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

APPROVED MINUTES

January 27, 2026

VEC Johnson, VT

As required under the VEC Bylaws, notice of this meeting was sent to each director on January 20, 2026, either via US Mail or by electronic means for those directors requesting such delivery.

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| Board Members Present: | Rich Goggin (President), Paul Lambert (First Vice President), Carol Maroni (Second Vice President), Jody Dunklee (Secretary), Charlie Van Winkle (Treasurer), Tom Bailey, George Lague, Ken Hoeppner, Bonnie Pratt, Jeffrey Wilson, Bill Gilbert, and Mark Woodward |
| Staff Present: | Rebecca Towne (CEO), Peter Rossi (Chief Operating Officer), Caroline Mashia (Chief Financial Officer), Andrea Cohen (Manager of Government Affairs and Member Relations), John Varney (Manager of Safety, Security, and Facilities), Laura Kinney (Project Planner), Lisa Lubas (People and Culture Leader), Dan Potter (Senior Power Supply Analyst), and Thea Schwartz (Corporate Counsel). |

## AGENDA ITEM #1 – CALL TO ORDER

President Goggin called the meeting to order at 12:03 pm.

## AGENDA ITEM #2 – SAFETY DRILL

Paul Lambert shared that it is important to prepare before driving in winter weather. He gave examples of how to prepare such as inspecting the tires to see that they are inflated properly, making sure that the lights and windows are free of snow, and keeping extra gloves and other warm clothing in the car.

## AGENDA ITEM #3 – REVIEW DECEMBER 16, 2025 REGULAR BOARD MEETING MINUTES

Bonnie Pratt moved and Bill Gilbert seconded that the minutes of the regular monthly Board of Directors meeting held December 16, 2025 be approved as presented. There was no discussion, and the minutes were approved by unanimous vote.

## AGENDA ITEM #4 – 2025 ANNUAL KPI PERFORMANCE

CEO Rebecca Towne provided an annual reporting on VEC's results on Key Performance Indicators ("KPIs" or "metrics"). Towne explained that the KPIs categories were set by the Board in the 2023 Strategic Plan, noting that next year's annual reporting would be different to reflect the strategic planning work done by the Board in 2025. Towne said that this year's annual reporting centered upon the following focus areas:

- Lead with People
- Orchestrate Distributed Renewable Energy
- Engage Members
- Pursue Operations Reliability
- Maintain Financial Strength

Towne summarized VEC's performance in different metrics grouped by focus area, explaining the measures of meeting metrics at the threshold, target, and "stretch" levels. She noted VEC's progress on them and gave specific examples. For "Lead with People," Towne said that VEC is working to maximize the benefit it gets in the resources that it has in software, data analytics, and people. She described the Strategic Plan rollout events, the New Employee gatherings with Senior Leaders, and the Job Shadowing program. For "Engage Members," she described the community events, including farmers market, retail locations, school groups, and harvest fests. She shared that VEC hosted state government twice for county Capitol for the Day. For "Pursue Operations Reliability," she described the Safety Summit that VEC held for all electric utilities and new storm efficiencies that were apparent in the December storm event. She also mentioned VEC's concerted effort to reconductor old wire. For "Orchestrate Distributed Renewable Energy," she explained VEC's use of the South Hero Battery.

There was discussion on what challenges and successes VEC experienced and how to address challenges. Towne also responded to the Directors' questions and comments throughout her presentation.

## AGENDA ITEM #5 – ENERGY MARKETS AND REGULATION

Senior Power Supply Analyst Dan Potter made a presentation entitled "Power Supply 101 ISO-NE Markets." Potter explained the regulatory framework for power supply, the ISO New England Markets (ISO-NE or ISO), ISO governance, and VEC's interactions with ISO-NE Markets. He noted ISO's critical roles of grid operation, market administration, and power system planning. He explained the different markets that make up the energy market: Day Ahead & Real-Time Energy, Capacity, Ancillary Services, and Day-Ahead Ancillary Services. He showed a cost comparison chart of VEC's 2025 market costs for each market. He explained that the Day-Ahead Market produces financially binding schedules for the production and consumption of electricity the day before the operating day and the real-time energy market, or "spot market," balances differences between the day-ahead scheduled amounts of electricity and the actual real-time requirements. Potter explained Locational Marginal Prices (LMPs), using a map of New England for illustration, and used ISO energy settlement examples to show how money flows and to show that VEC's costs are the sum of its Power Purchase Agreement (PPA) payments and its ISO-NE settlement costs.

The Board asked questions and Potter answered them. Upon completion of his presentation, Potter left the meeting.

### AGENDA ITEM #6 – BREAK

There was a break in the meeting at 2:19 pm and the meeting resumed at 2:32 pm.

### AGENDA ITEM #7 – CEO PERFORMANCE ASSESSMENT

The Board discussed the annual review and compensation review process for the CEO.

### AGENDA ITEM #8 – REVIEW EXECUTIVE SESSION TOPICS

The Board discussed the benefit of including the reason for entering into executive session in the regular Board meeting minutes and the use of a set of standard reasons to do so. The Board plans to identify a set of standard reasons at its February meeting.

### AGENDA ITEM #9 – MANAGERS' REPORTS

CEO Rebecca Towne presented the CEO report. There were questions from the Directors about details in the managers' reports. Peter Rossi, Caroline Mashia, Andrea Cohen, Lisa Lubas, John Varney, and Thea Schwartz were all present to answer the Directors' questions.

### AGENDA ITEM #10 – OTHER BUSINESS

Bill Gilbert updated the Board on the process for reviewing Board and Management policies that he plans to use for the upcoming Governance Committee meetings. He explained that he will distribute a document that contains summaries of each of the policies scheduled for review in 2026 prior to the meetings. He asked that Directors review this document and be prepared to provide suggested edits or redactions to the policies.

### AGENDA ITEM #11 – ADJOURN

Bonnie Pratt moved and George Lague seconded to adjourn. By unanimous vote, the meeting adjourned at 3:59 p.m.

### AGENDA ITEM #12 – OTHER ITEMS

There was no other business.

Respectfully submitted:

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| ______________________________ | ______________________________ |
| Jody Dunklee, Secretary | Rich Goggin, President |