

VERMONT ELECTRIC COOPERATIVE, INC.
83rd ANNUAL MEETING OF MEMBERS
MAY 8, 2021
UNAPPROVED MINUTES

The meeting was called to order at 9:00 AM by President Rich Goggin via webinar.

INTRODUCTIONS

President Goggin introduced the following officers of the VEC Board of Directors:

Mark Woodward, Secretary; John Ward, Treasurer; Paul Lambert, First Vice President; and Carol Maroni, Second Vice President. He also introduced the other members of the Board of Directors.

SAFETY MINUTE

VEC employees Shawn Holbrook and Isaac Gillen, via video, provided guidance on working safely at home.

CERTIFICATE OF QUORUM AND AFFIDAVIT OF MAILING

Secretary Woodward read the Certificate of Quorum stating that 3,794 members voted in the election and that met the quorum requirement in VEC's bylaws of at least 100 members.

Woodward read the Mailing Affidavit certifying that a copy of the notice of Annual Meeting of the members was mailed to each member of the Cooperative on April 13, 2021, in the manner prescribed by the bylaws.

Woodward noted that it is customary to waive the reading of the Notice of Annual Meeting and asked for a motion to waive. Ward moved and Lambert seconded to waive the reading of the notice.

A poll was taken of those attending the webinar and the motion carried.

MINUTES OF THE 2020 ANNUAL MEETING OF MEMBERS

Woodward noted that he would entertain a motion to approve the minutes.

Lambert moved and Ward seconded that the minutes of the May 26, 2020 Annual Meeting be approved.

A poll was taken of those attending the webinar and the motion carried.

TREASURER'S REPORT

Via video, Treasurer John Ward presented the Treasurer's report and financial highlights for the prior year.

Ward reported that VEC continues to have very strong financial results, maintaining a financial rating by Standard & Poor's at A+ with a stable outlook. He noted that stronger financial ratings are beneficial for VEC when negotiating power supply contracts and in borrowing funds at lower interest rates.

He reported that VEC's independent auditors, Kittell, Branagan & Sargent, completed their independent audit of VEC for 2020 and issued an unqualified accounting opinion, which assures the members that the financial results presented in VEC's annual financial summary conformed to industry-wide, generally-accepted accounting principles.

Ward reported that for the 2020 calendar year, VEC had revenues of \$79.4 million which was 2.9% higher than 2019. He reported that between 2013 and 2020, VEC has returned \$7.5 million of patronage capital to our members in the form of bill credits to members and checks to former members.

He noted that in 2020 VEC implemented a 3.3 percent rate increase, the first increase in six years. The Co-op's rate increases over the past ten years have averaged less than 1 percent per year. There is no increase planned for 2021.

Capital spending for 2020 was \$12.9 million to improve our aging infrastructure, increase electric service reliability for our members, and to repair storm damage.

Carol Maroni moved, and Mark Woodward seconded that the Treasurer's Report be accepted as presented in the meeting.

A poll was taken of those attending the webinar and the motion carried.

ANNOUNCEMENT OF ELECTION RESULTS

Goggin announced the results of the election for the Board of Directors, as follows:

District 2: John Ward

East Zone At-Large: Tom Bailey

West Zone At-Large: Bonnie Pratt

VIDEO PRESENTATION

Goggin introduced a video presentation showcasing VEC's battery storage program.

CHIEF EXECUTIVE OFFICER'S REPORT

Chief Executive Officer Rebecca Towne provided a presentation highlighting VEC through a top-ten numbers list, including:

- 106 employees who make everything happen.
- 40,000 meters providing service to our members.
- 390 new services applications in 2020, a record for VEC.
- A reduction of 94,000 customer hours out of service, showing improvements in reliability.
- A new commitment to being 100% carbon free by 2023.
- 2,000 members participating in our energy transformation program which supports members switching from fossil-fueled usages to clean electricity.
- 5,450 panels sponsored by members in our Coop Community Solar program.
- \$50,000 saved through using our utility-scale battery storage system.
- 150 miles of broadband “make-ready” work completed in 2020 to support deployment of broadband service.
- 950 members contributing to our Community Fund in support of local non-profits.

Towne fielded some questions from members.

GUEST REMARKS – MOLLY GRAY

Towne introduced Molly Gray, Vermont's Lieutenant Governor. Ms. Gray provided a summary of her key focuses in Montpelier, including workforce development, broadband deployment, preserving the environment for future generations, and climate change mitigation. She noted that Vermont has \$2.7 billion available through the American Rescue Plan, which will provide Vermont with the opportunity to make once-in-a-lifetime investments in our future. The details remain to be worked out. She further spoke about the pending transportation bill which will help make EVs affordable for Vermonters. She emphasized the need for broadband expansion as her number one priority.

Ms. Towne and the Lieutenant Governor then engaged in a question and answer session which further explored topics of importance to Vermont.

RAFFLE AWARDS

Towne announced raffle winners comprised of fourteen VEC members chosen at random that

voted in this year's election. Each won a gift card donated by Charles Curtis LLC, who provides pole setting service for VEC.

ADJOURNMENT

John Ward moved and Mark Woodward seconded to adjourn the meeting.

A poll was taken of those attending the webinar and the motion carried. The meeting adjourned at 10:01.

Respectfully submitted by:

Jody Dunklee, Secretary

And

Rich Goggin, President