

# WASHINGTON ELECTRIC COOPERATIVE, INC.

## 80<sup>th</sup> ANNUAL MEMBERSHIP MEETING

May 2, 2019

The 80<sup>th</sup> Annual Membership Meeting was held at the Washington Electric Cooperative Operation Center on Thursday, May 2, 2019, with 261 members, guests, and employees in attendance. The business meeting was called to order at 6:18 p.m. by President Barry Bernstein.

### INTRODUCTIONS

President Bernstein gave appreciation to Cabot Creamery for providing cheese, and then introduced WEC's Board of Directors and Steven Farnham, Glenn Goodrich, Anne Reed and Barry Bernstein as this year's director candidates. President Bernstein also introduced guests Mayor of Barre Lucas Herring; Sue Minter; Rebecca Ellis; Deputy Attorney General Joshua Diamond; Jared Duval; Robert Dostis; John Murphy, Stantec; Ron Shems and Gerry Tarrant, legal counsel from Tarrant, Gillies and Richardson, and daughter Gracie Tarrant; Rebecca Towne, VEC; Rep. Avram Patt; Rebecca Foster and VEIC staff; Tom Dunn, CEO VELCO and staff; and Rep. Carl Demrow.

### CERTIFICATION OF QUORUM

President Bernstein called on Ballot Committee Co-chair Joe Kelly to present the certification of quorum. Mr. Kelly stated 897 ballots were received by mail from the CPA firm, 9 ballots were invalid (spoiled) and 23 ballots had been cast in person at the meeting for a total of 920 members voting in the election which he certified constituted a quorum for the purpose of transacting business at the 80<sup>th</sup> Annual Membership Meeting in accordance with the Cooperative's Bylaws. President Bernstein also recognized Nancy Fuller as Committee Co-chair.

### NOTICE OF MEETING

President Bernstein called on Secretary Anne Reed who certified that Volume 80, No. 3 of the Cooperative's newsletter, *Co-op Currents*, constituted the official notice of the 80<sup>th</sup> Annual Meeting of the Members and that this notice was mailed to all members of record on the 8<sup>th</sup> day of April 2019, in accordance with the requirements of the Bylaws.

### APPROVAL OF MINUTES—2018 ANNUAL MEMBERSHIP MEETING

President Bernstein called for a motion to waive the reading of the minutes of the 2018 Annual Membership Meeting held on May 2, 2018, and to approve the minutes as presented.

*A motion was made by WEC Member Jackie Folsom of Cabot to waive the reading of the minutes of the 2018 Annual Membership Meeting and to approve them as presented. The motion, which was duly seconded by Bud Haas of Bradford, passed unanimously.*

## **EMPLOYEE RECOGNITION**

Every year the Cooperative honors employees who reach five-year employment increments. General Manager Richards presented certificates of appreciation to two employees who qualified for these milestones:

- Beth Ouellette, Senior Member Services Representative, 20 years of service
- Steve Hart, Utility Field Technician, 30 years of service

All WEC employees were asked to stand and be recognized, as well as Katie Titterton, Co-op Currents Editor. President Bernstein recognized all employees for their work through storms and months after for restoration.

## **PRESIDENT'S REPORT**

President Bernstein opened his report with a historical overview of how rural co-ops began. He recognized the duress these estimated 150 early WEC members endured to establish the Co-op and what it has taken to bring the Co-op to its current size of 11,000 members. He dedicated the 80<sup>th</sup> Annual Membership meeting to those early members.

President Bernstein noted the co-op difference being the member-owned status and capital credit retirements, which members receive in the form of bill credits. He described the credits and how they decrease the impact of rate increases.

President Bernstein recognized CFC, WEC's secondary lender and the utility co-ops' largest lender, which is celebrating its 50<sup>th</sup> year, and Cabot Creamery Cooperative, which is celebrating its 100<sup>th</sup> year.

President Bernstein noted that WEC is exploring a feasibility assessment and business plan to bring fiber optic broadband service to member homes.

President Bernstein thanked and recognized the Board of Directors, General Manager and staff and how much we all care for WEC and its members.

## **TREASURER'S REPORT**

Treasurer Donald Douglas opened his report with the traditional humorous anecdote, and then reviewed WEC's most recent rate increases and financial status. He reviewed the issues that are causing financial challenges, which include constrained power transmission in the north and the decreased REC market. He elaborated on the capital credit process and how refunds have been able to be returned over the last twenty-one years. Treasurer Douglas noted that WEC again had a clean audit and led applause for the Finance Department.

President Bernstein recognized and thanked retiring Director Roy Folsom for his 15 years of board service.

## **MANAGER'S REPORT**

General Manager Richards thanked the Board of Directors for their direction and commitment. She noted that the annual member meeting is democracy in action and that WEC appreciated members' opinions and encouraged members to complete survey cards and to visit the Capstone Community Action walk through display.

Ms. Richards briefly described the Service Quality & Reliability Performance (SQRP) process and pointed out that a full report can be found in the annual meeting issue (April) of WEC's newsletter, Co-op Currents. She announced that due to storm related outages, WEC missed one metric in 2018, but all other areas were met. She noted that 100-year storms are occurring every 5 years, climate change in action. WEC is increasing its Right of Way budget so increased reliability will be achieved in all areas. She encouraged members to report to WEC any trees they may have concern with being close to the lines.

Ms. Richards addressed several other topics in her report to the membership, including WEC's excellent safety record continued with 1300 days, 3.5 years of no lost time accidents and 4 million miles, 15 years, of no transportation violations. Paramount piece of work that we do in taking safety seriously. She noted that the proposed rate design was filed to assist WEC and its members in meeting recent legislation requirements. She outlined the changes such as Tier III fossil fuel removal and how realigning rates will help people use electricity effectively and be 100% renewable. An incentive flyer was provided at the tables to show what is available for members. Ms. Richard briefly described that the Community Fund was initially funded at \$20,000 a year and has increased to \$40,000 a year thanks to members donating their capital credits. Local organizations receiving grants were noted.

## **ELECTION RESULTS**

President Bernstein reported the results of the director election: Barry Bernstein, 706 votes; Steven Farnham, 652; Anne Reed, 654; and Glenn Goodrich, 568. He congratulated Mr. Farnham and thanked Glenn Goodrich for running.

## **QUESTION/ANSWER SESSION**

The meeting was opened to questions and/or comments from attendees. WEC member Alex Thayer expressed appreciation to Dan Weston for his clarity and helpful interaction. Amos Meacham noted that he was excited about research into fiber service and questioned the Capital Credit process. Treasurer Douglas provided a brief historical review of the capital credit process. WEC member Bob Atchinson suggested that we cannot be 100% renewable if we sell RECs to people who are not 100% renewable and that WEC should remove itself from the REC market. President Bernstein noted that this topic is of interest each year and that changes are occurring.

Member Kathleen Oswald noted that GMP was offering Tesla batteries and wondered if WEC is considering storage batteries. General Manager Richards replied that Tesla batteries are on our horizon.

A member asked about solar generation; General Manager Richards noted that we are currently at capacity for renewable power supply, so more would not be allowed.

Responding to a member inquiry about the Coventry Landfill expansion project and its impact on WEC's power production, General Manager Richards stated that Coventry will produce energy for WEC for 30 to 40 more years, and that the expansion would extend those years.

Member Steve Chase reported that he had 3 meters and 3 customer charges. President Bernstein noted Mr. Chase had come to discuss this issue at the board meeting and discussion with WEC's Engineering and Operations Director still needs to occur.

Member Tammy Leno wanted to recognize the people who serve food to the operations crew during the storms. Ms. Leno also suggest that meeting sound technology be "hard wired" to set an example of safe technology, and optic fiber be completed but not 5g wireless. President Bernstein acknowledge Ms. Leno's comments and agreed to talk to her more in depth at a future time.

Member Charles Johnson inquired about the green markings on ash trees. General Manager Richards elaborated on WEC's proactive stance on removal of the ash trees being infested with the Emerald Ash Borer. Member Carolyn Peake added that mature trees are attacked not the young trees.

General Manager Richards thanked everyone for their comments and encouraged attendees to visit the Capstone makeover home RV before leaving the meeting.

### ADJOURNMENT

With no further business to conduct, the meeting was adjourned at 7:10 p.m., prior to a presentation by Sue Minter, Executive Director of Capstone Community Action, and the awarding of door prizes donated by FireProTec, Cabot Creamery, Efficiency Vermont, Hunger Mountain Co-op, Lowell McLeod, R&L Archery, Sanel Auto Parts, Farnham Sugar Farm, WESCO, and WEC.

Date of Membership Approval: May 7, 2020

Attest:   
M. Annie Reed, Secretary