

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

January 8, 2025

The regular meeting of the Board of Directors, conducted in person and via video teleconference, was called to order at 4:12 p.m., by President Stephen Knowlton. The following Board members were in attendance:

Susan Alexander

Don Douglas

Mary Just Skinner

Betsy Allen

Steven Farnham

Olivia Campbell Andersen

Stephen Knowlton

Also present were General Manager (GM) Louis Porter; Attorney Ron Shems of the law firm Tarrant, Gillies, & Shems, the Cooperative's legal counsel; Director of Finance & Administration (F&A) Teia Greenslit, Director of Special Projects & Innovation (SP&I) JJ Vandette, Member Services Supervisor Susan Golden, and Administrative Assistant Dawn Johnson and member Roger Fox. Director Douglas, Director Skinner, Director Campbell Anderson, and member Roger Fox attended via video teleconference. Member Roger Fox joined at 5:11 p.m. and left at 5:35 p.m. Directors Barnes and Hamilton were absent.

CONSENT AGENDA

The consent agenda included the minutes of the November 2024 regular Board meeting held December 4, 2024.

President Knowlton declared the minutes of the regular November 2024 meeting of the Board of Directors, held December 4, 2024, approved.

2025 CAPITAL BUDGET ADJUSTMENT

General Manager Porter indicated that the bucket truck purchase included in the 2024 capital budget was not delivered in 2024 due to manufacturing delay. In agreement with our auditors' recommendation, it needs to be moved to the 2025 budget in which the purchase of another bucket truck has also been approved. It was noted that the non-delivery benefits 2024's budget cash flow that are challenged by the delay of the Construction Work Plan approval and the VELCO Equity Call. Director of F&A Greenslit noted that since the RUS funding will be in place this budget transfer should not have an impact on 2025's budget.

A motion made by Director Farnham, seconded by Director Allen, to approve the transfer of the 2024 bucket truck purchase to the 2025 Capital Budget, increasing the 2025 Capital Budget to \$1,195,808. The motion passed unanimously.

CRC VOTING DELEGATES

Each year, Cooperative Response Center (CRC) asks member co-ops to confirm the designation of their voting delegates on behalf of WEC to cast votes in the affairs of CRC. Director Skinner requested a summary from General Manager Porter regarding what topics could be addressed at these meetings. General Manager Porter noted that CRC's annual meetings are virtual, and he has not addressed WEC concerns at the meeting, but he has contacted CRC's general manager directly.

On a motion by Director Skinner, seconded by Director Farnham, the Board approved General Manager Louis Porter as voting delegate and President Stephen Knowlton as alternate delegate to CRC's Voting Delegate Certification. The motion passed unanimously.

TEAMS FOR BOARD MEETINGS

President Knowlton indicated that the staff wishes to transition the board meetings' virtual platform from Zoom to Microsoft Teams. General Manager Porter noted that WEC wouldn't change from Zoom to Teams if the Board disagreed, but WEC would appreciate using one platform and preferably Teams. Director of SP&I Vandette expressed that there are many benefits to Teams over Zoom. Director Skinner expressed her concern about transitioning to Teams because external users find it difficult. Vandette agreed to be available to provide technical assistance and set up a trial ghost meeting to assist everyone in using Teams. President Knowlton said WEC would conduct a three month trial with Teams for the board meetings.

RESOLUTION FOR BILL POWELL

President Knowlton requested that the Board approve a Resolution for Bill Powell recognizing the year of service to WEC as Director of Products and Services for over thirty three years. The Resolution will be available for the Boards' signatures as the next board meeting.

COMMITTEE CHANGES

President Knowlton announced the formation of a Governance Committee and its members, Betsy Allen, Chair, Susan Alexander and Mary Just Skinner. The final committee listing for 2025 will be completed in January 2025 and shared with the Board and WEC Management.

EV RATE

In a follow-up to Director Campbell Anderson's inquiry since the last board meeting, President Knowlton invited Director of SP&I Vandette to present WEC's proposal to meet Section 33 of Act 55 of 2021 whereby the State is requiring electric distribution utilities to offer EV rates for the public and private EVSEs no later than June 30, 2024. WEC received an extension to the June deadline for December 30, 2027. Vandette summarized WEC's plan to implement a time of day (TOD) rate by the December 2027 deadline which is allowed under the "other innovative practices that accomplish the goals" of the requirement. He noted that once the new AMI meter system is in place more data will be collected to confirm the TOD rate as the best decision. Vandette explained that by implementing a TOD rate all members will be encouraged and able to manage their electrical loads rather than providing specific rates for specific types of equipment, which excludes some members from this benefit.

There was a lengthy discussion regarding the rate options as well as whether WEC could have more than one type of rate. There has not currently been any disagreement by the PUC regarding WEC to use a TOD rate and not an EV rate. The rate decision has not been decided but will be presented to the Board for discussion and approval at a later time. President Knowlton suggested researching how utilities elsewhere have tried to serve members with variable rate structures to and shape peak loads, and what success they've had.

GENERAL MANAGERS REPORT

GM Porter reviewed the Manager's Report. He is seeking applications for the Right of Way Coordinator and the Director of Power Supply & Regulatory Affairs openings.

Porter noted that Vandette is working diligently to secure the DOE federal grant for the AMI project. Porter commended Vandette for his skill and patience on this project.

Director Farnham requested clarification from Supervisor of Member Services Golden regarding the Disconnection for Non-Payment (DNP) report. Golden explained how the numbers carry from one month to the next based on the timing of delinquent member payments.

There was a brief discussion on meshing the DPS grant with DOE grant for the AMI funding. Porter noted there was a potential timing issue in meshing the two and hopes to have the issuance of the DOE grant funding resolved soon.

Director Skinner made an inquiry as to whether there was a policy regarding previous employees running for the Board of Directors. There is no policy prohibiting previous employees from running at any time after the termination of employment.

Director Douglas expressed his concern regarding the air quality permit requirements for Coventry. General Manager Porter agreed with the concern but is hopeful with the team of professionals working on it that the permit issue will be resolved.

Director Skinner inquired about the final budget outcome for 2024. Director of F&A Greenslit summarized that WEC will have more revenue than expenses but that the actual expenses for 2024 were larger than budgeted. GM Porter noted that WEC will exceed meet the minimum Tier level of 1.25 for 2024.

GM Porter confirmed to President Knowlton that the repairs at the Coventry plant are on track and not being delayed due to the air quality permit requirements.

EXECUTIVE SESSION

The Board entered executive session at 5:35 p.m. to discuss the Cooperative's lobbying contract with DRM for legislative monitoring for the 2025 Legislative Session.

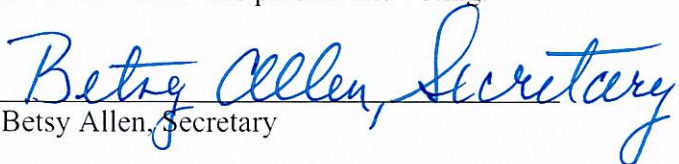
The Board reconvened in open session at 5:55 p.m. and the following actions were reported:

On a motion by Director Alexander, seconded by Director Allen, the Board approved a lobbying contract with DRM for legislative monitoring for the 2025 Legislative Session at a cost of \$10,000. The motion passed 6-0 with 1 abstention.

There being no further essential business to discuss, the meeting adjourned at 6:10pm.

Betsy Allen, Secretary

The foregoing record of the minutes was duly accepted by the Board of Directors at a regular meeting held on January 29, 2025, at which a quorum of the Board was present and voting.


Betsy Allen, Secretary

