

WASHINGTON ELECTRIC COOPERATIVE, INC.
REGULAR NOVEMBER MEETING OF THE BOARD OF DIRECTORS

December 2, 2020

The regular meeting of the Board of Directors, conducted via video teleconference, was called to order at 2:02 p.m. by President Barry Bernstein. The following board members were in attendance:

Barry Bernstein	Roger Fox	Anne Reed
Donald Douglas	Jean Hamilton (joined 2:33 p.m.)	Richard Rubin
Steven Farnham	Stephen Knowlton	Mary Just Skinner

Also present were Attorney Ron Shems of the law firm Tarrant, Gillies, Richardson, & Shems, the Cooperative's legal counsel; Director of Finance & Administration (F&A) Cheryl Willette; Director of Engineering and Operations (E&O) Dan Weston; and Administrative Assistant Dawn Johnson. General Manager Patty Richards was absent due to an unexpected family matter.

APPROVAL OF CONSENT AGENDA ITEMS

The consent agenda included the minutes of the October 28, 2020 regular Board meeting.

There being no corrections or comments, President Bernstein declared the minutes of the regular board meeting held October 28, 2020, approved.

2021 BOARD/COMMITTEE MEETING CALENDAR

President Bernstein requested that changes be considered to the 2021 Board/Committee Meeting Calendar: the committee meetings in October pertaining to the 2022 budget need to occur prior to the FAPP budget meeting scheduled that month, and a special board meeting for audit approval should occur March 17, and then a regular board meeting would be set for March 31. The schedule date of May 6 for the 82nd Annual Meeting was agreed upon.

2021 OPERATING AND CAPITAL BUDGETS

There was a brief discussion regarding the FAPP Committee and staff progress in developing the 2021 Operating and Capital Budgets. Director Douglas highlighted the goal of approving an operating budget that meets lender requirements. The capital budget is completed and both budgets will be presented for Board approval at the December board meeting being held January 6, 2021. President Bernstein highlighted the line item for board governance training and Director Skinner noted an upcoming NEAEC succession training.

2021 WINTER POWER HEDGE

President Bernstein noted that the FAPP Committee supported staff's recommendation to hedge up to 3 MW below \$50/MWh. Director Douglas provided an overview of the value of hedging. The General Manager was encouraged to draft a policy for the Board to consider that allows staff to enter hedging contracts without having to obtain approval each year from the Board.

A motion was made by Director Farnham and seconded by Director Rubin to authorize the General Manager to enter energy hedge contracts for January and February 2021 for up to 3 MWs on-peak power per month at a price at or below \$50 per MWh, and to develop a hedging policy. The board voted unanimously in favor of the motion.

2021 FIVE YEAR AND ANNUAL PLAN

Director Rubin noted the plan was clear. There was no further discussion.

MANAGER'S Q&A

President Bernstein noted that matters being researched by Attorney Shems included the possibility of director candidates being able to obtain nominating petition signatures electronically, and bylaw changes to allow more flexibility during emergencies.

REVENUE DEFERRAL RESOLUTION

Director of F&A Willette provided an explanation of the revenue deferral status, and the need for the Board's immediate approval of the Resolution drafted by staff and Legal Counsel Shems.

A motion was made by Director Rubin, seconded by Director Douglas to adopt the Resolution concerning authorization for deferring recognition of excess revenue from the PPP grant. A friendly amendment by Director Skinner to authorize all needed future actions consistent with the resolution was accepted. The board voted unanimously in favor of the amended motion.

EXECUTIVE SESSION

The board entered Executive Session at 2:47 p.m. to discuss the updates regarding the broadband Feasibility Study, Rural Digital Opportunity Fund (RDOF) auction, and the Communication Union District (CUD) MOU. There was no action taken during executive session.

The meeting reconvened in open session at 3:25 p.m.

VERMONT CONSUMER ARREARS ASSISTANCE PROGRAM (VCAAP)

There was a brief discussion regarding how members were accessing the VCAAP funds and WEC's efforts to promote the program and assist members with the process.

NEW BUSINESS UPDATE

Director Farnham requested a review of the regulations and bylaws concerning email deliberation of business matters. Attorney Shems and Director Farnham will set up a meeting to discuss this topic further.

As there was no further essential business to discuss, the meeting adjourned at 3:38 p.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 1/6/2021, at which meeting a quorum of the Board was present and voting.



M. Anne Reed, Secretary

