



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

APPROVED MINUTES

January 28, 2025

As required under the VEC Bylaws, notice of this meeting was sent to each director on January 21, 2025, either via US Mail or by electronic means for those directors requesting such delivery.

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, Ken Hoepfner, George Lague, Bonnie Pratt, Mark Woodward, and Jeff Wilson

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), Jeff Bickford (People and Culture Leader), Cyril Brunner (Innovation and Technology Leader), and Thea Schwartz (Corporate Counsel)

Guests: Member Bill Corbin, Member Maeve McBride

AGENDA ITEM #1 -- CALL TO ORDER

President Goggin called the meeting to order at 12:00 pm.

AGENDA ITEM #2 – SAFETY DRILL

Paul Lambert shared two safety tips: (1) if not feeling well, choose to participate virtually in meetings, and (2) before driving, make sure to clean off mirrors, windows, and headlights, especially given the amount of salt that can accumulate on them.

AGENDA ITEM #3 – REVIEW DECEMBER 17, 2024 REGULAR BOARD MEETING MINUTES

George Lague moved and Carol Maroni seconded that the minutes of the regular monthly Board of Directors meeting held December 17, 2024 be approved as presented. There was no further discussion, and the Board approved the minutes by unanimous vote.

AGENDA ITEM #4 – REVIEW COMMUNICATIONS COMMITTEE MEETING MINUTES

Carol Maroni presented the December 11, 2024 Communications Committee Meeting minutes, and Mark Woodward moved and Ken Hoepfner seconded that they be approved as presented. There was no further discussion, and the Board approved the minutes by unanimous vote.

AGENDA ITEM #5 – 2024 ANNUAL KPI PERFORMANCE REPORT

CEO Rebecca Towne provided a final report on VEC’s results on Key Performance Indicators (“KPIs” or “metrics”) that were set by the Board. Towne explained that there are over twenty different metrics covering the following five focus areas:

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

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 gave specific examples for the focus areas and noted VEC’s progress on them, such as for “Lead with People,” the job shadowing program and the survey regarding the use of Microsoft Teams; for “Pursue Operations Reliability,” the drone maintenance program and the resilience line construction work; and for “Engage Members,” the use of member surveys and the Communications Teams’ work to keep members informed. There was discussion on what challenges and successes VEC experienced and how to address challenges. Towne also responded to the Directors’ numerous questions and comments throughout her presentation.

AGENDA ITEM #6 – DRONES AT VEC

COO Peter Rossi made a presentation entitled “Use of Drones for Maintenance Plans.” Rossi explained that:

- The use of drones as part of VEC’s maintenance plan replaces helicopter aerial patrols and in-person ground assessment.

- The drones provide for comprehensive visual inspection, asset data collection, and thermal inspection.
- VEC currently contracts with Firmatek for the use of drones.
- The use of drones will potentially result in lower annual costs, though this will not be determined until February 2025.

Rossi gave a “live” demonstration of drone usage, sharing a map with color coding showing location and category of pole status. Rossi showed photos of individual poles and described what work may be needed for their care. As an example, he explained how the drones were used and proved helpful for inspection of the Underhill (04) 4A circuit, when a cause of recurring outages had proved challenging to identify. Rossi also explained that in 2025 VEC will work on finalizing the automated process to integrate data into VEC’s mapping and work order tracking systems; correct any issues found in 2024, as appropriate; and test the use of drones in major outage events, when/if one occurs. He said that the next cycle of drone asset inspection will begin in May 2025. He responded to the Directors’ questions about the use of drones.

AGENDA ITEM #7 – BREAK

There was a break in the meeting at 1:45, and the meeting resumed at 1:58.

AGENDA ITEM #8 – ADVANCED METER INFRASTRUCTURE PROJECT UPDATE

Innovation and Technology Leader Cyril Brunner provided a quick refresh on the AMI project, a summary of work on the project completed in 2024, and the plan for work in 2025. Brunner explained how this project supports VEC’s strategic plan, linking it to the Key Performance Indicators. He identified the vendors that VEC uses (NRTC and Itron) and the VEC employees who are on the AMI project team. He walked through the proposed timeline and budget, noting the total cost of \$20.8 million over 5 years and VEC’s hope for more grant dollars to support this work. He explained what the current grants are that VEC is pursuing (State of Vermont Department of Public Service \$75,000 and Senator Sanders Congressionally Directed Spending (CDS) \$1 million). Using a diagram to illustrate, he described how the technology will work and where the data collected will go. He explained what VEC has completed on the project in 2024. He talked about initial system design, meter programming, equipment mounting options, and site survey. He summarized the plan for work on the project in 2025, touching on iSAT (Initial System Acceptance Testing), integrations with Third Parties (NISC and Camus), and the member communication strategy. An important aspect of the 2025 work, as part of the multi-year phased approach, was to try the implementation on a small subset of the VEC system to ensure it works as expected and identify any unforeseen challenges. He answered the Directors’ questions about the project.

President Goggin suggested that Agenda Item #9 CEO Performance Assessment be moved to be addressed after Agenda Item #10 Managers' Reports and Agenda Item #11 Any Other Business given the lengthiness of the meeting, and other Directors agreed.

AGENDA ITEM #10 – MANAGERS' REPORTS

CEO Rebecca Towne presented the CEO report. Peter Rossi (COO), Thea Schwartz (Corporate Counsel), Andrea Cohen (Manager of Government Affairs and Member Relations), John Varney (Manager of Safety, Security, and Facilities), Jeff Bickford (People and Culture Leader), and Cyril Brunner (Innovation and Technology Leader) were present and answered any questions from the Directors about details in their specific managers' reports.

There was a second break, not scheduled as an Agenda Item, at 3:49 pm and the meeting resumed at 3:57 pm. All VEC staff left the meeting at the start of this second break except for CEO Towne and Thea Schwartz.

AGENDA ITEM #11 – ANY OTHER BUSINESS

Governance Committee chair Ken Hoepfner explained that at upcoming meetings the committee would discuss Board Policies and Management Policies that were up for review. Hoepfner said that the policies up for review would be shared with Directors prior to these meetings and requested that Directors review them prior to the meeting. Bonnie Pratt offered to create a chart to assist in identifying Directors' perspectives on what policies would require a more detailed review. There were questions and discussion regarding the review schedule and process for the policies.

AGENDA ITEM #9 – CEO PERFORMANCE ASSESSMENT At 4:12 pm the Board entered into this executive section to address CEO Performance Assessment, Thea Schwartz left the meeting at this time. The Board exited the executive session at 4:55 pm.

AGENDA ITEM #12 – ADJOURN

Tom Bailey moved and Bonnie Pratt seconded to adjourn the meeting. By unanimous vote, the Board adjourned the meeting at 4:55 pm.

AGENDA ITEM #12 – OTHER ITEMS

There was no other business.

Respectfully submitted:

Jody Dunklee

Jody Dunklee, Secretary

Rich Goggin

Rich Goggin, President