

WASHINGTON ELECTRIC COOPERATIVE, INC.
SPECIAL MEETING OF THE BOARD OF DIRECTORS

May 6, 2020

The special meeting of the Board of Directors, conducted via video teleconference, was called to order at 9:05 a.m. by President Barry Bernstein with the following board members present:

Barry Bernstein	Steven Farnham	Richard Rubin
Don Douglas	Jean Hamilton	Mary Just Skinner
Roger Fox	Stephen Knowlton	

Director Annie Reed was absent. Also, present were General Manager Patty Richards, Director of Finance Cheryl Willette, and Attorney Ron Shems of the law firm Tarrant, Gillies and Richardson, the Cooperative's legal counsel.

All Board members present waived notice for this special meeting.

2020 SBA PPP LOAN STATUS

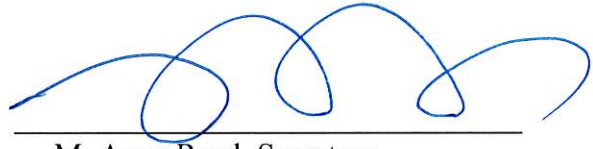
President Bernstein recapped the guidelines for the Small Business Administration (SBA) Paycheck Protection Program (PPP) loan which WEC has received. He noted that the deadline for "safe harbor" return of the loan funds has been extended to May 14th.

General Manager Richards observed that April's significant increase in power sales and associated revenues seems likely to continue while so many people are unemployed or working from home. She does not believe she can continue to justify the required necessity certification based on currently available guidance and is recommending return of the loan funds. Director of Finance Willette reviewed her financial analysis and associated assumptions, and her concerns about complying with the loan requirements. Mr. Shems commented on potential legal exposures. There was general agreement to hold off on a return until close to the deadline in case new information becomes available.

A motion was made by Director Douglas and seconded by Director Fox to authorize the General Manager to return the \$842,725 SBA PPP loan funds if staff cannot make a necessity determination to defend keeping the funds and if staff cannot find other justification for keeping the funds. The board voted unanimously in favor of the motion.

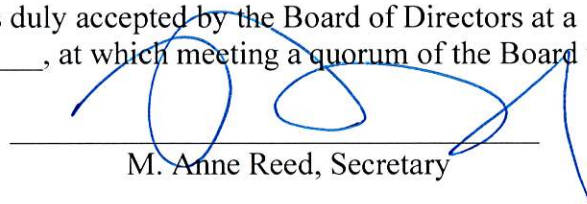
President Bernstein noted that he is inclined to interpret the existing guidance more liberally, given the intent of Congress to help businesses. Given the uncertainty, Directors Hamilton and Skinner suggested contacting Vermont's Congressional staff and governor's office for further guidance and assistance.

As there was no further essential business to discuss, the meeting adjourned at 10:08 a.m.



M. Anne Reed, Secretary

The foregoing record of the minutes was duly accepted by the Board of Directors at a regular meeting held on May 27, 2020, at which meeting a quorum of the Board was present and voting.



M. Anne Reed, Secretary