board entered Executive Session at 6:03 p.m. to discuss the Editor's contract and amendments thereto, and a personnel matter.

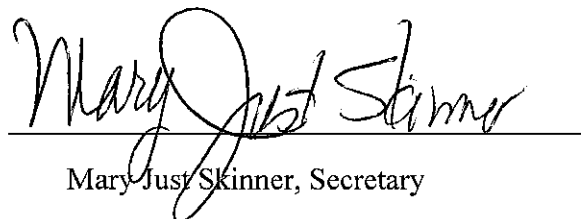
The meeting reconvened in open session at 6:30 p.m. with the following action reported.

The Board of Directors voted in favor of authorizing General Manager Porter to offer Editor Katie Titterton the amended contract for WEC communications work.

There being no further essential business to discuss, the meeting was adjourned at 6:30 p.m.

Mary Just Skinner, Secretary

The foregoing record of the minutes was duly accepted by the Board of Directors at a regular meeting held on October 26, 2022, at which meeting a quorum of the Board was present and voting.


Mary Just Skinner, Secretary