

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

December 3, 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	Don Douglas	Mary Just Skinner
Betsy Allen	Stephen Knowlton	
Olivia Campbell Andersen	Bill Powell	

Also, present were General Manager (GM) Louis Porter, Director of Finance & Administration (F&A) Teia Greenslit, Director of Special Projects & Innovations JJ Vandette, Director of Power Supply & Regulatory Affairs Brian Callinan, Administrative Assistant Dawn Johnson, Energy Innovator Fellow Intern Kevin Crawford, and members Steve Farnham, Ian Buchanan and Roger Fox. General Manager Porter, staff members Vandette and Golden, intern Crawford and members Buchanan and Fox attended virtually.

EXECUTIVE SESSION

The Board entered executive session at 4:06 p.m. to discuss and vote on the lobbying contract for the 2026 Legislative Session. The Board reconvened in open session at 4:09 p.m. and the following actions were reported:

The Board approved a 3 percent increase for the 2026 Lobbying Contract with Downs, Rachlin and Martin (DRM). The motion passed 6-0 with 1 abstention.

GENERAL MANAGER'S UPDATE

Incidents of Threats Toward Workers

General Manager Porter discussed the increasing number of threats toward field and office workers, including the need to occasionally hire sheriff's deputies for safety, and considered options for reporting and recourse. He reported that in 2025 there were three or four incidents of varying severity, ranging from mild bullying to more serious threats, and noted a slight increase compared to previous years. Porter explained that sheriff's deputies have been hired for worker safety in severe cases, acknowledging the high cost but emphasizing the importance of safety; another such case is currently planned.

The Board inquired about recourse for recovering safety costs from threatening individuals, and Porter responded that changing terms and conditions to allow charging for such costs is possible, though regulatory approval would be required.

President Knowlton recommended logging all incidents and reporting them to the Department of Public Safety (DPS), and Porter confirmed that severe incidents are reported to the Sheriff's Office and documented internally. Porter agreed to log and report all incidents of threats against utility workers to the appropriate state agency (DPS) in addition to the current reporting protocol.

Maintenance and Future of Wrightsville Asset

Director Campbell Andersen raised concerns about ongoing maintenance challenges at the Wrightsville asset. Porter described the current strategy of minimizing spending on Wrightsville and questioned whether increased maintenance would yield better returns or simply increase losses, noting unsuccessful attempts to sell the asset.

Cold Climate Heat Pump Issues and Member Education

There was a lengthy discussion regarding cold climate heat pumps. The Board and staff discussed problems with members purchasing unsuitable cold climate heat pumps, the rise of do-it-yourself installations, and the need for improved education and outreach.

Director of Special Projects & Innovations Vandette explained that rising costs have led more members to install heat pumps themselves, often resulting in suboptimal outcomes due to the complexity of proper sizing and installation, and less use of certified contractor networks.

Member Buchanan highlighted weaknesses in the installer network, including inadequate heat load calculations and reliance on rebate-eligible units, and emphasized the need for a liaison or energy coach to bridge the gap between Efficiency Vermont, utilities, and end users.

Director Campbell Andersen proposed publishing articles and resources in the member newsletter about heat pumps and beneficial electrification to help members make informed choices. There was continued discussion about whole-home heat pump technology, the importance of proper home insulation, and the need for mindful promotion to ensure members understand prerequisites and limitations.

Vehicle-to-Grid Demonstration Project Planning

Director of Special Projects & Innovations Vandette discussed the upcoming vehicle-to-grid demonstration, focusing on the Kia EV9, potential participant incentives, and the possibility of expanding to other vehicle models.

Director Campbell Anderson suggested exploring partnerships to include more vehicle types. Vandette stated that the Kia EV9 is currently the most feasible vehicle for the demonstration due to existing successful pilots and acknowledging that other models like the Nissan Leaf and Ford F-150 have technical or partnership limitations.

Vandette indicated that participants would likely receive a bill credit or similar financial incentive for allowing their vehicle to export power to the grid, though exact figures are not yet determined. Vandette clarified that the pilot aims for a small number of installations due to high infrastructure costs, with the goal of testing billing and customer experience rather than scaling-up immediately.

It was suggested to invite the representative from the Addison County energy coach pilot program to present to the board about their initiative and its potential applicability.

CONSENT AGENDA

The consent agenda included the minutes of the September regular Board meeting held September 24, 2025.

President Knowlton declared the minutes of the regular September 2025 meeting of the Board of Directors, held September 24, 2025, approved.

2026 OPERATING BUDGET

Director of Finance & Administration Greenslit reviewed the 2026 operating budget, highlighting the planned increase in right-of-way spending, and describing the revenue and expense assumptions in the proposed budget. Greenslit detailed revenue projections based on conservative growth estimates, projected REC sales, and pole attachment revenues. She outlined major expense categories including power purchase, payroll, benefits, and property taxes.

Greenslit noted that the largest change from previous budgets was an additional \$500,000 allocated to right-of-way maintenance, reflecting investments in technology and personnel with the intent to reduce the magnitude and duration of outages. The budget also includes \$25,000 for upcoming union negotiations and accounts for an 8% increase in health plan premiums, with changes driven by the union's restructuring of their health and wellness plan.

Director Douglas made a motion to accept the 2026 Operating Budget comprised of \$24,984,289 in operating revenue, \$25,557,128 cost of electric service, for net loss in operating margins of (\$572,839) and estimated non-operating \$1,448,739, providing a net total margin of \$933,633. The motion was seconded by Director Powell. Unanimously approved.

DEFERRED REVENUE

Director of Finance & Administration Greenslit explained the rationale and process for requesting to defer up to \$1.2 million of 2025 revenue to 2026, citing extraordinary revenue and expense events. Greenslit identified three main factors justifying the deferral: unusually high KWH sales in early 2025, lower-than-expected large storm expenses, and higher REC revenues due to strong production and favorable prices.

Greenslit described the process of deferring revenue, which includes creating a special fund, investing the deferred amount, and recognizing it in the following year. She referenced similar actions taken in previous years.

The board authorized staff to request the deferral from the PUC and RUS, with the final amount to be determined after year-end financials are finalized. Informal discussions of WEC staff with the Department of Public Service has indicated support for this step.

Director Douglas made a motion, seconded by Director Allen, to approve a request to seek a PUC and RUS accounting order to defer up to \$1,200,000 of 2025 revenue to 2026. Unanimously approved.

FINACIAL UPDATE – THIRD QUARTER

Director of Finance & Administration Greenslit provided a quarterly review showing strong financial performance, with margins and operating expenses both favorable to budget, and discussed factors such as property taxes, storm expenses, and REC sales. Greenslit reported \$3.1 million in margins, \$2 million over budget, and operating expenses \$1.2 million under budget, with additional REC sales expected to further improve results.

COMMUNITY FUND REPORT

President Knowlton initiated a discussion on the Community Fund, suggesting the M&M committee review the Co-op's method of allocating awards from the Community Fund to explore a strategy for targeting assistance to those in need, given the current economic climate and fund balance. The board reviewed the 2025 Community Fund balance and donation sources, noting a significant balance and recurring grants to the same local organizations. Knowlton proposed that the M&M committee consider whether to formalize a strategy for fund distribution, potentially focusing on larger or more targeted grants to address those facing current hardships.

There being no further essential business to discuss, the meeting adjourned at 6:02 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 January 7, 2026, at which a quorum of the Board was present and voting.

Betsy Allen, Secretary
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