VERMONT ELECTRIC COOPERATIVE, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS

APPROVED MINUTES

August 26, 2025

As required under the VEC Bylaws, notice of this meeting was sent to each director on August 20, 2025, either via US Mail or by electronic means for those directors requesting such delivery.

Board Members Present:	Rich Goggin (President), Paul Lambert (First Vice President), Carol Maroni (Second Vice President), Charlie Van Winkle (Treasurer), Jody Dunklee (Secretary), Tom Bailey, William Gilbert, Ken Hoeppner, George Lague, Bonnie Pratt, Mark Woodward, and Jeff Wilson.
Staff Present:	Rebecca Towne (CEO), Caroline Mashia (Chief Financial Officer), Peter Rossi (Chief Operating Officer), John Varney (Manager of Safety, Security, and Facilities), Andrea Cohen (Manager of Government Affairs and Member Relations), Cyril Brunner (Innovation and Technology Leader), and Laura Kinney (Project Planner).

AGENDA ITEM #1 -- CALL TO ORDER

President Goggin called the meeting to order at 12:03 p.m.

AGENDA ITEM #2 – SAFETY MINUTE

Bailey emphasized the importance of using sunscreen and noted that the recommended hours of sun exposure protection have been updated from 10 a.m.–3 p.m. to 10 a.m.–4 p.m., with a minimum SPF of 30. He also mentioned that while the sun provides vitamin D, wearing sunscreen can limit its absorption.

AGENDA ITEM #3 – REVIEW JULY 2025 REGULAR BOARD MEETING MINUTES

Van Winkle moved and Wilson seconded for the July 2025 Regular Board Meeting minutes to be approved. The Board voted unanimously to approve the minutes.

AGENDA ITEM #4 – GOVERNANCE COMMITTEE REPORT

Bill Gilbert noted that the Governance Committee met last month to review the following Board Policies.

- BOD.1 - Formulation, Review, Approval and Revision of Board Policies
- BOD.2 - Duties and Responsibilities of the Board of Directors
- BOD.3 - Director Fiduciary Duties and Standards of Conduct
- BOD.5 - Compensation to Directors
- BOD.8 - Board of Directors-Chief Executive Officer Relationship

Gilbert moved and Wilson seconded for Board policies: BOD.1, BOD.2, BOD.3, BOD.5, BOD.8 to be approved. The Board voted unanimously to approve the policies.

AGENDA ITEM #5 – PRIORITIZE STRATEGIC PLAN LONG TERM GOALS

Towne presented the draft long-term strategic goals and objectives developed during the Board and Senior Leadership Team retreat. The plan focuses on five strategic goal areas: Lead with People, Evolve VEC's Rates and Incentives, Deliver Affordable Clean Energy, Leverage Grid Technologies, and Smart Load Management and Infrastructure Investments.

She reviewed the 13 recommended goals within these categories, noting the intention is that they guide development of annual initiatives and metrics in alignment with VEC's mission, vision, and values. Directors discussed each goal and provided feedback. The plan will be updated with staff input and presented for approval at a future Board meeting. There were numerous questions from Directors throughout the discussion.

AGENDA ITEM #6 – BREAK

At 1:30 p.m. the Board took a break and returned at 1:46 p.m.

AGENDA ITEM #7 – CFO FINANCIAL UPDATE

Mashia presented a year-to-date VEC financial update, and led discussion regarding the 2026 Board of Directors budget

VEC's year-to-date energy sales are ahead of budget, with residential customers contributing the majority of revenue and volume. Despite higher sales, gross margins are below budget due to increased power supply costs. Transmission costs show mixed results, with some savings projected. She noted that storm-related expenses and higher depreciation may also impact net margins. Other key risks and opportunities were discussed, including market volatility, weather impacts, and property tax variances.

The 2025 Board of Directors budget reflects current participation assumptions, while the 2026 budget is planned to increase due to stipend adjustments enacted in 2025 to account for inflation and align with electric cooperatives nationally. The training budget will also be increased to allow for more participation from new directors, as in prior years.

There were several questions throughout the presentation.

AGENDA ITEM #8 – NRECA RESOLUTIONS

Lambert outlined the National Rural Electric Cooperatives Association (NRECA) Resolutions Committee's role in developing resolutions and reviewing proposals from electric cooperatives nationwide to shape NRECA's policy positions. This year, the Regional Committee for VEC's region recommends supporting two new resolutions—Artificial Intelligence Technology for Electric Cooperatives and Reliable Rural Postal Services—and five amendments to existing resolutions supporting:

1. The Colorado River Storage Project
2. The Keystone XL Pipeline
3. A Reasonable Transition of the Electric Utility Industry
4. Voluntary Regional Transmission Organization Membership
5. Reducing Wildfire Risks

The Committee also recommends opposing the adoption of one resolution on the Uniform Regulation of Electric Service on Indian Reservations.

Regional voting delegates vote on the resolutions at NRECA's Regional Meeting in September. Towne will represent VEC.

There were questions throughout the presentation.

AGENDA ITEM #8 – MANAGERS' REPORTS

CEO Rebecca Towne presented her report, highlighting the NRECA Regional Meeting in early September, where she will join a panel on the future of FEMA and give a presentation on VEC's innovation.

Members of the Senior Leadership Team were present to answer questions from Directors about details in the written managers' reports.

AGENDA ITEM #9 – BOARD EXECUTIVE SESSION

Wilson moved and Pratt seconded to go into executive session to discuss Board Confidential Matters. The Board voted unanimously to move into executive session at 3:30 p.m.

The Board voted unanimously to exit executive session at 4:31 p.m.

AGENDA ITEM #10 – ANY OTHER BUSINESS

There was no other business.

AGENDA ITEM #11 – ADJOURN

The Board voted unanimously to adjourn the meeting. The meeting adjourned at 4:31 p.m.

Respectfully submitted:

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Jody Dunklee, Secretary	Rich Goggin, President