

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

January 3, 2024

The regular meeting of the Board of Directors, conducted in person and via video teleconference, was called to order at 4:00 p.m. by President Stephen Knowlton. The following Board members were in attendance:

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

Also present were General Manager Louis Porter; the Cooperative's legal counsel Ron Shems of the law firm Tarrant, Gillies & Shems; Director of Engineering & Operations Dave Kresock; Director of Finance & Administration Teia Greenslit; Director of Products & Services Bill Powell; Member Services Supervisor Susan Golden; and Administrative Assistant Rosie Casciero. The Board was joined by Justin Johnson of MMR, the Cooperative's contracted legislative monitoring firm; and members Olivia Campbell Andersen of Montpelier, Roger Fox of Walden, and David Specht of Waterbury. Directors Douglas, Hamilton, and Skinner; staff members Golden and Powell; and guests Campbell Andersen and Fox attended remotely. Campbell Andersen arrived at 4:08 p.m. and left at 5:35 p.m. Specht left at 4:15 p.m. Johnson left at 4:45 p.m.

CONSENT AGENDA

The consent agenda included the minutes of the November 29, 2023 regular Board meeting. President Knowlton reviewed minor edits to the minutes.

Hearing no objections, President Knowlton declared the minutes of the regular November 29, 2023 meeting of the Board of Directors approved with the noted amendments.

MEMBER COMMENT

Specht, a longtime WEC member, addressed comments to the Board to draw attention to electrical service reliability, acknowledging the conflicting needs of maintaining reliable service through ROW operation and the desire to keep cost of service reasonable.

PRESENTATION BY JUSTIN JOHNSON OF MMR

Johnson, of the Montpelier-based legislative relations firm MMR, presented what he forecasts to be the main issues relevant to WEC's activities and interests in the 2024 legislative session. These include possible revisions to the Renewable Energy Standard and the net metering tariff. He noted that the most pressing concerns of the legislature appear to be flood resiliency, housing, and workforce development, and these will likely take precedence in early part of the 2024 session. Johnson entertained questions from the Board.

2024 OPERATING BUDGET

Knowlton reiterated that the full Board and the Finance, Administration, and Power Planning (FAPP) Committee had reviewed the proposed 2024 Operating Budget several times prior to the meeting. Director of Finance & Administration Greenslit noted several small amendments, including lowered Union Contract costs and projected increases to both major storm costs and property taxes.

On a motion by Director Farnham, seconded by Director Douglas, the Board voted to approve the proposed 2024 Operating Budget, as presented to the Board, in the amount of \$23.3 million. The motion passed unanimously.

PROPOSED POLICY AMENDMENTS – POLICIES 23, 67, & 78

Policy 23 – Compensation & Reimbursement for Directors

Knowlton reviewed proposed amendments to Board Policy 23 – Compensation & Reimbursement for Directors, which is reviewed regularly. The Board discussed the suggestions, chiefly the increase in per diem amounts, addition of a section describing the purpose of the policy, and several minor wording changes. Citing inflationary rates, Knowlton proposed that the half-day, fewer than 4 hours, per diem be increased from \$145 to \$150; full days with an overnight stay be increased from \$290 to \$300; and a full day, 4 hours or greater, be increased from \$215 to \$225.

On a motion by Director Rubin, seconded by Director Farnham, the Board voted unanimously to approve President Knowlton's proposal to increase the special per diem rates for 2024, to add a section describing the policy's purpose, and to amend select wording.

Policy 67 – Capital Assets

Following consultation with the Cooperative's auditors, WEC staff and the Policy Committee recommended increasing the threshold for capitalizing expenditures for equipment from \$500 to \$2,500.

On a motion by Director Rubin, seconded by Director Hamilton, the Board voted unanimously to increase the threshold for capitalizing and depreciating expenditures for equipment from \$500 to \$2,500. The motion passed 8 – 0.

Policy 78 – Remote Attendance at Board & Committee Meetings

Following discussion among the Board, amendment of Policy 78 was tabled for a future meeting, with the understanding that Knowlton would circulate edits.

GENERAL MANAGER'S REPORT

Personnel Updates

Porter reported that Senior Member Services Representative Elaine Gonier and System Maintenance Technician Dan Couture have announced their retirements after 21 and 13 years of service at WEC respectively. Formal resolutions by the Board in honor of Gonier and Couture will be presented to them in future.

Annual Meeting

Porter stated that he plans for the 85th Annual Meeting to focus on winter storms and outage response as well as resiliency. Featured speakers were discussed, as well as ways in which to increase member participation. Porter suggested this meeting, in particular, be posed to the membership as an opportunity to discuss and voice opinions regarding outages.

EXECUTIVE SESSION

The Board entered Executive Session at 5:35 p.m. to discuss contract lobbyists for the 2024 legislative session, the IBEW Union Contract, the appointment of an interim Board director to fill the vacancy resultant from previous Vice President Roger Fox's resignation, and other matters.

The Board reconvened in open session at 6:48 p.m. and the following actions were reported:

The Board voted to approve the contract with the firm MMR to monitor the 2024 legislative activities relative to WEC's interests as recommended by General Manager Porter. The motion passed 8-0.

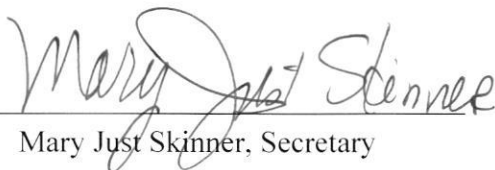
The Board voted to ratify, and authorize President Knowlton to sign, the IBEW Union Contract for the three-year term 2024 – 2026. The motion passed 8 – 0.

The Board voted to appoint member Pat Barnes of Vershire to the WEC Board. The motion passed 7 – 1.

There being no further essential business to discuss, the meeting was adjourned at 6:50 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 January 31, 2024, at which a quorum of the Board was present and voting.



Mary Just Skinner, Secretary