|  |  |
| --- | --- |
| VEC Logo Portrait Blue | VERMONT ELECTRIC COOPERATIVE, INC.REGULAR MEETING OF THE BOARD OF DIRECTORSAPPROVED MINUTESApril 26, 2022 |

As required under the VEC Bylaws, notice of this meeting was sent to each director on April 21, 2022 either via US Mail or by electronic means for those directors requesting such delivery.

Present were directors Rich Goggin (President), Paul Lambert (First Vice President), Carol Maroni (Second Vice President), Jody Dunklee (Secretary), Tom Bailey, Ken Hoeppner, George Lague, Bonnie Pratt, Mark Woodward, Charlie Van Winkle, and Don Worth. Also present from VEC were CEO Rebecca Towne, Chief Operations Officer Peter Rossi, Manager of Government Affairs and Member Relations Andrea Cohen, Manager of Safety, Security, and Facilities John Varney, Chief Financial Officer Michael Bursell, Innovation and Technology Leader Cyril Brunner, General Counsel Vickie Brown, Controller Caroline Mashia, Project Planner Laura Kinney.

# AGENDA ITEM #1 -- CALL TO ORDER

President Rich Goggin called the meeting to order at 12:01 p.m.

# AGENDA ITEM #2 -- SAFETY MINUTE

Varney spoke on the importance of taking time to complete tasks. Recently, rushing through tasks has resulted in injuries to our workers. Rushing can also cause traffic hazards as people exceed the speed limit.

# AGENDA ITEM #3 -- APPROVE BOARD MEETING MINUTES

Worth moved and Maroni seconded that the minutes of the regular monthly Board of Directors meeting held March 29, 2022 be approved as presented.

The minutes were approved by unanimous vote.

# AGENDA ITEM #4 – REVIEW POWER SUPPLY & OPERATIONS COMMITTEE MEETING MINUTES

Lague moved and Worth seconded to approve the minutes of the Power Supply and Operations Committee meeting held on March 24, 2022.

The minutes were approved by unanimous vote.

# AGENDA ITEM #5 – FORM 990

Mashia noted that she had received a number of questions via email from directors about certain details in the Form 990. She responded to those questions as well as others from the floor.

Worth moved and Maroni seconded that the VEC Board approve the presented 2021 IRS Form 990 tax report for VEC subject to any final changes recommended by VEC’s auditors. The motion carried by unanimous vote.

# AGENDA ITEM #6 – UPDATE BANKING RESOLUTION

Bursell explained that with his transition to Assistant Treasurer and Mashia’s move to CFO, it was necessary to update the banking documents to accurately reflect the officers and VEC staff authorized to sign on VEC’s behalf.

Lague moved and Worth seconded to approve the banking resolutions as presented in the Board packet, including resolutions for:

(1) People’s United Bank (Operating accounts)

(2) CoBank (Line of Credit)

(3) Community Bank (Local Depository)

(4) Farm Credit Leasing (CoBank Leasing)

The motion passed by unanimous vote.

# AGENDA ITEM # 7 – MEMBER SURVEY

Cohen shared a draft of the Member Survey questions proposed for the 2022 survey. She noted that last year we moved to online-only format, and the results were good in that the demographics of those who responded did not change from prior years, and VEC received far more responses using the online-only approach. There were questions and comments from the directors about some of the details in the 2022 proposed survey. The survey will be sent electronically to a random set of members until we get at least 1000 responses, with distribution designed to solicit geographic diversity.

**AGENDA ITEM # 8 – RESILIENCY AND RELIABILITY PRESENTATION**

Rossi and Brunner gave a joint presentation on VEC’s actions related to keeping the electric grid reliable and resilient. They began by defining the difference between the two terms, with reliability referring to keeping the lights on every day (minimizing outages) and resiliency referring to making strategic investments in the system that allow VEC to recover quickly from major events.

Rossi noted that reliability is advanced through (1) the maintenance plan and vegetation management, (2) system and wildlife protection, and (3) regular substation and equipment inspections. He shared how VEC’s reliability compares with that of other utilities and found that, except for Stowe and Burlington Electric (both of which are urban systems), VEC’s reliability record is better than that of other utilities in Vermont. He also noted that weather-related outages continue to increase.

Brunner explained that we aim for better resiliency at several different levels. At the local and community levels VEC is considering the use of microgrids, standby generators, and home batteries. At the distribution level, VEC is focused on relocating lines, strategic undergrounding, and reconductoring. At the substation level, resiliency is sought through feeder backups, tie switches, and motor operated switches. At the transmission level, VEC is pursuing expansion of the VEC Block Load that is used to reliably connect to Canada and Hydro Quebec on an alternative secondary circuit as needed for regional resiliency. VEC is also working with a statewide task force on winter preparedness and investing in transmission level power storage.

Brunner also explained VEC’s approach to exploring microgrids through partnerships and community engagement.

There were several questions and comments throughout their presentation.

# AGENDA ITEM # 9 -- BREAK

There was a break in the meeting from 2:10 p.m.to 2:25 p.m.

# AGENDA ITEM #10 – MANAGERS’ REPORTS

Rossi provided an update on the winter storm that occurred the week of April 18. He noted that forecasts kept changing, making planning difficult. VEC also had staffing challenges in that a number of employees were working in new storm roles, and others were off during school break. Despite these challenges, the Incident Command System (ICS) worked well and represented the best execution of the ICS system since VEC adopted it. VEC also had help from mutual aid crews from other utilities in Vermont. The majority of members were back in service by dinner time on the second day.

Towne provided an update on the potential acquisition discussion in Barton leading up to the village vote on May 10. There were many questions from various directors.

There were several additional questions about details in the other managers’ reports. Two directors noted their satisfaction to see VEC’s credit rating continue to be A+ Stable.

Cohen noted that VEC is watching Covid rates in the community in advance of the May 14th annual meeting. If needed, she explained that VEC could pivot to an online-only meeting platform. The current plan is to have an in-person event with a live-stream option.

# AGENDA ITEM #11 –OTHER BUSINESS

Noting that this would be Mike Bursell’s last meeting as VEC’s Chief Financial Officer, Goggin read the following resolution:

BOARD RESOLUTION

Be it resolved:

That the Vermont Electric Cooperative Board of Directors hereby extends its gratitude to Michael L. Bursell for his nineteen years of service to VEC as its Chief Financial Officer. Mike has shepherded VEC from times of great financial uncertainty to an extended period of financial stability and health. Mike brings his dedication to VEC to every decision he makes, resulting in a long period of stable rates, consistent patronage returns, and an enviable A+ investment rating.

The Board thanks Mike for the thoughtful and strategic guidance he has provided during his tenure. We acknowledge the exemplary work that Mike has done in negotiating important power supply and battery contracts, creating robust financial planning tools, and analyzing potential new business ventures, including the Tier III Clean Air Program. He has brought a creative and innovative spirit to VEC’s business.

Mike has been a steady hand and has offered wise counsel to VEC and our Board of Directors.  He is respected by his colleagues both within VEC and throughout the Vermont and regional energy utility community.

Mike’s dedication, work ethic and smart insights have made it a privilege to be associated with him as a professional colleague and a loyal, trusted officer of the Co-op. We thank him for all he has brought to VEC.

The resolution was supported by unanimous vote.

# AGENDA ITEM #12 -- ADJOURN

Van Winkle moved and Woodward seconded to adjourn. By unanimous vote, the meeting adjourned at 4:05 p.m.

Respectfully submitted:

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