

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

June 28, 2023

The regular meeting of the Board of Directors, conducted in person and via video teleconference, was called to order at 4:03 p.m. by President Stephen Knowlton. The following Board members were in attendance:

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

Also present were General Manager Louis Porter; Attorney Ron Shems of the law firm Tarrant, Gillies, & Shems, the Cooperative's legal counsel; Director of Engineering & Operations (E&O) Dave Kresock; Director of Finance & Administration (F&A) Teia Greenslit; Director of Products & Services (P&S) Bill Powell; Member Services Supervisor Susan Golden; and Administrative Assistant Rosie Casciero. Directors Douglas, Hamilton, and Rubin; and staff members Powell and Golden attended remotely. Directors Douglas left at 6:32 p.m., Hamilton at 6:14 p.m., and Rubin at 6:05 p.m.

CONSENT AGENDA

The consent agenda included the minutes of the May 31, 2023 regular Board meeting. President Knowlton reviewed minor edits to the minutes.

On a motion by Director Skinner, seconded by Director Farnham, the Board voted to accept the minutes of the regular May 31, 2023 meeting as amended.

NEW DIRECTOR OF SPECIAL PROJECTS POSITION

Knowlton noted that the proposed staffing addition was included in the 2023 budget and had, in various iterations, been discussed by the Board before.

General Manager Porter described the position's role in fulfilling the Co-op's mission to effectively provide renewable power to its members at a reasonable cost. As a part of WEC's Management Team, the person in this position would oversee regulatory and operation projects with an emphasis on modernization and efficiency, as well as lead efforts to obtain grant funding. The person in this position will work to ensure these projects are integrated into the work of the organization overall.

On a motion by Director Fox, seconded by Director Allen, the Board voted to authorize the creation of a new position to oversee regulatory and operational projects with an emphasis on modernization and efficiency, and obtaining grant funding. The motion passed 9-0.

WEC ANNUAL MEETING

At staff's request, the Board considered holding the 2024 Annual Membership Meeting in the latter half of the month of May. While the Co-op's Bylaws stipulate that the meeting shall be held in May, no date is specified. Over the past two decades, the Annual Meeting has been held both at the beginning of the month and at its end. Potential outcomes of later meetings such as conflict with graduations and increased attendance were mentioned.

On a motion by Director Farnham, seconded by Director Rubin, the Board voted to provisionally plan to hold the 2024 Annual Membership Meeting on May 30, 2024. The motion passed 9-0.

WEC DOORS POLICY – OFFICE SECURITY

Porter reviewed with the Board the topic of opening WEC's office doors to the public, a matter that was mentioned in a previous meeting. During the COVID-19 pandemic, WEC's office doors were closed to the public, unless by appointment. The Co-op is considering reopening its doors to the public. WEC office employees voiced concerns about physical safety, citing several instances of threats made to employees via telephone and email. The Board mentioned concerns that keeping the doors locked isolates WEC from its members. Porter stated his opinion that there has been little inconvenience to employees and members by having the doors closed. Director Hamilton reiterated, and Porter agreed, that WEC's Member Service Representatives and other staff should be trained in de-escalation and other safety measures.

At this time, the WEC office doors will remain locked, and members may enter by appointment or by knocking at the door. Installation of a doorbell and a welcome sign were also suggested.

BOARD SUCCESSION PLANNING

The Board discussed the Members & Markets (M&M) Committee's proposal to institute term limits for directors, as well as establish a search committee for prospective directors. Knowlton prefaced the discussion with a review of his research on other cooperatives' Boards, his findings being that roughly 10 percent of electric co-ops have term limits.

Committee chair Director Hamilton elaborated on the proposal, describing the Committee's process and clarifying that a search committee's purpose would be to cultivate interest in Board service, identify skillsets desired in Board members, and encourage members to run for positions on the Board. The Board largely supported the creation of a candidate search committee.

On a motion by Director Rubin moved, seconded by Director Hamilton, the Board voted to approve term limits, the length of which would yet to be decided. The motion was denied, 3-6. There were no abstentions.

WINTER STORM ELLIOTT AFTER ACTION REPORT

Porter and the Management staff provided a report to the Board regarding the Co-op's response to December 2022's Winter Storm Elliott. The report identified current issues and challenges in operations, system restoration, and communications, and proposed actions for addressing them. Porter reviewed these issues and solutions, particularly the need to educate members and regulators that WEC's territory is rural and, therefore, susceptible to more frequent and extended outages. He stated that the Co-op's other main tasks are to improve its system by upgrading infrastructure for resilience, and changing operations to be more efficient and effective. To this end, Director of E&O Kresock described his review of the Outage Management System (OMS) software, as well as some internal processes, to identify basic weaknesses and how to use OMS to its fullest extent.

GENERAL MANAGER'S REPORT

Low Income Rate

Porter explained that the Public Utility Commission (PUC) believes that WEC's current efforts to assist low-income households are inadequate, and directed the Co-op to develop a plan to provide additional assistance for such households. This could lead to a special rate for low-income members subsidized by the rest of the membership, similar to Green Mountain Power's and Burlington Electric Department's models.

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Substation Overload

Porter informed the Board that WEC's consulting engineers, ControlPoint, have identified that at times all of WEC's substations receive more distributed power generated from solar arrays (net metering and Standard Offer solar) than can safely be supported. ControlPoint informed the Co-op that the Jackson Corners substation is also thermally overloaded. WEC must, therefore, install protection at all substations and upgrade Jackson Corners. Kresock described the measures the Co-op will likely take to safeguard the substation(s) and members. These improvements would be included in the upcoming Construction Work Plan that WEC will file with the USDA Rural Utilities Services (RUS) before the end of 2023.

Furthermore, Porter explained that, for the foreseeable future, WEC will object to all new net metering systems fed by the Jackson Corners substation, and would then likely seek a special tariff on net metering systems throughout the Co-op's territory to pay for substation protection.

There being no further essential business to discuss, the meeting was adjourned at 6:40 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 August 30, 2023, at which a quorum of the Board was present and voting.



Mary Just Skinner, Secretary