

VERMONT ELECTRIC COOPERATIVE, INC.

REGULAR MEETING OF THE BOARD OF DIRECTORS

APPROVED MINUTES

 September 26, 2023

As required under the VEC Bylaws, notice of this meeting was sent to each director on September 19, 2023, 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, Ken Hoeppner, George Lague, Bonnie Pratt, Mark Woodward, and Don Worth |
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| 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), Vickie Brown (General Counsel), and Cyril Brunner (Innovation and Technology Leader)  |
| Guests: | VEC staff Jamie Brewster and Sue Bernier attended a portion of the meeting. |

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

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

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

Dunklee reminded those present to get their flu shot, the updated Covid vaccine, and the RSV vaccine.

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

Lague moved and Worth seconded that the minutes of the regular monthly Board of Directors meeting held August 29, 2023, be approved as presented.

There was a suggestion to change “recommendation” to “consensus” in the following sentence concerning the strategic planning process:

There was a ~~recommendation~~ consensus that in the future, time should be set aside during the August meeting for the Board to provide prioritization on the long-term strategic goals for the staff to consider as part of their annual performance metrics development.

After a short discussion, Van Winkle moved and Pratt seconded to amend the motion to reflect the suggested change.

The minutes, as amended, were approved by unanimous vote.

**AGENDA ITEM #4 –REVIEW COMMUNICATIONS COMMITTEE MINUTES**

Pratt moved and Hoeppner seconded that the minutes of the Communications Committee meeting held August 15, 2023, be approved as presented. Maroni requested a minor clarifying change and the minutes were approved by unanimous vote.

**AGENDA ITEM #5 –NRECA REPRESENTATION**

Goggin explained that Washington Electric Cooperative (WEC) and VEC have an informal arrangement whereby representation on the NRECA Board of Directors switches between them. VEC served for an eight-year term in the past, and currently, WEC is completing its sixth year as representative. WEC has asked for VEC’s support to continue its representation for a term of two years, which will complete WEC’s eight-year tenure as a representative. Don Douglas will continue to serve in that role.

Lague moved and Hoeppner seconded to approve having WEC, through director Don Douglas, continue to represent VEC at the NRECA for another two-year term.

There was a discussion as to whether the eight-year “term” is set in stone. Towne noted that it has been a more informal arrangement and that she would raise the issue with WEC to see if there is a reason to change.

**AGENDA ITEM #6 – AMI BENEFITS AND TIMELINE**

Jamie Brewster, System Administrator, joined the meeting. Brunner provided a summary of the key benefits of upgrading VEC’s Automated Metering Infrastructure (AMI) system, including:

* Management of Distributed Energy Resources – gathering information and allowing VEC to manage resources
* Outage Response – alerting VEC of outages without members needing to call
* Coordination with Operations – enabling efficient movement of the block load onto and off Hydro-Quebec for peak management
* Remote Disconnects – obviating the need to visit member premises for disconnections
* Load Shedding – allowing for targeted load shedding in emergencies, while protecting critical load
* Member Insights – enabling a much better picture of member usage, allowing detection of high-use cases before billing

Brunner shared that many other electric coops are now deciding to swap out their power-line carrier meters with radio frequency AMI meters.

Brunner laid out the costs of the project over two different time periods (four years and eight years), with management recommending the four-year period, which has a lower total cost. In terms of the next steps, staff is estimating capital budget impacts for 2024 and developing alternative plans for the Board to review. In early 2024, staff will provide a more thorough analysis of the rate and financial impacts of a 4-year AMI timeline for the Board’s further consideration.

There were questions and comments throughout the presentation.

Brewster left the meeting.

**AGENDA ITEM #7 –RED FLAG POLICY AND IMPLEMENTATION**

Sue Bernier, Manager of Member Services, joined the meeting.

She provided an overview of VEC’s “Red Flag” program, whose goal is to protect members’ confidential financial information from identity theft. VEC has implemented a number of security practices, such as requiring identifying information before providing information, limiting access to member information to key VEC employees, and requiring security measures for all VEC equipment. Annually, Bernier provides training for all employees on these practices. She also performs quarterly audits of employees’ compliance with security practices, and she provides an annual assessment of the program for the CEO. Since the program has been implemented, no “red flags” have been detected.

There were a number of questions from directors throughout the presentation.

**AGENDA ITEM #8 – BREAK**

There was a break in the meeting from 1:57 and the meeting resumed at 2:13.

**AGENDA ITEM #9 – SERVICE QUALITY RELIABILITY PLAN (SQRP) OVERVIEW AND RESULTS**

Bernier described the SQRP, which is required by the Public Utility Commission (PUC) and is overseen by the Public Service Department. The Plan includes over 20 metrics measuring the quality of VEC’s customer services in areas such as call answering timeframes, billing accuracy, timeliness of responses to members, safety measures, meter reading accuracy, reliability of electric service, and overall member satisfaction. VEC provides quarterly and annual reports to the PUC on its progress on all metrics. VEC also sends survey postcards to members after every interaction and compiles those as part of its quarterly reports. The annual report also includes the results of a member satisfaction survey.

There were a number of questions from directors throughout the presentation.

Bernier left the meeting.

**AGENDA ITEM #10 – MANAGERS’ REPORTS**

There were numerous questions from the directors about details contained in the managers’ reports.

**AGENDA ITEM #11 – OTHER BUSINESS**

Goggin noted that the CPR training provided to the Board would not be a Board-authorized meeting that is subject to compensation. He also clarified that compensation for the NEAEC would be for two travel days and three meeting days.

**AGENDA ITEM #11 – ADJOURN**

Pratt moved and Bailey seconded to adjourn. By unanimous vote, the meeting adjourned at 3:32 p.m.

Respectfully submitted:

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