

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

August 27, 2025

The regular meeting of the Board of Directors, conducted in person and via video teleconference, was called to order at 4:04 p.m. by President Stephen Knowlton. The following Board members were in attendance:

Susan Alexander	Olivia Campbell Andersen	Stephen Knowlton
Betsy Allen	Don Douglas	Bill Powell
Pat Barnes	Jean Hamilton	Mary Just Skinner

Also present were General Manager (GM) Louis Porter; Legal Counsel Ron Shems, Director of Finance & Administration (F&A) Teia Greenslit, Director of Special Projects & Innovations JJ Vandette, Director of Power Supply and Regulatory Affairs Brian Callnan, Member Services Supervisor Susan Golden, Administrative Assistant Dawn Johnson, and member, Ian Buchanan. Legal Counsel Shems, Directors Campbell Anderson and Skinner, staff members Callnan and Golden, and member Buchanan, attended via video teleconference. Pat Barnes left at 5:59pm

NEAEC MEETING ATTENDANCE PLANNING

President Knowlton led a discussion with the board, to confirm who will attend the upcoming NEAEC meeting in October, clarifying travel dates and requesting notification of any changes by September 12th.

CONSENT AGENDA

The consent agenda included the minutes of the July regular Board meeting held July 30, 2025.

President Knowlton declared the minutes of the regular July 2025 meeting of the Board of Directors, held July 30, 2025, approved.

CAPITAL CREDIT ACCOUNT APPROVAL

President Knowlton explained the annual process for opening a new bank account at Northfield Savings Bank for returning capital credits to former members and discussed potential policy updates regarding this process.

Director Douglas made a motion, seconded by Director Allen, to approve execution of all required documents to enable WEC to open an account at the Northfield Savings Bank to facilitate capital credit payments. The motion passed unanimously.

VELCO SPECIAL EQUITY CALL

Director of Finance Greenslit presented the VELCO special equity call, explaining the allocation of shares and financial implications. The investment will increase the co-op's assets by approximately 6,374 shares, with an expected annual return of about 12%, and is considered advantageous compared to alternative financing methods.

Director Douglas made a motion, seconded by Director Barnes, to approve the re-offering of Specific Facility Units Equity Call and authorize General Manager Porter to sign the call in the amount of \$63,740 to be paid by September 30, 2025. The motion passed unanimously.

QUARTERLY FINANCIALS

Director of Finance Greenslit presented the second quarter financial report, highlighting strong margins, increased revenues, lower property tax expenses, and the factors driving these results. Greenslit reported margins over \$2 million, exceeding budget by \$732,000, with revenues \$664,000 over budget and property tax expenses estimated to be over \$500,000 less than the previous year.

Increased residential sales were attributed to colder weather in January and February and higher usage from members installing heat pumps, as well as a drop in net metering production due to snow cover and lower solar insolation. Lower property tax expenses have resulted from changes in the state's utility tax assessment formula, which now considers revenue, member count, and asset value. This has led to reduced assessed values and tax bills. Increased purchased power costs were linked to higher usage and outages at Wrightsville, Vermont Wind's liquidated damages represent compensation for underproduction relative to contract obligations.

Director Campbell Anderson requested an explanation for the delays in right-of-way cutting. General Manager Porter explained they were due to staff transitions, competing priorities, and winter conditions, but the pace has increased recently, with expectations to meet budgeted spending by year-end.

WEC ELECTRIC VEHICLE PROGRAM

Director of Special Projects & Innovations Vandette presented the proposed EV load management program, discussing technical design, incentive structure, regulatory context, and board feedback.

Vandette outlined the use of charger telematics and vehicle data to verify off-peak charging, with a proposed \$10 monthly bill credit for participants who avoid charging during peak hours and discussed the flexibility and regulatory compliance of the Tier 3 approach.

The estimated value of shifting EV charging is about \$20 per month per participant, with the proposed \$10 credit representing a 50/50 split between the co-op and the member; comparisons were made to other utilities' programs, such as VEC and BED.

Director Campbell advocated for a higher participant benefit (e.g., 60/40 split) and upfront incentives, citing member investment in EVs and chargers, while Vandette and others emphasized the need for simplicity and the ability to adjust the program annually.

Director Powell made a motion, seconded by Director Alexander, that asks the staff to move forward on the program as presented. Vote was 7 in favor and one abstention by Director Campbell Andersen.

MEMBER SURVEY

General Manager Porter presented proposed changes to the member survey process, including shifting to email-only distribution, expanding question content, and ensuring accessibility for members without internet, with board members providing input on methodology and question review.

Porter proposed moving to an email-only survey to improve response rates and cost efficiency, allowing all members to participate and offering alternative access for those without internet.

The survey will include required PUC questions and additional questions on incentives and communication preferences, with input from the Members and Markets Committee and a commitment to share the final question set with the board for review.

The survey will incorporate demographic data from external sources to enhance analysis, with the board discussing the value and cost of this addition.

Members without email will be able to request a mailed survey or use a computer at the office, ensuring broader accessibility.

BOARD REQUEST FOR WEC FILINGS

President Knowlton and General Manager Porter discussed providing the board with selected regulatory and legislative filings, including major PUC submissions, to improve transparency and record-keeping, with the board supporting the approach.

Porter will share key regulatory, legislative, and other significant filings with the board via email, focusing on those most relevant to board interests and referencing prior board discussions.

The plan includes sending approximately six documents per year, with flexibility to include filings to agencies beyond the PUC, and the board agreed this would not be burdensome.

GENERAL MANAGER'S REPORT

DOE Grant Status: The co-op is continuing to respond to DOE questions regarding the \$2.5 million earmark for AMI, with expectations for progress by the end of the federal fiscal year, though delays could impact project costs.

Rural Development Funding: Louis reported that the notice of funding availability for the \$4 million rural development grant has not yet been released, and eligibility details remain unclear, but the funds are expected to support grid resilience projects. The board discussed the need to monitor both funding opportunities closely and to be prepared for potential cost increases or alternative funding strategies if delays persist.

There being no further essential business to discuss, the meeting adjourned at 6:22 p.m.

Betsy Allen, Secretary

The foregoing record of the minutes was duly accepted by the Board of Directors at a regular meeting held on 9/24/25, at which a quorum of the Board was present and voting.

Betsy Allen
Betsy Allen, Secretary

