



VERMONT ELECTRIC COOPERATIVE, INC.  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
APPROVED MINUTES  
June 29, 2021

As required under the VEC Bylaws, notice of this meeting was sent to each director either via US Mail on June 22, 2021 or by electronic means for those directors requesting such delivery.

**AGENDA ITEM #1 -- CALL TO ORDER**

President Rich Goggin called the meeting to order at 12:00 pm via video conference. Present were directors Carol Maroni (Second Vice President), John Ward (Treasurer), Jody Dunklee (Secretary), Tom Bailey, Ken Hoepfner, Paul Lambert, Mark Woodward, Charlie Van Winkle, Don Worth, and Bonnie Pratt. Also present from VEC were CEO Rebecca Towne, General Counsel Vickie Brown, Chief Operations Officer Peter Rossi, Chief Financial Officer Mike Bursell, Manager of Government Affairs and Member Relations Andrea Cohen, Manager of Safety, Security, and Facilities John Varney, and Controller Caroline Mashia.

**AGENDA ITEM #2 -- SAFETY MINUTE**

Pratt shared that she has been working with her town recreation committee to eliminate an injury hazard by installing edge protectors on bleachers. She also noted that the committee changed safety protocols to ensure that stray balls from an adult ball game would not endanger children playing nearby.

**AGENDA ITEM #3 -- APPROVE BOARD MEETING MINUTES**

President Goggin noted that there are a series of meeting minutes to be approved and asked for a motion.

Worth moved and Woodward seconded that the minutes of the annual members meeting held on May 8, 2021, be approved. The minutes were approved by unanimous vote.

Worth moved and Hoeppe seconded that the minutes of the organizational meeting of the Board of Directors held on May 8, 2021 be approved. The minutes were approved by unanimous vote.

Ward moved and Maroni seconded that the minutes of the Finance Committee meeting held on May 20, 2021 be approved. The minutes were approved by unanimous vote.

Pratt moved and VanWinkle seconded that the minutes of the regular monthly Board of Directors meeting held on May 25, 2021 be approved. The minutes were approved by unanimous vote.

Maroni moved and Hoeppe seconded that the minutes of the executive session portion of the May 25, 2021, Board meeting be approved. The minutes were approved by unanimous vote.

#### **AGENDA ITEM #4 -- MANAGERS' REPORTS**

##### **CEO Report**

Van Winkle moved and Worth seconded to go into executive session to discuss a confidential potential business transaction. The motion passed by unanimous vote and the meeting entered executive session at 12:20 pm.

Van Winkle moved and Pratt seconded to exit executive session. The motion passed by unanimous vote and the executive session concluded at 12:30 pm.

Towne summarized the most recent activities of the various Communication Union Districts (CUDs) located in VEC's service territory. She expects that in the next few months the NEK CUD in particular will release more specific fiber build-out plans.

There was a question about the magnitude of federal funds that would be allocated to VEC's service territory by the state. Towne noted that half of the CUDs in the state and the largest CUD are in our service territory, so it is likely that a significant proportion of the funding would be allocated to our territory.

Towne noted that she is in the final stages of engaging the consulting group Tilson to evaluate how VEC can do more to support broadband deployment. They will help us analyze gaps,

evaluate where to prioritize consideration of purchasing pole interests from Consolidated Communications, and assess how we can support low-income members gain access to broadband. This work will occur over the next several months with a presentation to the Board at the conclusion of the engagement. Discussion ensued about a variety of issues related to broadband.

Lague joined the meeting.

Towne reported on personnel changes at Washington Electric Cooperative as well as other factors which may affect their broadband initiative.

Finally, Towne summarized management's proposal for conducting strategic planning for 2022. She also noted that she is looking for a consultant to assist the Board in reviewing VEC's vision and mission. She plans to involve the Board (or a committee) in preparing a Request for Proposal for that work. There were several requests to clarify the respective roles of the Board and the staff, particularly in light of the process that the Board had previously approved. Goggin asked staff to provide a presentation at the next Board meeting.

Lambert reported on the latest activity of the Northeast Association of Electric Cooperatives. The next meeting is planned to be in Vermont later this year.

### **Safety, Facilities and Security**

Varney will coordinate CPR/AED training for those directors who want to participate. This can also include First Aid training. With both elements, the training will be three hours. Staff will assess the directors' interest and plan this training for the fall.

Varney also shared before and after pictures from the Newport facility. There was a discussion as to how to facilitate a visit by the Board to the facility hopefully by the end of the year.

### **Financial Services Report**

Mashia provided an update on the 2021 budget. Currently performance is trending close to budget and, with forgiveness of the Paycheck Protection Program loan, we expect to meet budget this year. Any PPP grant money not needed in 2021 may be used to mitigate rate pressures for 2022 with regulatory approval. VEC is experiencing upward pressure on transmission costs because peaks are flattening. To mitigate this, we are deploying our battery storage assets and other peak management strategies. She noted that arrearages are still significant but state funding should ameliorate that as it becomes available.

Bursell and Mashia responded to various questions about additional details in the financial report.

### **Member Services Report**

Cohen reported that the PUC has lifted the moratorium on disconnection effective on July 15. The PUC will issue a follow-up order adopting enhanced protections for customers as utilities slowly resume disconnections. She shared that VEC's 60-days arrearages are now in excess of \$500,000. There will be support from various state programs, and we will be working with members to take advantage of these programs.

There were questions from directors about the legislation session summary included in her report.

### **General Counsel**

Brown reported that employees are beginning to spend more time in the office, noting that this will be a slow process as departments figure out the arrangements that work for their teams. She reported that, like many companies, VEC is experiencing some turnover, as employees look at different opportunities post-Covid.

### **Technology Engineering and Operations**

Rossi reported that VEC has experienced fewer outages to date in 2021 than in prior years, with the result being that we are exceeding reliability goals. He noted that some of our "worst-performing circuits" now include circuits where there have been scheduled outages for maintenance, and not just circuits with reliability-related outages. This shows that investments in the maintenance plan and vegetation maintenance plan are improving the reliability of our service. He provided a brief demonstration of the real-time data we can capture and view in the new I-dashboard platform.

There were questions from the directors as to details of his presentation.

### **AGENDA ITEM #5 -- ANY OTHER BUSINESS**

There was no other business.

**AGENDA ITEM #6 -- ADJOURN**

Maroni moved and Ward seconded that the meeting be adjourned.

The motion was approved by unanimous vote.

The meeting adjourned at 2:08 pm.

Respectfully submitted:

---

Jody Dunklee, Secretary

---

Rich Goggin, President