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VERMONT ELECTRIC COOPERATIVE, INC.

REGULAR MEETING OF THE BOARD OF DIRECTORS

UNAPPROVED MINUTES

August 27, 2024

As required under the VEC Bylaws, notice of this meeting was sent to each director on June 23, 2024, either via US Mail or electronically for those directors requesting such delivery.

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| Board Members Present: | Rich Goggin (President), Paul Lambert (First Vice President), Jody Dunklee (Secretary), Charlie Van Winkle (Treasurer), Carol Maroni (Second Vice President), Tom Bailey, Ken Hoeppner, George Lague, Bonnie Pratt, Jeffery Wilson, and Mark Woodward. |
| Staff Present: | Rebecca Towne (CEO), Peter Rossi (Chief Operating Officer), Caroline Mashia (Chief Financial Officer), Andrea Cohen (Manager of Government Affairs and Member Relations), Laura Kinney (Project Planner), Cyril Brunner (Innovation and Technology Leader), and Jeff Bickford (People and Culture Leader) |
| Guests: | Sue Bernier (Manager of Member Services), joined for a portion of the meeting. |

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

President Goggin called the meeting to order at \_\_\_\_ pm.

**AGENDA ITEM #2 – SAFETY MINUTE**

Bailey …

**AGENDA ITEM #3 – MINUTES REVIEW**

\_\_\_\_\_\_\_\_ moved and \_\_\_\_\_\_\_\_ seconded that the minutes of the regular Board meeting held on July 30, 2024 be approved. The minutes were approved by unanimous vote.

**AGENDA ITEM #4 – VIRTUAL POWER PLANT (VPP) AND GRID ORCHESTRATION**

Brunner provided the key focus areas of VPP, including the Distributed Energy Resource (DER) size, availability, quantity and type, technology integration, and the value of VPP, such as peak forecasting, peak shaving, and energy curtailment reduction.

He highlighted the team's progress in integrating utility data, expanding the Grid Distributed Energy Resource Management System (DERMS) with EV charger telematics, smart buildings, and batteries, and enhancing member engagement. He summarized the value of DERMS by utilizing technology to control load vs. the approach of replacing costly infrastructure, which in turn benefits the membership.

The key challenges include managing device availability, ensuring proper equipment installation, and expanding the number of enrolled devices. Opportunities lie in expanding the number of managed devices, increasing DER sizes, and leveraging federal and state funding to enhance the program.

The focus for 2025 includes implementing an upgraded AMI system and incorporating other DERs, such as Vehicle-to-Grid and heat pumps, into the VPP. The team will continue collaborating with partners to improve grid management and DER integration. During the spring of 2025, the Board will engage in further discussion about the future of VPP and its alignment with broader energy goals.

There were several comments and questions throughout the presentation.

**AGENDA ITEM #5 – BREAK**

There was a break at 1:50 and the meeting resumed at 2:02.

**AGENDA ITEM #12 – NRECA RESOLUTIONS COMMITTEE REPORT**

This item was added to the agenda and moved up.

Lambert summarized the proposed resolutions from the NRECA Regional One Resolutions Committee. For new resolutions, the Committee recommends supporting natural gas-fired generation and proposes an amendment to the resolution that supports nuclear power.

The resolutions will be voted on by the voting delegates at NRECA’s Regional Meeting in September.

There were questions throughout the presentation.

**AGENDA ITEM #6 – STRATEGIC PLAN GOALS PRIORITIZATION PROCESS**

Senior Leaders and Board members participated in an exercise to prioritize the 21 goals from the long-term strategic plan. They identified the most and least important strategic priorities within the categories of Maintain Financial Strength, Engage Members, Orchestrate Distributed Renewable Energy, and Lead with People to focus on for 2025.

They identified the following top and bottom goals for 2025:

**AGENDA ITEM #7 – REVIEW BOARD BUDGET**

Mashia reviewed the Board budget trends over the past few years, highlighting the budget components and noting that actual spending has decreased. She attributed this trend to fewer meetings, a smaller Board, and a more efficient use of training resources. Mashia emphasized the valuable year-round training opportunities available through NRECA and encouraged Board members to take full advantage of them.

Over the next month, Mashia will collaborate with the Board Chair to develop the 2025 Board Budget and will return for approval in October.

There were several questions from the directors throughout the presentation.

**AGENDA ITEM #8 – RED FLAG REPORTING**

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

Bernier provided an overview of VEC’s “Red Flag” program, which is designed to safeguard members’ confidential financial information from identity theft. VEC has implemented several robust security practices, including requiring identification before sharing information, restricting access to member data to key employees, and enforcing security measures for all VEC equipment. Bernier also conducts annual training for all employees to ensure these practices are consistently followed.

She also conducts quarterly audits to ensure employees' compliance with security practices and provides an annual program assessment to the CEO. Since the program's implementation, no "red flags" have been detected.

There were several questions from directors throughout the presentation.

Bernier left the meeting.

**AGENDA ITEM #9 – MANAGERS’ REPORTS**

Towne…

\_\_\_\_\_\_\_ moved and \_\_\_\_\_\_\_seconded to go into executive session for the purposes of discussing a confidential legal matter. The motion passed, and the Board entered executive session at \_\_\_\_\_\_\_ pm.

\_\_\_\_\_\_\_ moved and \_\_\_\_\_\_ seconded to exit executive session. By unanimous consent, the Board exited executive session at \_\_\_\_\_\_\_\_\_ pm.

There were several questions and comments throughout the managers’ reports.

**AGENDA ITEM #10 – OTHER BUSINESS**

There was no other business.

**AGENDA ITEM #11 – ADJOURN**

\_\_\_\_\_\_ moved and \_\_\_\_\_\_\_\_\_ seconded to adjourn. By unanimous vote, the meeting adjourned at \_\_\_\_\_\_\_\_ .

Respectfully submitted:

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