

As Demands Grow, Grants and Partnerships are More Critical Than Ever

By Rebecca Towne

It seems like every week there's news about available federal funding related to clean energy or infrastructure. It's true!

The 2021 Infrastructure Investment and Jobs Act (IIJA) and the 2022 Inflation Reduction Act (IRA)

provide billions in combined federal funding for electric utilities. The State of Vermont has also received funding and has made several grant opportunities available. All of this suggests an opportunity for VEC to apply for grants in infrastructure and renewable generation in a way that's aligned with our vision of lighting the path to affordable clean energy, together - and doing it in a way that emphasizes reliability and safety. Here is what we are doing at VEC to pursue some of these opportunities.

Reducing the Cost of Outage Restoration

Our budget - and rates - do not include funding for extraordinary storms. Luckily, as a not-for-profit, we are eligible for Federal Emergency Management (FEMA) funding to recover from these sorts of storms. Since 2010 VEC has received \$11.6 million in FEMA storm restoration cost reimbursement for 13 different storms, covering 75 percent of incurred costs for eligible counties. Our most recent storms were back-to-back Winter Storms Finn and Gerri which cost the co-op approximately \$2.5 million. We are applying for FEMA funds to cover much of this cost, with support from Gov. Scott. We should know in the coming months whether the federal government approves this application.

Investing in Infrastructure: Reconductoring and Undergrounding

The electrification of heating and transportation, as well as the growth of distributed generation, will continue to increase load on our system. In addition, increasingly severe weather is making power outages more likely while expectations of reliability are increasing. So, as we accelerate our infrastructure replacement to provide more capacity and resiliency, we will continue to seek grants to offset this cost.

When a storm is declared a FEMA event, we are eligible to apply for FEMA Hazard Mitigation Funding (this is different from the FEMA storm restoration funding mentioned above) to improve the resiliency of the system for the future. Since 2014 VEC has received over \$4.5 million in grants to improve reliability. Since then, VEC has completed, or is currently working on, 12 resiliency projects in Belvidere, Berkshire, Charleston, Derby, Glover, Holland, Huntington, Johnson, Montgomery, Morgan, Morristown, Newport Town, Richmond, and Starksboro. These projects have resulted in greatly increased reliability in those areas. Our team is currently finalizing grant applications with FEMA from the December 2022 Winter Storm Elliott, hoping for \$1.1 million more to fund four additional reliability projects. Finally, we are analyzing additional resiliency projects resulting from 2024 Winter Storm Finn and Gerri which potentially could add \$1 million or more in investments.

We have also applied for an additional \$20 million through several federal IIJA grants to reconductor or underground approximately 35 miles of older andhard-to-access lines. This will improve both reliability and capacity. With 2,400 miles of line on our system, these additional federal dollars help us do significantly more than we are otherwise able to afford.

Cost-Competitive Renewable Generation

We expect our load to grow 30 percent over the next 20 years. At the same time, we are transitioning to a 100 percent renewable power supply. This means we will need to invest in additional renewable generation both in Vermont and in our region. To help us with these costs, VEC took a first step toward a \$29 million grant through a Department of Energy program designed to target remote and rural areas. We are waiting to hear whether we are invited to submit a full grant proposal.

Smart, Distributed Electric System

Besides grants to support basic infrastructure and storm resiliency, we are also pursuing funding for distributed energy resources and the supporting technology

Continued on page 7

By Caroline Mashia, Chief Financial Officer

A Look at Financial Highlights for 2023



In 2023, VEC faced a range of financial challenges, but it was also a year of remarkable recovery and I'm proud of our cooperative's perseverance. Despite the our financial health without compromising on reliability. lingering aftermath of Winter Storm Elliott and rising energy costs, inflationary pressures, and interest

Our financial report for 2023 reflects this resilience. VEC reported net earnings of \$4.2 million, a remark-

able \$2.2 million increase compared to the previous year. While our earnings dipped slightly below the approved budget, this achievement underscores the fundamental fiscal health of our cooperative.

Of course, the journey was not without its challenges. Fluctuating electricity sales driven by inconsistent weather patterns presented challenges, particularly with a warm winter and cooler summer dampening demand for space heating and cooling. Additionally, while we were fortunate to avoid significant system damages during the July floods, the relentless rain and lightning during that event caused several outages, alongside significant restoration costs from weather events in November and December.

Nevertheless, our commitment to financial stability remained unwavering.

In the face of these challenges, VEC's management team demonstrated remarkable adaptability and nimbleness, finding innovative solutions to maintain

VEC's resilience translates into tangible benefits for our members. Despite the financial headwinds, our cooperative's commitment to prudent financial management earned us an A+ rating from Standard and Poor's, allowing us to continue securing favorable power supply contracts and reduce borrowing

Moreover, after reviewing our finances, the Board of Directors decided to retire \$900,000 in member capital—an action that directly translates into returns for our member-owners. Additionally, our success in securing \$1.3 million in Federal Emergency Management Agency (FEMA) reimbursement for Winter Storm Elliott, along with an additional \$150,000 for damages incurred during the July floods, highlights our cooperative's ability to navigate challenges.

As we reflect on 2023, I am confident in our cooperative's ability to overcome adversity and chart a path towards a brighter future. We have proven that in the face of challenges, our unity, resilience, and commitment to our members remain steadfast. I am optimistic about the journey ahead and the continued success of Vermont Electric Cooperative.

POWERING UP FOR A RELIABLE AND RESILIENT FUTURE



VEC ANNUAL MEETING

SATURDAY, MAY 11 | SMUGGLERS' NOTCH RESORT BREAKFAST 8-9:30AM | MEETING 9:30AM-12PM

AGENDA

8 a.m. - Complimentary member breakfast
9:30 a.m. - Business Meeting of the Membership & Board Election Results
10 a.m. - Presentation and Q&A
"Powering Up for a Reliable and Resilient Future" with Dr. Jay Shafer of
Disaster Tech and Peter Rossi, VEC Chief Operating Officer
10:45 a.m. - Raffle door prizes

JOIN US AND BE ENTERED INTO OUR RAFFLE!

We've got more than \$1,000 worth of prizes including . . .

A Weber Lumin electric grill courtesy of Smugglers' Notch Resort

Gift certificates courtesy of Erica's American Diner in Fairfax,

Paul Frank + Collins and Wilschek Iarrapino Law Office

Gift cards from national retailers courtesy of Charles Curtis, LLC, and more!

Candidates for VEC's Board of Directors

Eleven candidates are vying for four seats up for election this year on the VEC Board of Directors. VEC members can vote for candidates online or by mail and the winners of the election will be announced at VEC's Annual Meeting May 11. Below are statements from the candidates and the districts they seek to represent.

DISTRICT 2

District 2 includes: Coventry, Derby, Newport City.

Kate Stallmann

I grew up in Bradford, VT and participated in the electric co-op election process for many years as a volunteer. My career is in technology and finance as an operations supervisor. I am detail-oriented while also able to step back and look at the big picture. Part of my professional responsibility is always looking for ways to improve efficiency, and testing and implementing those changes. I am comfort-



able in a leadership role and enjoy problem solving, while also appreciating fiscal responsibility. I believe the coming years will pose significant challenges for our Co-op, with rising costs and climate change. There are also reasons to be excited for the future, as new technology in solar and wind power emerges. Remote work and the increased popularity of electric vehicles is making a reliable, affordable and sustainable electric grid ever more important. I hope to be part of the solutions to these challenges.

Jeffery Wilson

As a Marine Veteran, service is at my core. My experience as an Engineer in the Marines, setting up electrical systems in disadvantaged regions, taught me the critical importance of reliable and affordable electricity. I am deeply committed to serving my community, which is why I am interested in becoming a VEC director.



My primary goal as a director would be to enhance transparency, particularly regarding electricity costs, to build trust within our community. I understand the pressing need to develop our grid to accommodate the increasing demand, especially with the shift to electrical heating systems. I will advocate for a resilient grid that can withstand severe weather events.

Additionally, I will prioritize responsibly sourced electricity, promoting renewable energy and community solar projects to reduce our carbon footprint and lower costs for members. Equally important is ensuring VEC workers have the best equipment and training to serve our community effectively, especially during emergencies.

Moreover, I will prioritize meeting with members within our district to ensure their concerns are heard and represented on the board. Every member deserves a voice, and I am committed to advocating for their needs.

In summary, I offer a unique blend of experience, dedication, and passion to the role of VEC director. I am committed to serving our community's best interests and ensuring VEC remains a trusted provider of reliable, affordable, and sustainable electricity. Thank you for considering me for this important position.

Wilson, Jeffery 802 323 3601 jeffery.wilson89@gmail.com

DISTRICT 7

District 7 includes: Alburgh, Grand Isle, Isle La Motte, North Hero, South Hero.

Rich Goggin

For the past 8 years, I've had the privilege of representing Vermont Electric Coop members from Alburgh, Grand Isle, Isle La Motte, North Hero, and South Hero: VEC District 7. As President of the VEC's Board of Directors, I've been dedicated to championing the Board's commitment to 'putting our members first' in every decision we make. VEC strategically prioritizes reliability, fiscal responsibility,



and sourcing energy from renewable sources, carefully balancing these priorities to minimize any impact on electric rates for our members.

The electric power landscape is rapidly evolving, transitioning from solely relying on "pole & wires" infrastructure to a multi-layered system that includes software solutions, smart devices (such as meters, thermostats, and electric vehicles), and renewable energy generation and storage. With innovative programs like SmartHub, Beat the Peak, Community Solar, and ChargeltUp, VEC remains at the forefront of this energy transformation, empowering members to understand and efficiently manage their energy consumption.

As your representative on the Board of Directors, I am committed to steering VEC's energy policies in the best interest of our members. I will prioritize overall system reliability to mitigate outages and ensure the safe delivery of energy. Additionally, I will continue to support VEC's goal of achieving 100% renewable energy by 2030 in a fiscally responsible manner that benefits all Coop members. Your vote will allow me to continue this important work.

Your questions and concerns are always valued. Please feel free to reach out to me at district?@vermontelectric.coop or call 508-439-9166.

Sylvia Jensen

Hello members, my name is Sylvia Jensen and I have resided in Isle La Motte for over 43 years. My parents and siblings were raised on a large dairy and beef operation in Alburgh. After graduating from Champlain College with an associate degree in business, I worked for various businesses before returning to Grand Isle County to operate my own dairy farm in Isle La Motte. Being part of the agricultural



community has taught me an incredible work ethic, the ability to assess and develop a path to resolution, and perseverance. I began my employment with the VT Agency of Agriculture, Food, and Markets in January 2000. Currently I work in the Water Quality Division. I continue to farm on a part-time basis and rent portions of it to local farmers. Currently serving on the ACT250 District #6 Commission, Northwest Regional Planning Commission, Champlain Islands Unified Union School District Board, Isle La Motte Community Organization, and ILM Trustee of Public Funds Board.

My interest in running as Director for District 7 is a result of a career's worth of involvement in national, statewide, regional, local organizations and governances that intersect with our use of electricity and energy. I am a proponent of electricity harnessed from on-farm digesters, solar generation, and hydro electric power. However, providing the most economical and feasible power to customers is paramount.

Preparing the grid to manage future electrical needs and requirements (cars, heating, etc.), resilience to future weather challenges, and keeping rates affordable will be my utmost priority.

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Directors' Attendance at Regular Monthly Board Meetings - April 2023 to March 2024

Director	04/25/23	05/30/23	06/26/23	07/25/23	08/29/23	09/26/23	10/31/23	11/28/23	12/19/23	01/30/24	02/27/24	03/26/24
Bailey, Tom	present	absent	present									
Dunklee, Jody (Secretary)	absent	present	absent	present	absent	present						
Goggin, Rich (Chair)	present	absent	present	present	present	present						
Hoeppner, Ken	present											
Lague, George	present											
Lambert, Paul (1st VP)	present											
Maroni, Carol (2nd VP)	present											
Pratt, Bonnie	present	present	absent	present								
Van Winkle (Treasurer)	absent	present	absent	present								
Ward, John	present	absent	n/a									
Woodward, Mark	present	absent	absent									
Worth, Don	present											

West Zone

Alburgh, Bakersfield, Belvidere, Berkshire, Bolton, Cambridge, Eden, Enosburg, Essex, Fairfax, Fairfield, Fletcher, Franklin, Georgia, Grand Isle, Highgate, Hinesburg, Huntington, Hyde Park, Isle LaMotte, Jericho, Johnson, Milton, Montgomery, Morristown, North Hero, Richford, Richmond, Sheldon, Shelburne, South Hero, Starksboro, Stowe, St. Albans Town, St. George, Swanton, Underhill, Waterville, Westford, Williston.

Ken Hoeppner

Vermont Electric Cooperative is a complex business encompassing power supply, finance, energy distribution, public relations, and governance, the committee which I chair. My background includes engineering, planning, finance, auditing, quality and management. I intend to draw on this skill set to bring a conservative opinion to board decision making. In these difficult times it is imperative to keep rates af-



fordable without sacrificing reliability. Vermont is in a unique place. In comparison to other states, it has the highest quality of air and lowest emissions, at 0.1% of the US. VEC has achieved the carbon free goal and is working on the 2030 goal of 100% renewables. However, as technology emerges, we need to be mindful to assure that implementation is cost effective and does not create unbearable burden for our membership

Some other points to mention. The Department of Public Service and Public Utilities have great respect for VEC competence. The current Board of Directors represent a broad diversity of industry and this environment provides healthy and respectful debate. In addition, I believe in community service and have served in positions at Lamoille County Mental Health, Lamoille Valley Rail Trail, the Vermont Horse Council and the Advisory Committee of Cambridge Christian Fellowship. If elected, I will continue to draw on these various experiences to serve the membership with conservative oversight on the VEC Board of Directors. Being a cooperative, our goal is "Lighting the path to affordable clean energy. . . together"

Contact information: kenandsue@hoeppner.com 802-644-5771

East Zone

Albany, Averill, Avery's Gore, Barton, Bloomfield, Brighton, Brownington, Brunswick, Canaan, Charleston, Coventry, Craftsbury, Derby, Ferdinand, Glover, Greensboro, Guildhall, Holland, Irasburg, Jay, Lemington, Lewis, Lowell, Lyndon, Maidstone, Morgan, Newark, Newport City, Newport Town, Norton, Sheffield, Sutton, Troy, Warner's Grant, Warren Gore, Westfield, Westmore, Wheelock.

Brian Cook

I wish to run for the Zone East board seat. My family settled in Vermont before it was even a state and was only a republic. I fished below the McIndoe Falls dam as a child, and electricity has always been a passion of mine. I majored in industrial electricity in college and worked for New England Electrical Transmission at the AC/DC converter station a few miles from where I grew up in McIndoes.



I served on the Vermont Association of Snow Travelers Board of Directors for 12 years, on the Vermont Brewers Association Board of Directors for 3 years, and I am currently a Jay Peak Area Chamber of Commerce director.

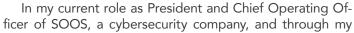
My wife Jennifer, our daughter Addy, and I started Kingdom Brewing 12 years ago. We are stewards of the land with a sustainable Black Angus cattle farm. Protecting our land is important to us.

We are at a turning point with investing in renewables. There needs to be a balance between renewable green energy and being able to afford to keep the lights on. I want affordability and reliability to be top priorities in renewable power. My experiences as a successful business owner will certainly make me a suitable candidate for this board.

I look forward to serving you. I can be reached at kingdombrewing@yahoo. com with any questions or concerns.

Tim Kenney

I am a lifelong resident of Richmond, VT with experience in serving on boards for commercial entities and nonprofits. I have managed technology companies as well as several international offices for GE Healthcare. I believe my experience would be valuable to the board.



previous positions in the technology and healthcare sectors, I have developed a strong foundation in overseeing complex systems and ensuring their security and efficiency. On January 31, 2024, the FBI warned Congress that Chinese hackers are preparing to wreak havoc on critical U.S. infrastructure. I am interested in applying my expertise in cybersecurity to enhance the Co-Op's defenses against ever-evolving digital threats.

Additionally, the increased frequency of storms and outages, likely exacerbated by climate change, is a concern that I share with many of you. It's important to improve the resilience of the Co-Op distribution system against such environmental challenges while maintaining an affordable system for commercial and residential members.

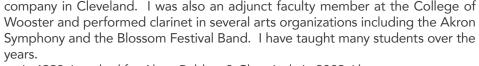
I appreciate the Co-Op's movement towards a completely renewable and clean energy supply. The Co-Op must continue to explore localized energy sources and storage solutions. As a family, we are proud participants in the community solar projects initiated by Vermont Electric Co-Op. I am excited about the opportunity to support and expand such initiatives at the board level.

Feel free to connect with me on LinkedIn at https://www.linkedin.com/in/tim-kenney-vt/ to review my experience.

Richard Dee

My wife, Renee and I live in Lowell on Mount Norris. We moved here in 2022 after working and raising a family in Ohio. I have a strong business background and am ready to serve this area's cooperative members.





In 1998, I worked for Alcan Rubber & Chemical. In 2003, I became part-owner, COO and CFO of ChemSpec, Ltd. I served on its Board of Directors. I oversaw all aspects of the company, especially purchasing and quality control. I traveled extensively throughout the world visiting and inspecting supplier manufacturing plants.

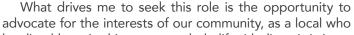
I served on the board for the Greater Akron Musical Arts Association from 2006-2011 and chaired the Finance Committee. I have also volunteered for the Kiwanis, the Boy Scouts of America, Akron Lyric Opera and the PTA.

I am a graduate of the University of Wisconsin in Madison.

I want to keep Vermont Electric Coop in excellent financial condition and focused on benefitting all its members. I want to continue the focus on renewable sources of energy especially from local producers.

Victor Veve

I am a candidate for the director position on the Vermont Electric Co-op board. I bring with me extensive experience in the energy sector, particularly in solar and energy storage development, and a background working with co-ops across the country developing renewable energy projects.



has lived here in this area my whole life. I believe it is important to carry on our Vermont tradition of environmental stewardship, and I am dedicated to advancing initiatives that promote cost effective sustainability while balancing the needs of our members.

I am committed to ensuring the reliability and affordability of our energy services. I believe in the power of collaboration and inclusivity, and I am deeply invested in ensuring that all voices are heard and represented in our cooperative's decision-making processes. It is essential for all of us to discuss, plan and chart a path together as we face all our shared challenges. "Freedom and Unity" (VT. Motto)

If elected, I will be dedicated to advancing our shared goals of sustainability, resilience, and progress. I will leave no stone unturned in the pursuit of innovative solutions that have the potential for meaningful impact and rate savings.

Together, we have the power to shape the future of our planet and ensure a legacy of hope for generations to come.

I welcome the opportunity to connect with you further; 802-490-1716.

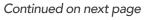
George Lague

My name is George H. Lague and I am seeking re-election to the board of Vermont Electric Cooperative. I graduated From VTC in 1970 with a degree in electrical engineering and began my career at Citizens Utilities for sixteen years then went to work for Swanton Village as their manager for twenty three years. At Swanton I managed the electric, water, and wastewater systems as well as the police, fire and street de-



partments. During my time there the Hydro electric facility was expanded from 4 megawatts to 10 megawatts at a cost of over 22 Million dollars. This caused a steep rise in electric rates followed by over seven years of no rate increases at all. The hydro expansion allowed Swanton Village to ultimately have the lowest electric rates in the state for several years. I am interested in the position on the board to offer my experience in the utility business. As a board member you are part of a team of people whose job is to provide guidance and over sight for the manger at the co-op. I am a native Vermonter born in Newport. My wife and I have both lived here most of our lives. We will celebrate our fifty fourth anniversary this summer. We have three daughters that have blessed us with eight grandchildren and now seven great grandchildren with number eight expected in June. Thank you for your consideration.

Respectfully George H. Lague



Marc Tivoly

My name is Marc Tivoly. I was born in the French Alpes. I went to business school in France and in UK. In 2000 I moved to Newport Center. In 2011 I was naturalized. From 2000 until October 2023, I was the CEO of Tivoly Inc (Derby Line VT). Tivoly Inc manufactures High Speed Steel Threading Taps for metal working applications.



VEC has always been a committed and reliable organiza-

tion. I am interested to become a board member, because I desire to learn more about our community. I would like also to better understand VEC 's challenges & opportunities.

The first thing I did when I started my manufacturing career, was to listen and to learn from our talented team. Eventually, we did amazing things. As a director I will do the same: Listen and learn. I will then contribute to the best of my ability wherever it will be the most needed.

I believe that our challenge is to continue to provide a reliable, cost effective and clean energy while facing an unstable and unpredictable environment.

I have "people skills" and an international background. Easy to speak with. I always welcome ideas, suggestions, and questions. Feel free to reach out: + 1 802 272 0212. Thank you!

VEC's Board of Directors: An Overview

VEC is governed by a 12-member Board of Directors that represents the membership. The board has fiduciary responsibility for setting broad policy in accordance with statute and the coop bylaws in determining the overall operation and direction of the co-op.

Among other things, the board reviews and approves the co-op's financial management, and related retirement of member capital, when it's financially feasible. The board reviews and approves the annual strategic plan and conducts longer term, high level, multiyear planning. The board is also responsible for the hiring and oversight of VEC's chief executive officer and for reporting the past year's progress at VEC's Annual Meeting of the Membership.

Board members also bring questions and concerns from VEC members to the full board and staff when necessary.

Community Fund: Generous VEC Members Making a Real Difference

In 2023 the VEC Community Fund disbursed to local non-profits the largest amount of money ever. The fund gave out grants totaling \$47,959 in 2023, almost double the \$24,100 awarded the previous year and well above any previous year since the fund was launched in 2015.

The fund made 61 separate grant awards in 2023 compared to 32 in 2022.

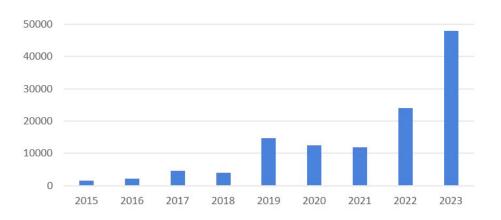
"We've had our best year yet," said Community Fund Committee chair and VEC work order specialist Ed Peterson. "Why? Because our generous members have given a big boost to the program over the last couple of years, by continuing to round up their electric bills and donating member capital," he said.

"The fund can do what it does because there is strength in numbers," he said. "Currently over 2,000 members participate and we are hoping even more members will join in and keep the fund on this promising trajectory," he said.

About eight percent of VEC's 33,000 members participate by either rounding up their monthly electric bill to the nearest dollar or donating their member capital each year, so there is still plenty of room to grow the donations, he said.

Since it made its first donation eight years ago, the fund has sent just over \$120,000 to some 150 non-profit organizations in the VEC region. The fund is supported by co-op members who voluntarily round up their electric bills to the nearest dollar, donate their member capital, or make one-time donations. The funds are entirely separate from money collected by VEC from electricity sales and support local organizations that support economic security, energy education, emergency and disaster relief, and community development.

Value of Community Fund Grant Awards by Year



Apply for Support

Do you know a non-profit that serves VEC members that's looking for funding? Applying for a Community Fund grant is easy. Just go to vermontelectric.coop/community-fund and click on the Apply button and fill out the online form. The committee reviews applications and makes allocations quarterly.

Do you want to support the Community Fund? You can round up your monthly electric bills to the next highest dollar, donate your member capital, or make a one-time donation.

More at: vermontelectric.coop/community-fund



Solar Power For People, Not Profit!

Vermont Electric Cooperative is member-owned and committed to the best interests of our members and their communities. This is why we developed VEC Co-op Community Solar—an easy and efficient way for all VEC members to get great value while supporting clean electricity.

VEC Co-op Community Solar is perfect for folks renting their home and for houses with a shady site or unsuitable roof.

Members simply make a one-time upfront payment to sponsor a portion of the solar array and receive a guaranteed fixed monthly credit on their electric bill. Participants can opt out at any time for any reason, and get back a prorated portion of their sponsorship. Ten and twenty year terms are available and so is affordable financing.

With projects up and running in Alburgh, Grand Isle and Hinesburg, now is a good time to support solar with VEC Co-op Community Solar.

For more information, visit vermontelectric.coop/solar or call 1-800-832-2667.







Save money Support solar

FREE APPLIANCE REPLACEMENT OPPORTUNITY!

Depending on your income and energy costs, Efficiency Vermont can provide **FREE replacement** of older equipment that could help save you money. You may be eligible for:



New LED lightbulbs and water saving devices



New appliances (like a refrigerator, deep freezer, clothes washer)



If you use electricity to heat your home or water, you could also get a free ductless heat pump or heat pump water heater



A free home energy consultation

This is a **service** provided by Efficiency Vermont for incomeeligible Vermonters at no cost. **Over 17,000** homeowners and renters have already taken advantage of this offer and lowered their electric bills, some by **50% or more**.

SCAN TO LEARN MORE:









To confirm your eligibility, call Efficiency Vermont at **888-921-5990** or visit **efficiencyvermont.com/free-products** to learn more.

VEC 2023 Financial Statement

Assets		2023		_	2023
Electric plant, at cost:			Operating revenue	\$	93,940,820
Electric plant in service		209,086,416	Less revenues subject to refund	_	_
Less accumulated depreciation		70,267,023	Total operating revenue		93,940,820
Net electric plant in service		138,819,393	Operating expenses:	_	
Construction work in progress		5,771,762	Purchased power		45,398,845
Net electric plant		144,591,155	Transmission:		
Current assets:			Operations		15,136,980
Cash		1,114,944	Maintenance		316,647
Notes receivable		_	Distribution:		
Accounts receivable, less allowance for doubtful accounts of	f		Operations		7,484,542
\$90,607		11,872,103	Maintenance		8,877,763
Unbilled revenue		5,903,176	Customer accounts		2,959,641
Inventories		7,331,544	Administrative and general		4,944,711
Prepaid expenses		1,200,925	General plant maintenance		331,765
Total current assets		27,422,692	Depreciation and amortization		6,547,439
Other assets:			Taxes		911,876
Nonutility property		65,697	Total operating expenses	_	92,910,209
Other investments		49,652,519	Income from operations	_	1,030,611
Deferred charges		_	Other income (expense):	_	
Total other assets		49,718,216	Gain (Loss) on sale of fixed assets		1,700
Total assets		221,732,063	Other income (expenses)		1,438,643
			Interest and dividend income		5,470,973
Liabilities and Equity		2023	Other capital credits & dividends		628,343
Equities:			Total other income, net	_	7,539,659
			Interest charges:	_	
Member capital assignable		91,193,164	Interest on long-term debt		4,127,698
Other equities		2,863,627	Other interest		310,066
Contributions in aid of construction		_	Total interest charges	_	4,437,764
Net equity		94,056,791	Net income	\$	4,132,506
Long-term debt, excluding current installments		93,758,532		=	
Obligations under capital lease, excluding current installments					
Deferred Compensation Plan		417,243			
Current liabilities:			Capital Spending		
Current installments of long-term debt		5,411,331	For the Year Ended December 31, 2023		
Revolving debt		12,405,952			
Accounts payable		11,071,817	Capital Spending		2023
Customer deposits		1,753,584	New Construction, System Improvements,	_	
Customer deposits		,			
Customer deposits Deferred credits		6,894	& General Plant	\$	16,909,825
Deferred credits		6,894 2,849,919	& General Plant Less Contributions in Aid of Construction	\$	16,909,825 4,816,820
·		6,894 2,849,919 33,499,497		\$ _	16,909,825 4,816,820

Spring Safety Reminders

Many of us are eager to get a jump on outdoor projects around our homes this time of year, including yard cleanup, tree trimming, repairs, plantings, and painting projects.

In our haste to get work done, we may be tempted to cut corners. Please remember to plan, think through your process, and keep focused while you work.

Here are a few tips for specific tasks:

- If you are doing any tree planting, fence installation, or digging any sort of trench on your property call DigSafe (dial 811) beforehand to make sure there are no underground service lines in the area.
- Use caution cutting trees. Before cutting trees, evaluate what could happen if a tree or branch falls in an unintended direction. Call VEC for trees that could come down on power lines.
- Be aware of electric lines around your house. Ensure that all overhead outdoor work, like roof work, house painting or repair is done at least 15 feet from any service lines. When clearing vines, shrubs, or brush near your home, take care not to cut or come into contact with electrical lines that could be concealed in the vegetation.
- Clear the lawn before mowing. Before starting your lawn mower, inspect the lawn for foreign objects like stones, sticks and toys, and remove them before starting to mow. It's often easier and safer to move lawn furniture, grills, hoses, and other larger objects off the lawn before starting to mow so you don't have to work around these objects, which can be awkward and risky.
- Take care with ladders. Before raising or extending any kind of ladder (metal pole, or other equipment) capable of reaching a power line, check in all directions for power lines. Keep ladders at least 15 feet away from lines.

Enjoy spring, and please stay safe!

CEO update: Continued from page 1

necessary to navigate our energy transition in an affordable and reliable way. For instance, if we can improve "visibility" into our system – for example gaining real-time knowledge into the status of solar generation on our system – we can better manage batteries or electric vehicle chargers in a way that allows us to reduce the need for infrastructure investment.

These grants are designed to support these investments, including an updated Automated Meter System, distributed sensors, batteries and software to integrate and manage all these data streams. We have been awarded \$1.1 million in grants in these areas so far and are currently pursuing over \$5 million in additional funding.

We continue to hone our grant application skills generally, look for all relevant grants, and position VEC to receive the most additional funding we can help mitigate rate impacts stemming from all of these changes to the energy system.

Working with Partners

So, grants are critical. And as a small electric utility, we also rely on partners to get so much of our work done. We have partnered with other Vermont utilities, our national electric cooperative organization known as the National Rural Electric Co-operatives Association (NRECA), The Vermont Electric Power Company (VELCO), Pacific Northwest National Labs, local municipalities, and innovative technology companies. By working with others, we can save time and provide broader benefits to our members generally. While we at VEC pride ourselves on being at the edge of innovation in many ways, we respect and appreciate the value of collaboration and partnerships as we seize the opportunities ahead in this dynamic sector.

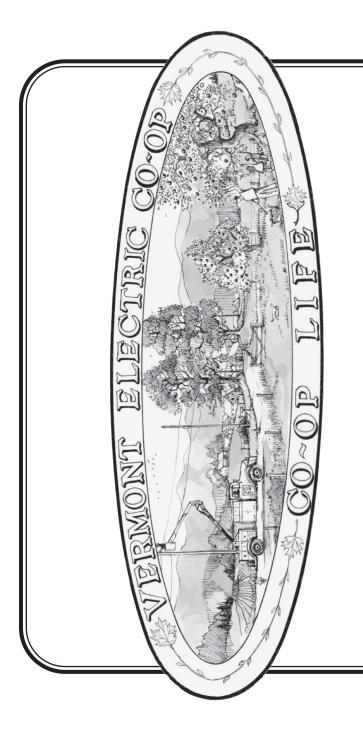


Digging? Call First

Spring is a time when we often find ourselves out in the yard starting work on DIY projects, and those can include digging into the ground. We might be planting some trees, putting in a fence, or doing trenching of some sort.

Remember, if you are planning on doing any digging, please call DigSafe at 811 several days ahead of time so they can make sure there are no underground service lines in the area. These could include electric, telephone, gas or water lines, for instance.

You can find more information at www.digsafe.com





The VEC Community Fund – supported by VEC members who voluntarily contribute

– recently granted \$1,000 to go toward prizes for North Country Supervisory Union
students competing in a regional science and engineering fair. Above are some recent
winners: grade 6 students Dan Putvain and Preslee Couture of Coventry. Turn to
page 5 to learn more about the Community Fund.



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