



# WEC CO-OP CURRENTS

Vol. 70, No. 3

The newsletter of Washington Electric Cooperative, Inc., East Montpelier, Vermont.

April 2009

## 1939 Plus 70: A Changed World For WEC's Annual Meeting *Dinner Menu Goes Local!*

**1** 939 wasn't just any old year. The world remained mired in the Great Depression, and on September 1 Germany attacked Poland, leading Great Britain, France, and Australia to declare war on Hitler's regime. In May of 1939 Germany and Italy had signed the "Pact of Steel" – an economic and military alliance – so now the sides were drawn in what became World War II. Formally, the U.S. remained uncommitted, but Congress amended the Neutrality Acts in 1939 so we could send military aid to Europe.

Albert Einstein corresponded with President Franklin D. Roosevelt suggesting a program to develop an "atomic bomb" – the genesis of the Manhattan Project.

Other things were happening, too, in 1939. An earthquake in Chile killed 30,000 people, and France held its last public execution by guillotine. The World's Fair opened in New York City, demonstrating an invention called "television." If the Depression left you any money to spend you could buy a new car for \$700 and fill it with 10-cents-per-gallon gasoline. Houses rented for \$28 a month. Films released in 1939 included "Gone With the Wind," "The Wizard of Oz," and "The Hunchback of Notre Dame."

Meanwhile, all around the U.S., electric co-ops were getting started, digging rural America out of poverty and pursuing the opportunities created by the Rural Electrification Act of 1936. It took a while for these fledgling groups to sign up a sufficient number of members willing and able to pay the (often \$5) membership fee to qualify for an REA charter and

loan. But by 1939 the co-ops' effect apparently was being felt, because one on-line history site ("The People History") provides this tidbit: "Due to increased number of users

electricity prices have been cut by ½ in ten years."

Many of America's 864 member-owned electric-distribution co-ops are celebrating their 70th anniversaries around now, and that includes Washington Electric Cooperative. When members gather at the Barre Elks Club on Tuesday, May 12, it will be the Co-op's 70th Annual



Rep. Tony Klein

Membership Meeting. A user-owned electric system first proposed in July 1939 when 30 neighbors met at the Maple Corner Grange, and which set its first power pole just three months later at the McKnight Farm in East Montpelier (when Gov. George Aiken, after breaking ground for the pole with a shovel, said, "You folks don't know what you've started; I wouldn't be surprised if you had 1,000 members someday") now has 10 times that number. And 23,789 power poles.

### Local candidates, local edibles

What those 30 Vermonters started was an electric utility, yet more than that. Unlike investor-owned power companies, Washington Electric combines the principles and practices of the Rochdale Society of Equitable Pioneers (first modern cooperative, founded in England in 1844) with participatory American democracy, and brings folks together each year at a gathering akin to a New England town meeting.

On one hand, the Annual Meeting

*continued on page 8*

### Inside

**WEC's 2008 Service Quality and Reliability Performance Monitoring and Reporting Plan.** The Co-op's annual "SQRP" report to the state is included in this issue's Manager's Report. Page 3.

**Officers' Annual Reports:** WEC's President (page 2), General Manager (page 3) and Treasurer (page 6) update you on your Co-op.

**Five candidates for the Board of Directors** seek your support. Meet them on page 4.



## WASHINGTON ELECTRIC COOPERATIVE, INC.

Wednesday, May 12, 2009

# 70<sup>th</sup> Annual Membership Meeting

**Barre Elks Lodge  
(10 Jefferson Street, Barre)**

### Agenda

- 5:00 p.m.** Registration— Ballot Boxes Declared Open
- 5:30 p.m.** Dinner Served— Buffet  
*(Reservations required— see coupon on Page 8)*
- 6:30 p.m.** Business Meeting Called to Order  
(Ballot Boxes Open 5:00 - 7:00 p.m.)
  - Reports from Officers:**  
President's Report  
Treasurer's Report  
Manager's Report
  - Question/Answer Session**  
on any subject of interest to members
  - Guest Speaker**— Representative Tony Klein, Chair of the House Natural Resources & Energy Committee; WEC member presents: "Energy Under the Golden Dome—Steering a Course at the State House"
- 8:30 p.m.** Adjournment

*(The meeting is scheduled to adjourn at 8:30, but it will continue as long as there are questions from the membership.)  
Door prizes to be drawn at the end of the evening.*

## Official Notice and Annual Report

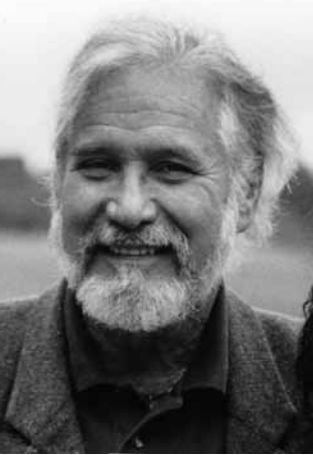
## President's Report

# WEC Power Increasingly 'Home-Grown' And Affordable

By Barry Bernstein

I am aware each year as I write this annual message to our members how fortunate I am to be experiencing the emergence of spring, as the mud-season back roads are a clear indication of the change in seasons. It's great to see more smiles on people's faces as we all come out from underneath the covers.

Unfortunately, the high spirits of springtime are undermined this year by the economic difficulties our communities and many of us personally are experiencing. In light of these circumstances the Board and management at Washington Electric Co-op will continue to be diligent in our decisions concerning long-term planning for power, the equipment we purchase for our distribution and transmission infrastructure, in our internal operations, and in reaching out to help our membership conserve and use electricity efficiently. We need each other



to meet the challenges of a changing world.

### Recapping 2008, and Looking Forward to 2009

**Farewell:** 2008 will be memorable for many of us as the year when we lost a longtime friend, Wendell Cilley of West Topsham. Wendell was a Vermonter of several generations

and a Co-op member most of his life. He served on the Board of Directors from 1993 until his death in September. We will go on without him – and have done so – but there's no replacing a man like Wendell Cilley.

**New Director:** Andrea Colnes, from East Montpelier, was appointed by your Board in October 2008 to fill Wendell's seat on an interim basis. It was encouraging to have a number of WEC members put their names forth for consideration. It is also encouraging, and a sign of the vibrancy of our Co-op, to have five members running for four

Directors' seats in the upcoming elections.

**Cycle billing:** The Co-op instituted a new billing regime – three billing cycles per month, rather than billing all members simultaneously. While the changeover caused confusion at the time for some people, our Member Services Department worked with people to minimize the inconvenience. The changeover has made our employees' workload more manageable; it also enables each member's bills to more accurately reflect their usage in real time, rather than a month later (as was the case). Special thanks to our employees for their work during the transition, and to you, our members, for your cooperation during the changeover.

**New staff:** Apprentice linemen Jason Preston and Doug LaPierre started at WEC in March 2008, and are part of the next generation of WEC linemen, as is Amos Turner, who came to us from the Barton Village Electric Department in December. Hardwick's Sandra Gendron, who had been working with us on a temporary basis, became our Information Data Base Technician, responsible for updating our computerized outage management system and our mapping system, which are critical during outages and for daily work in the field.

**Finances and electricity sales:** It has been almost two years since Cheryl Willette became our new Director of Finance, and her skills have been a great addition to our excellent Accounting Department. While our Co-op had been projecting a 1.3-percent average annual growth in our retail power sales, instead sales have followed a flat trajectory, and in 2008 sales actually declined. This is due to several factors, including improved energy efficiency in electric products, weather variance, and the economy (as evidenced by fewer new-member hookups).

**WEC's Construction Work Plan (CWP):** We have ended the first year of our four-year (2008-2011) construction plan, and are into our second year. The CWP is our guide to the ongoing upgrade of our distribution system. In 2009 we have begun the permitting process for rebuilding our substation in East Montpelier, a project we hope to complete in 2010. We will then have rebuilt and modernized five or our eight substations – the heart of our distribution system.

*Power that we generate ourselves from our facilities at the Coventry landfill and the Wrightsville hydro station produced a combined 70.23 percent of our power needs in 2008.*

**Right-of-Way:** As part of your Co-op's comprehensive efforts to improve the system under Operations Director Dan Weston, Right-of-Way Coordinator Mike Myers, and with the help of our employees and right-of-way contractors, the Board has continued

to approve increases in our ROW budget. We have also supported our danger tree-removal program, and an accelerated examination and treatment of the system's 24,000 distribution poles. These programs reduce outages and extend the life of our system's infrastructure.

The pole-treatment program, an eight-year project, will be completed in 2011. It will extend the life cycle of WEC's pole plant, saving our members thousands of dollars. We extend special thanks to System Technician Ed Schunk and other employees who have been involved in this effort, and to everyone involved in the right-of-way maintenance efforts that help keep our lights on during storms.

**Storms:** We had a very wet spring and summer in 2008, but were lucky in not getting hit with a seasonal storm when the leaves were still on the trees in October. Non-storm-related reliability at the Co-op continues to improve. WEC experienced moderate to below-average storm-related outages in 2008, with the month of May accounting for 25 percent of "consumer-hours out" (approximately 24,000 hours total in 2008; our annual Reliability Report to our members will appear in the June *Co-op Currents*).

**New rate design:** A reconfigured rate design and a Cost-of-Service Study – our first in more than a decade – will be filed with the Vermont Public Service Board in the second quarter of 2009, to be reviewed by the state Department of Public Service. WEC's staff and Directors began working on the study nearly three years ago. We anticipate the rate design will be approved by the end of 2009, and believe that it represents a fair allocation of costs among the various classes of Co-op members.

**WEC Pledge program:** We launched our Pledge program last April to help members improve energy efficiency and conservation measures in their homes, providing savings and lowering the Co-op's energy requirements and peak load. Approximately 1,700 members responded to the initial questionnaire, with 900 people following up by having a detailed phone assessment of their

*continued on page 8*

## Co-op Currents

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WEC is part of the alliance working to advance and support the principles of cooperatives in Vermont.  
www.vermontcooperatives.coop

### Board of Directors

President	BARRY BERNSTEIN (May 2010)	1237 Bliss Road, Marshfield, Vt. 05658 Bbearvt@aol.com	456-8843
Vice President	ROGER FOX (May 2009)	2067 Bayley-Hazen Rd., East Hardwick, Vt. 05836-9873 rfox@pivot.net	563-2321
	ANDREA COLNES (May 2009)	918 Jacobs Road, East Montpelier, Vt. 05602 alc@sover.net	223-8474
Treasurer	DONALD DOUGLAS (May 2011)	21 Douglas Rd., East Orange, Vt. 05086 dondougla@gmail.com	439-5364
	KIMBERLY CHENEY (May 2010)	143 S. Bear Swamp Rd., Middlesex, Vt. 05602 kcheney@cbs-law.com	223-3181
	ROY FOLSOM (May 2010)	2603 US Rt. 2, Cabot, Vt. 05647 RoyGrnsy@aol.com	426-3579
	DAVID MAGIDA (May 2011)	632 Center Road, Middlesex 05602 vtmagida@aol.com	223-8672
Secretary	MARION MILNE (May 2009)	1705 E. Orange Rd., W. Topsham, Vt. 05086 milne@tops-tele.com	439-5404
	RICHARD RUBIN (May 2009)	3496 East Hill Rd., Plainfield, Vt. 05667 rrubin@sover.net	454-8542

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Willind@aol.com

TIM NEWCOMB  
Layout

### Editorial Committee

Avram Patt Donald Douglas David Magida Will Lindner

The Board of Directors' regularly scheduled meetings are on the last Wednesday of each month, in the evening. Members are welcome to attend. Members who wish to discuss a matter with the Board should contact the president through WEC's office. Meeting dates and times are subject to change. For information about times and/or agenda, or to receive a copy of the minutes of past meetings, contact Administrative Assistant Deborah Brown, 802-223-5245.



## Manager's Report

# WEC's Service Quality Report For 2008

*Plus: WEC's Rates—No News is Still Good News*

By Avram Patt

In last year's annual report, I noted that Washington Electric Co-op's rates have remained stable for a long time, especially compared to other utilities' rates and to fuel costs. WEC filed its last rate increase request with the Public Service Board in late 1999 and that increase went into effect in January 2000. We have not increased rates in more than nine years, and our financial forecasts, as best we can estimate, show no need for an increase for at least a while longer.

However, a change that we are watching closely is kilowatt-hour sales, the revenue that we collect through our rates. As Don Douglas notes in his Treasurer's Report (page 6), after years of slow but steady growth in sales we have now seen some years of no growth or even decline. WEC is not alone in this. Other Vermont utilities are seeing a similar trend, as are utilities across the country. The weather and the economy always affect how much electricity people are using, but I am also convinced that we are really beginning to see the long-term impacts of energy conservation, as people change out light bulbs, replace old appliances, and just pay more attention to their energy usage. Using less electricity is a good thing for our planet and for Co-op members' pocketbooks, but from a business standpoint it does present challenges for your WEC Board of Directors and management.

We will continue to be diligent in controlling our costs and in providing service as efficiently as possible. But we also know that members do not want us to compromise the quality of our service or our reliability. Most economists and utility planners expect that electric usage may pick up a little when the economy improves. Looking further down the road, we may even start to see an increase in electric use as alternatives to liquid fossil fuels for transportation (such as plug-in hybrids), or other uses that come onto the market. But for right now, declining or flat sales means we might need a rate increase somewhat sooner than what our forecast said a year or two ago, although it is not on the immediate horizon.



*Using less electricity is good for our planet and for Co-op members' pocketbooks, but from a business standpoint it does present challenges for your Board of Directors and management.*

### Service Quality and Reliability Results for 2008

WEC, along with other Vermont utilities, is required to have a "Service Quality and Reliability Monitoring and Reporting Plan ("SQRP"), reviewed by the Department of Public Service and approved by the Public Service Board. The SQRP measures the quality of our customer service and our system reliability in 12 separate categories, and we are required to report these to our members each year at this time. There are targets for each category and the potential for penalties if we miss some of them. In 2008, we did better than our target in 11 of the categories, and

just missed the target in one (number of outage incidents).

- 1. Calls not answered within 20 seconds.** Our requirement was that no more than 15 percent of WEC's incoming calls take more than 20 seconds to answer. Our Member Services Representatives answer many thousands of calls a year, and 4.6 percent of those calls took longer than 20 seconds to answer.
- 2. Bills not rendered in seven days.** Our target was that not more than 0.10 percent of our bills (one in 1,000) be issued more than seven days after they were supposed to be. No bills were issued late in 2008.
- 3. Bills found inaccurate.** No more than 0.10 percent of all bills mailed should be found to be inaccurate. WEC sent two inaccurate bills in 2008, effectively zero percent. (Note: WEC did have a problem with our billing system in early 2009 which resulted in an underbilling and then a correction for about a third of our members. This will be included in next year's report.)
- 4. Payment posting complaints.** Members' payments should be accurately and promptly posted to their accounts. Our target was that payment posting complaints not exceed 0.05 percent (one in 2,000), and there were two posting complaints last year, effectively zero percent.
- 5. Meter readings per month.** Although there are circumstances where a member's meter cannot be read and we have to issue an estimated bill, this should be kept to

a minimum. Our target was that no more than 5 percent of bills (five in 100) be based on estimated readings. In 2008, 0.4 percent of meters were not read over the course of the year.

- 6. Requested work not done on time.** A lot is involved in extending new lines to homes or doing other work requested by members. Although schedules for a requested project may change for any number of reasons, our engineering staff and line crews stay in touch with the members so we can actually complete the job when the member expects us to. Our goal was that no more than 5 percent of requested jobs (five in 100) be completed after we said they would. In 2008, no requested jobs were completed later than expected.
- 7. Average delay days after missed delivery date.** None. If we had missed our time estimates in #6, we would have needed to report on the actual length of the delays.
- 8. Customer satisfaction.** WEC's SQRP requires us to conduct a professional survey every five years that contains certain standard national customer-satisfaction questions. Our last survey was conducted in the fall of 2005, and results were reported in the March/April 2006 issue of *Co-op Currents*. We met our targets and got generally high marks.
- 9. Complaints to DPS/Consumer Affairs.** Vermonters with complaints about their utility can lodge them with the Consumer Affairs Division of the Department of Public Service. The Department then contacts the utility to get more information or discuss the matter. In most cases, issues are resolved by discussion or the Department staff determines that there is no basis for a complaint. However, when the Department determines that a utility has not done something right and requires that it be corrected, this is recorded as an "escalation." WEC's SQRP requires that the number of escalations not exceed 0.07 percent of our membership (about seven per year). I am pleased to report that WEC had no escalations in 2008.
- 10. Worker safety performance.** We care about the safety of our employees for their own well-being and as an indicator of how we operate day to day. The work that many of our employees do is strenuous and relatively high-risk. Our target is that we have no more than six incidents that result in any lost work time, and that there be no more than 39 days of lost work among all employees. In 2008 we experienced four incidents

and these incidents resulted in 21 lost work days among all employees.

- 11. Outage incidents.** The "System Average Interruption Frequency Index" (SAIFI) measures the average number of outage incidents that occurred per member. Our target is 3.8 outages, and we averaged just above that, 3.9 in 2008.
- 12. Outage duration.** The "Customer Average Interruption Duration Index" (CAIDI) measures the average time it took to restore power when there was an outage. Our target was 2.7 hours average duration, and our average in 2008 was 2.2.


### 'Stimulating' Times

In the March issue of *Co-op Currents*, we highlighted some features of the federal stimulus package that created new incentives for home owners and businesses to do serious weatherization and energy efficiency work, and to install small-scale renewable energy systems for those interested. There will also be additional announcements about how energy-related stimulus funds will be distributed by our state government.

For a long time, many of us complained that our government was not doing enough to set us on a more sustainable energy course. At the same time, we often didn't do as much as we should have to save energy in our own daily lives. Well, it's getting harder to find excuses for not getting it done. There has never been a time with more cash incentives to poke and prod us to do what we've been avoiding.

Last year my wife and I had a full energy audit done on our house in Worcester and finally did some work we'd been putting off for years. The difference it made this winter was dramatic. (Why did we wait so long?) I watched the ice dams and giant icicles develop on the roofs and eaves of many of the houses I drive by regularly, a problem we also used to have. We had no ice dams and no icicles this winter. I'm guessing that those other homes could be using at least 20 percent less energy for heat — and probably more. In the last *Co-op Currents* we listed some websites for more information about tax credits, Efficiency Vermont's Home Performance program, and about the low-income weatherization program. If you don't know where to start or need some advice, call the Co-op.

### Hope to see you at the annual meeting.

As always, feel free to contact me by phone, letter, e-mail or in person with any questions, comments or concerns you may have. 



## Position Statements of the 2009 Candidates for the Co-op Board of Directors

### Candidate Profiles

Five candidates are seeking election to Washington Electric Cooperative's Board of Directors in 2009. Four seats are available on the nine-member board this year; three of those positions will be for three-year terms, and those seats will be awarded to the three candidates who receive the most votes in the 2009 election. The candidate with the fourth-highest vote total will serve for two years, completing the three-year term won in 2008 by Wendell Cilley, who died in September.

The five candidates are **Andrea Colnes, Roger Fox, Marion C. Milne, Annie Reed, and Richard Rubin**. Colnes, Fox, Milne, and Rubin are incumbent directors (Colnes having served as an interim director since October 29, when the Board of Directors appointed her to Cilley's vacant position until the membership elections in May). Reed is seeking election to her first term on the Board. The WEC Committee on Candidates has verified that each of the five candidates meets the requirements of the election process as set out in the Cooperative's bylaws, submitting timely petitions with the requisite number of member-signatures.

The annual elections enable the membership to elect at least a third of the Board that makes

leadership and policy decisions for the customer-owned, nonprofit utility, as the terms of three members expire every year.

In ballots cast at the Annual Meeting on Tuesday, May 12, and in mailed ballots returned to the Co-op by a deadline prior to the Annual Meeting (**check your election materials for additional balloting and deadline information**), members can vote for any four of the candidates who appear on these pages. Ballots will also provide space for voters to write in the names of alternative candidates. People must be Co-op members to serve on the board.

To help inform members about the qualifications and interests of the candidates, each candidate was asked to respond in writing to the following questions and requests developed by the Board of Directors.

#### The Questions

##### 1. Please introduce yourself.

- Where do you live and how long have you lived there?

- Under what town is your Co-op membership listed?
- How long have you been a Co-op member?
- How may members contact you (address, phone number, e-mail)?

**2. Please briefly describe your background** – for example, your education, occupation and/or other experiences that you would like members to know about.

**3. Why are you seeking a position on the Co-op Board? Why would you make a good director?**

**4. What do you think are the most important issues that the Cooperative must face in the next few years? What should WEC do about those issues?**

**5. Is there anything else you would like to tell the members?**

### Andrea Colnes



1. I live on Jacobs Road in East Montpelier, and have lived here since I built my home in June 2001. Our Co-op membership is listed under the town of East Montpelier. I've been a Co-op member since 1990, which would make it 19 years! I can be contacted at: 918 Jacobs Road; East Montpelier, VT 05602; at my home phone (802-223-8474), and by e-mail at [alc@sover.net](mailto:alc@sover.net).

2. Professionally, my work has focused on public policy in the environmental, forestry, and land-protection fields, as well as rural economic development and related issues. I have just taken a new position as the Policy and Development Director for the Biomass Energy Resource Center, where we work on sustainable, community-scaled wood energy in Vermont and nationally.

I also have a background in energy issues, including working for the Vermont Department of Public Service developing Vermont's first Comprehensive Energy Plan under Governor Kunin, and more recently working for the DPS in managing their "Area Specific Collaboratives," a series of 10 negotiations intended to explore least-cost options for electric supply and transmission in areas of Vermont with the highest potential for alternative approaches.

3. Energy issues will in many ways define the future of our world – from how we put food on our tables and heat in our homes to the relations between countries and global politics, prosperity, and well being. Serving

on WEC's Board of Directors would give me an opportunity to work on these issues at a local level and help support WEC's longstanding efforts to provide reliable energy from sustainable sources at reasonable costs.

I have always had great admiration for the leadership and innovation shown by WEC regarding energy efficiency and developing renewable sources for our rural service area. It would be a rewarding and fulfilling experience to offer service to our dynamic and effective Cooperative. I feel I could contribute as a Director by drawing on my career in natural resource and energy policy, and my long experience of working with boards, organizations, and community interests to sort out complex issues and find a common direction.

4. Given the skillful leadership at WEC over the past 15 years, the Co-op is in a very strong and positive position as we look toward the future. Our most important challenges over the coming years will be to continue to develop sustainable, local, and carbon-neutral sources of power. In the near term, WEC will also have to focus on providing power to families in hard economic times, increasing the challenges of providing affordable energy throughout our service area.

### Roger Fox



1. I live at Dows Crossing in Walden, in the northern part of WEC's service territory, and have been a Co-op member in Walden since 1971. You can contact me at 2067 Bayley-Hazen Road, East Hardwick, VT 05836; by phone at 563-

2321; or by email at [rfox@pivot.net](mailto:rfox@pivot.net).

2. I have a bachelor's degree in engineering from M.I.T., and I worked on engineering projects in Florida and Massachusetts prior to becoming a Vermonter. Since 1974 I have operated a printing and graphic design business, Apocalypse Graphics, in Walden.

I currently serve as Walden's town moderator, and as a justice of the peace and chair of the Board of Civil Authority. I've previously served as selectman and town energy coordinator. I'm a member or patron of several other Vermont cooperatives, including Buffalo Mountain Food Co-op, Vermont State Employees Credit Union, NorthCountry Federal Credit Union, Opportunities Credit Union, and Co-operative Insurance Co.

I was first elected to the WEC board in 1991, and have served as the Co-op's vice president since 1998; previously I served as Board secretary. My current assignments include chair of the Members & Markets Committee and membership on the Finance & Administration, Policy, and Evaluation committees. Previously I served on the Power & Operations and Editorial committees, and as treasurer of the Northeast Association of Electric Cooperatives (covering the upstate New York and northern New England area).

3. As vice president, I've worked closely with our president and Board to develop our vision and achieve our goals, including ongoing support for the Coventry landfill and Sheffield wind generation projects, as well as system reliability and efficiency upgrades. I've also sought to enhance WEC's value as an essential service provider and a community resource. As a long-serving director, I can continue to bring a broad perspective and familiarity with the Co-op's mission, history, and

operations, and help our newer Board members deal with the utility industry's steep learning curve. I take seriously the Board's charge to represent the interests and concerns of the Co-op's owners: you, the members.

Our current economic and environmental situation underscores the importance of access to affordable, reliable, and sustainable energy. While WEC has been making notable progress in this area, this is not a time to rest on our laurels. An active and effective Board is essential to our future.

4. We are facing a new era of sharply higher energy costs, environmental constraints, and ongoing economic uncertainty. It is essential that we position our Co-op to ensure its long-term financial and operational viability. This effort should include developing and maintaining both the staff's and Board's organizational capabilities by implementing appropriate recruitment and succession plans. WEC should remain a resource for improving our members' energy-use efficiency, through education and appropriate technology (such as so-called "smart metering," where cost-effective). We can also support initiatives by members and our local communities to develop distributed generation resources and other strategies for adapting to a challenging future.

5. WEC has endured and succeeded for 70 years, thanks to the support of many passionate Vermonters who've chosen to commit themselves to community service as directors and active members. Securing our future means maintaining and expanding that commitment, and working to engage even more of our members. It's encouraging to see more members expressing interest in serving on the Board, coming out to attend member meetings, and participating in elections. This is YOUR Co-op; please

do your part by staying informed and involved, and encouraging your neighbors, family, and friends who are also WEC members to do the same.

## Marion C. Milne

1. I am proud to be a resident of Washington, Vermont, where I have lived for 46 years raising a family, serving in various town offices and as a member of the Vermont House of Representatives for three terms. Through all those years, I have been a member of the Co-op. As a member, I have followed the changes in the Co-op during that time and remained interested in its issues. I can be reached at Milne Travel in Barre (479-0541), at my home (439-5404), and by e-mail at marion.milne@milnetravel.com.



2. I earned a B.A. from Goddard College as an adult. I started Milne Travel in 1975 in Barre and helped make it a successful business. I am currently serving as president of C.O.V.E. (Community of Vermont Elders) and as a justice of the peace. I have chaired the Green Mountain United Way campaign, served as the first woman president of the Central Vermont Chamber of Commerce, and held office in many other community organizations. I have three grown children and eight wonderful grandchildren.

3. I very much appreciated your support in being elected to the Board in 2003 and 2006. Since then, I have served on the Financial and Policy committees and currently serve as Secretary of the Board. The Co-op is a very special institution. Over the last six years I have been very impressed with the other members of the Board and the professionalism of the staff. I am still learning, but if I am re-elected I will continue to do my best for the Co-op and its members.

4. The most important issue facing the Co-op is always the same: ensuring an affordable supply of electricity for 10,000 homes with reliable and safe equipment. There is good news to report on all fronts. Rates have not increased since 2000. The Coventry methane plant is in full operation and we are now expanding the operation to add a fifth engine. The Co-op has never been more innovative and inspired than it is right now. That spirit needs to be fostered.

5. As members of this Co-op, we have a special connection to each other beyond a string of electrons running down a wire. We are all in this together. The Co-op Board is elected by the members to represent their interests. In my experience, that obligation is being met by dynamic, thoughtful Directors who understand the worlds of business, government, law, and energy, and how they fit

together. Please vote for the best candidates running. This election does make a difference in our lives.

We choose to live in rural Vermont, in spite of the hardships of weather, muddy roads, and long drives for groceries and other necessities. It's fair to say that without the Co-op most of us wouldn't live where we do. Electricity is something we take for granted, but its value is obvious as soon as the lights go out, particularly after a winter storm. How the Co-op is managed is one true guarantee of its success or failure. It matters who serves on the Board. I hope the members will support me in re-election to the Board. I will certainly do my best to represent your interests and concerns in an effective and efficient manner.

## Richard Rubin

1. I have lived on East Hill Road in Plainfield for 35 years. I have been a Co-op member since 1973. I can be reached at 3496 East Hill Road, Plainfield, VT 05667 or by phone at 454-8542.



2. I am 63 years old and have lived in Plainfield since I moved to Vermont 37 years ago in 1972. I was born and raised in the Boston area, attended Harvard College, and then the University of Pennsylvania Law School. After graduating law school in 1970, I practiced law in Boston, representing low-income clients for two years before moving to Vermont. I have practiced law in central Vermont since 1972, and in Barre since 1977. My law firm – Rubin, Kidney, Myer & DeWolfe – has been in downtown Barre since 1982. We handle a wide variety of cases, and we are primarily trial lawyers. We also have been the public defenders for Washington County for many years.

I am a member of the Board of Directors of the AAJ, an organization of Vermont trial lawyers, as well as on the board of the Dragon Dance Theatre and Upper Valley Arts. I am a former board member of Vermont Legal Aid, and served for five years on the Twinfield School Board.

I am married to Jayne Israel and have three grown children, two of whom live close by in Plainfield. We also have two grandchildren.

Several years ago, I was involved with my brother Mathew Rubin and John Warshow in the development of the Wrightsville and Winooski 8 (East Montpelier) hydroelectric facilities.

I enjoy hiking, gardening, and generally being outside with my family.

3. I have been a Co-op Board member for seven years and have enjoyed my experience on the Board a great deal. I enjoy working with my fellow Board

members and would enjoy serving another term. I believe in cooperatives and the Cooperative Principles, and would like to continue to help keep our Co-op strong. My experience and training as an attorney brings a critical perspective to the board and helps me ask the hard questions.

I am particularly proud of our Co-op's creation of the electric-generation facility in Coventry, which converts landfill trash to energy. This project has been very successful and will help stabilize our rates for years to come.

Our Co-op received a \$1 million federal grant through the office of Senator Sanders. We "invested" that grant in the Sheffield wind farm, which we expect to come on line next year. This purchase will increase our commitment to, and supply of, renewable energy at a price significantly below market rates. Our Co-op continues to be a leader in locally produced renewable energy, which reduces CO2 emissions, supports our local economy, and stabilizes rates.

I also obtained a lot of satisfaction out of the establishment of our cooperative's Community Fund. This fund relies on the donations of our members, and has resulted in more than \$15,000 in contributions to community organizations each year for the past several years. We hope to continue and grow the fund in future years.

4. While most other utilities are requesting substantial rate increases, our Co-op has managed to avoid a rate increase for more than eight years. For the first time in memory, our rates are no longer the highest in the state. We have terrific employees and staff who are responsive to our members' needs. The Co-op is healthy and we can look forward to stable rates for several years to come, and continued good service. In addition to our commitment to renewable energy, we also strongly support our members' efforts to conserve energy and to increase efficiency. Last year we rolled out the Pledge program to provide incentives for members to be more energy efficient. I would like to see that program succeed.

I would like to see our Co-op expand into other areas, such as fuel oil and propane. I think we should be able to provide these energy sources to our members at below-market rates. We also have helped to support the expansion of broadband internet to our members without high-speed access. I will continue to support that effort as well.

5. Last year, the Coop lost a longtime Board member and good friend, Wendell Cilley, to an unexpected accident. Among other things, Wendell's death reminded me that all of us living in the hills and off the beaten path in 41 towns are connected to each other by more than our poles and wires.

I urge members to contact me with their interests and concerns.

## Annie Reed



1. I have lived in Marshfield, Vermont, for 33 years. I have been a member of the Washington Electric Co-op since 2000. Members may contact me at 802-454-1324, or annereed48@gmail.com.

2. I graduated from Beloit College in 1970 with a B.A. in Anthropology, and in 1997 I received a Master of Science degree in Environmental Studies with a concentration in biology from Antioch University New England. Since 1996 I have been a freelance ecologist. For the past 11 years I have been teaching hands-on courses in science including field ecology, wildlife ecology, and the natural history of Vermont, and I am currently teaching an online course entitled Nature and Human Nature, a seminar on environmental ethics.

For 14 years I chose to live without electricity of any kind. I learned to be conservative of resources out of necessity, and those lessons are still with me. I am still amazed that I have the privilege of flipping a switch to get light. Energy efficiency has become a high priority for me, as has leaving a light footprint. For many years I have valued raising food, which I continue to do for myself and my neighbors. Other passions include tending perennial gardens and learning the names of every plant and animal I see.

3. Why would I make a good Board member? Because I love this Co-op! It welcomes ideas, and encourages innovation. I feel good about the way my electricity is produced. I also respect the Co-op's model of shared ownership. I am proud of the Co-op's prudent fiscal management and reputation as a democratically run organization that is responsible to its members and respectful and supportive of its working staff. I applaud the Co-op's outreach to our communities with its participation in the WARMTH Program and Operation Roundup, and its dedication to community economic development. I believe that my leadership skills, my faith in cooperatives, and my commitment to WEC's model of delivering cheap and reliable electricity to its members in an environmentally sensitive manner will make me a good member of the team.

For many years I have been committed to being active in community matters. My civic involvement has included being a member of the Marshfield Conservation Commission, a member of the Marshfield Planning Commission, former president and now secretary of the Friends of the Jaquith Public Library, and chair of the state's Advisory Group to the Endangered Species Committee on Vascular Plants. For three years I served on the Goddard College Board

*continued on page 6*



## Treasurer's Report

# 2008 Treasurer's Report

## Trends Shifting in Electricity Consumption

By Donald Douglas  
Treasurer

Washington Electric Co-op had another strong financial year in 2008. The output of the Coventry methane generation plant and the sale of renewable energy certificates derived from that project, plus our income from selling excess electricity into the New England grid, has continued to provide your Co-op with the capital to run the business and meet our debt-service obligations without increasing our rates. We have not applied for a rate increase since 1999.

The Coventry plant is now expanding again, with the addition of a fifth power-generating engine. We received a Certificate of Public Good from the Vermont Public Service Board in September 2008; that was followed on October 7, 2008, by a membership vote authorizing the project. Adding a fifth engine will increase the plant's production capacity to 8 megawatts (MW), which is about 70 percent of Washington Electric's total demand. We expect to reach that capacity by 2010.

In addition to the \$3.1 million we borrowed to expand the Coventry facility, the Board of Directors also approved our four-year construction work plan for 2008-2011. Financing for the projects included in the plan – capital improvements and maintenance of our electric distribution and transmission system – totals \$7.9 million. As a rural electric cooperative we qualify for reduced-interest loans from the federal Rural Utilities Service (RUS). We also plan to rebuild the East Montpelier substation in 2009, as we continue modernizing and upgrading our eight WEC substations.

In 2008 we met all of the mortgage requirements of our lenders, including the requirement that our revenues exceed our expenses sufficiently to cover interest on long-term debt.

Since WEC began operating the Coventry landfill gas-to-energy plant in 2005, we have sold renewable energy certificates (RECs) based on the amount of power generated. Our revenue from these sales has enabled



us to defer nearly \$1.9 million to date, which the Public Service Board and RUS require us to deposit in a reserved account. Those funds are to be used at some future date when our operating expenses exceed our revenues. Market analysts predict that

the value of the RECs will decline over the next few years, and when that occurs it is likely that WEC's operating expenses will exceed the amount of revenue we take in. At that point we will need to draw down the funds in the reserved account to help defray costs and mitigate the need for a rate increase.

When the funds in the reserved account are depleted, the Cooperative will need to file for a rate increase. It is not certain when that will occur.

The big challenge for WEC in 2008 was the decrease in kilowatt-hour (kWh) sales to our members. We sold 68,288,645 kWh last year – down more than 1,000,000 kWh from 2007. Our other costs continue to increase, so if the trend continues we will eventually need to increase the cost per kWh (i.e., our rates).

Other utilities in Vermont and throughout the country have also seen flat or negative growth in kWh sales. The causes might be greater energy-efficiency efforts, climate change, or consumers reacting to the downturn in the economy.

### Power

31.7 percent of your dollars are devoted to generating or buying our energy. Of the total number of kWh purchased in 2008, 55.44 percent came from our Coventry plant, up from 54.41 percent the previous year. The cost was a little more than \$.04/kWh. The next-largest block of power came from our contract with Hydro-Quebec. In 2008 this power cost \$.0715/kWh, and we received 19.23 percent of our energy from this source. The next-largest block of power came from the New York Power Authority (NYPA), which cost \$.0451/kWh, and in 2008 accounted for 13.25 percent of our power needs. The Department of Public Service renegotiated the state's NYPA contract in 2007, assuring that WEC will continue to receive our scheduled allotment of this relatively low-cost power far into the future.

Our remaining sources included relatively inexpensive power from our Wrightsville hydro plant (\$.0651/kWh), and more expensive power from independent small power producers in Vermont, at \$.1462/kWh. Our contract to purchase power at \$.1468/kWh from

the McNeil woodchip plant in Burlington expired in May 2008.

We continue to receive more power than we sell to our members, because Coventry is producing well and we are locked into power-purchase contracts from the sources listed above. We sell our excess power back into the market, and those sales have increased: In 2007 we sold 9.45 percent of our power; in 2008 we sold 13.79 percent. Bear in mind that these numbers largely reflect the decline in our total sales of energy to our members.

### Operations and Maintenance


Operations and maintenance expenses in 2008 were \$5,278,963, up \$633,185 from 2007. This represented 39.92 percent of our 2008 expenditures. The increased costs associated with power distribution were primarily due to stepped-up right-of-way efforts, pole inspections, storm restoration, and routine system maintenance. We had lots of small storms during the year, and a portion of this money can be attributed to having the linemen out all night and staff members answering the phones during restoration efforts. We were lucky to have largely missed the big ice event in December 2008, which put out the lights for nearly half of Vermont and even more of New Hampshire as well as Massachusetts. We sent crews over to our sister co-op (New Hampshire Electric Cooperative) in the Granite State, as well as to

southern Vermont to help CVPS. When we share our workforce with other utilities it does not cost our members; it is called mutual aid, and we also receive it from other utilities when necessary.

Under member services (see tables), the increased cost was associated with the Pledge program, a pilot project we initiated in 2008 to encourage members to participate in energy efficiency programs. We tested a number of different ways to get members to make a commitment to using less energy, and we are now evaluating the program to see what we might do in the future.

### Capital Credits

WEC's Board of Directors authorized paying capital credits to current and former members again in 2008. We returned \$100,000 to members from 2007, and \$225,000 to retire all credits from 1989. Since WEC began returning capital credits to the members in 1998 we have retired \$2,847,125.93. Each year the Board of Directors decides what amount, if any, to retire from our capital credit obligation.

On behalf of the Board of Directors I want to thank the Finance Department for their good work this past year. Copies of our audit report are available at the office in East Montpelier and on our website. Copies will also be available at the annual meeting. 

### Candidate Profiles


*continued from page 5*

of Trustees. For seven years I have volunteered as an emergency medical technician (EMT) with the Cabot Ambulance and the Plainfield Fire and Rescue Squad. I am a member of two food Co-ops and the NorthCountry Federal Credit Union.

- I think the most important issue that the Co-op must face in the next few years will be continuing to provide cheap and reliable electricity to its members. As an ecologist, I am very proud of the work our Co-op does for the environment, specifically its awareness of the need for energy conservation. Amory Lovins, a physicist and leader in energy conservation, maintains that we don't need more power plants; what we need is to supply energy services the cheapest way, by wringing more work from the energy we already have. To do that we need to know what tasks we need energy for, and then find the most appropriate and cheapest way to get it. This is one area in which I would

like to see the Co-op continue to push forward.

The other area is the exploration and implementation of renewable energy technology for our 21st-century energy needs. The Coventry Plant is a stunning example of a system that mimics nature's way of recycling. Just as the forest is in a continual cycle of decomposition and regeneration, methane generation converts waste into energy. It is relatively low-tech, affordable, and locally produced. I think it is necessary to continue researching strategies and technologies that work with natural systems including wind, water, and solar energy production.

- It would be an honor to serve on the Co-op's board and I look forward to the opportunity to become involved with keeping electricity costs down while directing the wise use and stewardship of our precious environment. 

Copies of the audited financial statements of Washington Electric Cooperative are available by contacting the office and will be available at the annual meeting. WEC's 2008 Equity Distribution Plan will also be available at the annual meeting and is posted on our website.

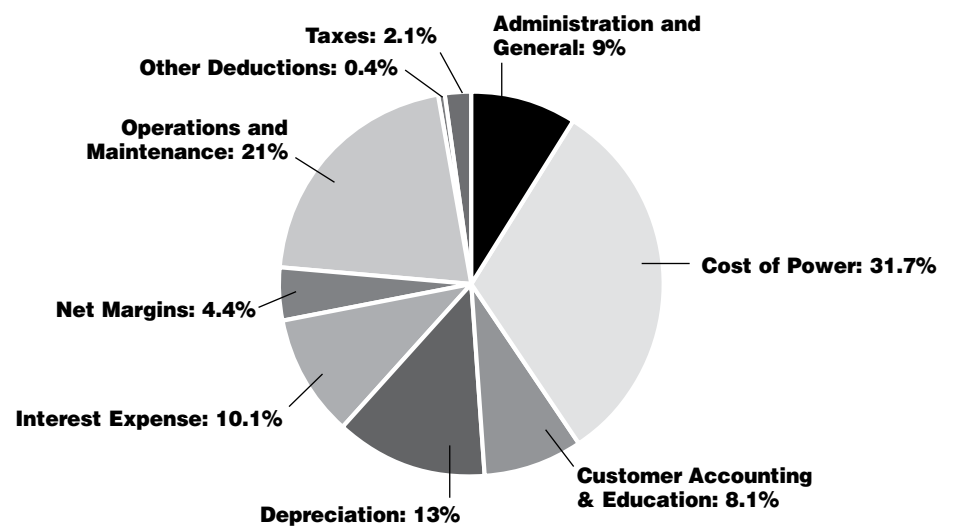
## Balance Sheet

Assets and Other Debits			
	12/31/07	12/31/08	Increase (Decrease)
<b>Utility Plant</b>			
Total Utility Plant in Service	\$55,897,965	\$58,014,454	\$2,116,489
Construction Work in Progress	545,348	982,944	437,596
Total Utility Plant	56,443,313	58,997,398	2,554,085
Accum. Provision for Depreciation	15,894,306	17,267,098	1,372,792
<b>Net Utility Plant</b>	<b>\$40,549,007</b>	<b>\$41,730,300</b>	<b>\$1,181,293</b>
<b>Other Property and Investment - At Cost</b>			
Invest. in Assoc. Org. - Patronage Capital	143,891	150,485	6,594
Invest. In Assoc. Org. - Central Vt. Mem. Civic Center	249,944	207,080	(42,864)
Invest. in Assoc. Org. - Other	465,765	463,705	(2,060)
Other Investments	2,736,530	3,219,269	482,739
<b>Total Other Property and Investments</b>	<b>\$3,596,130</b>	<b>\$4,040,539</b>	<b>\$444,409</b>
<b>Current Assets</b>			
Cash - General Funds	295,317	515,708	220,391
Temporary Investments	139,559	143,435	3,876
Notes Receivable - Net	174,119	3,699	(170,420)
Accounts Receivable - Net	3,435,905	3,023,524	(412,381)
Materials and Supplies	323,162	264,947	(58,215)
Prepayments	43,608	78,021	34,413
<b>Total Current and Accrued Assets</b>	<b>4,411,670</b>	<b>4,029,334</b>	<b>(382,336)</b>
Deferred Debits	333,756	368,041	34,285
<b>Total Assets and Other Debits</b>	<b>\$48,890,563</b>	<b>\$50,168,213</b>	<b>\$1,277,650</b>
Number of Consumers	10,383	10,461	78
kWh Sold	69,335,492	68,288,645	(1,046,847)

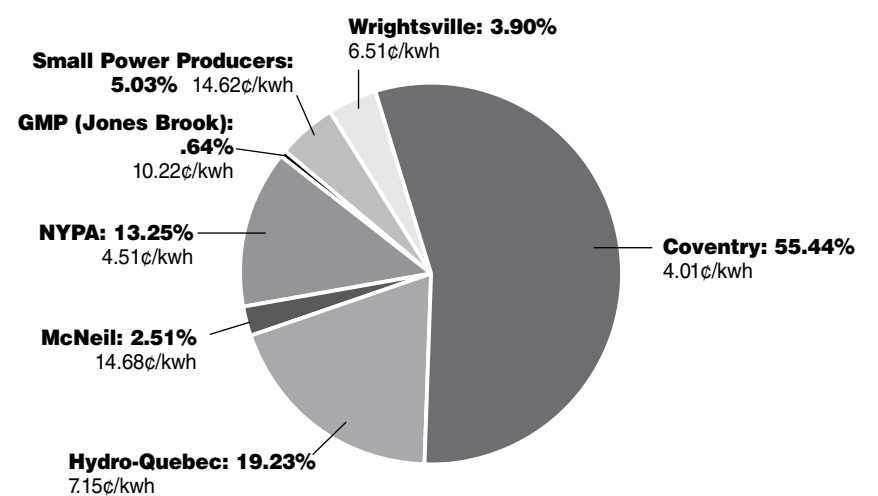
Liabilities and Other Credits			
	12/31/07	12/31/08	Increase (Decrease)
Memberships	\$101,475	\$106,530	\$5,055
Patronage Capital Credits	5,995,396	6,506,713	511,317
Contributions-in-Aid-of-Construction	8,945,102	9,260,560	315,458
Operating Margins - Prior Years	0	0	0
Operating Margins - Current Year	(5,890)	199,047	204,937
Non-Operating Margins	811,886	416,207	(395,679)
Other Margins and Equities	180,257	139,135	(41,122)
<b>Total Margins and Equities</b>	<b>\$16,028,226</b>	<b>\$16,628,192</b>	<b>\$599,966</b>
<b>Long-Term Debt</b>			
Long-Term Debt - RUS	23,697,108	24,709,944	1,012,836
Central Vt. Memorial Civic Center	249,944	207,080	(42,864)
Long-Term Debt - Other	3,904,404	4,043,199	138,795
<b>Total Long-Term Debt</b>	<b>\$27,851,456</b>	<b>\$28,960,223</b>	<b>\$1,108,767</b>
<b>Current Liabilities</b>			
Notes Payable	1,987,175	1,075,558	(911,617)
Accounts Payable	622,245	843,399	221,154
Consumer Deposits	155,356	158,341	2,985
Other Current and Accrued Liabilities	511,735	482,936	(28,799)
Total Current and Accrued Liabilities	\$3,276,511	\$2,560,234	\$(716,277)
Deferred Credits	1,734,370	2,019,564	285,194
<b>Total Liabilities and Other Credits</b>	<b>\$48,890,563</b>	<b>\$50,168,213</b>	<b>\$1,277,650</b>

Statement of Operations			
Item	Actual 12/31/07	Actual 12/31/08	Increase (Decrease)
Operating Revenue	\$12,074,449	\$13,421,809	\$1,347,360
Cost of Purchased Power	3,013,165	3,145,065	\$131,900
Cost of Generated Power - Wrightsville & Coventry	914,358	1,248,159	\$333,801
<b>Total Cost of Power</b>	<b>\$3,927,523</b>	<b>\$4,393,224</b>	<b>\$465,701</b>
<b>Other Operation &amp; Maintenance Expense</b>			
Transmission Expense	19,671	18,735	(936)
Distribution Expense - Operation	1,005,454	1,248,400	242,946
Distribution Expense - Maintenance	1,510,956	1,643,050	132,094
Consumer Accounts Expense	711,972	760,558	48,586
Customer Service & Education	164,716	366,685	201,969
Administrative and General Expense	1,233,009	1,241,534	8,525
<b>Total Other Operation and Maintenance Expense</b>	<b>\$4,645,778</b>	<b>\$5,278,963</b>	<b>\$633,185</b>
<b>Fixed Expenses</b>			
Depreciation and Amortization Expense	1,736,444	1,803,352	66,908
Tax Expense - Property	136,655	183,038	46,383
Tax Expense - Other	124,611	112,080	(12,532)
Interest on Long-Term Debt	1,363,909	1,365,499	1,590
Interest Expense - Other	102,875	29,962	(72,913)
Other Deductions	42,544	56,645	14,101
<b>Total Fixed Expenses</b>	<b>\$3,507,038</b>	<b>\$3,550,575</b>	<b>\$43,537</b>
<b>Total Cost of Electric Service</b>	<b>\$12,080,339</b>	<b>\$13,222,762</b>	<b>\$1,142,423</b>
<b>Operating Margins</b>	<b>(5,890)</b>	<b>199,047</b>	<b>\$204,937</b>
Non-Operating Margins - Interest	182,696	370,225	187,529
Non-Operating Margins - Other	629,190	45,982	(583,208)
Extraordinary Item			
<b>Net Margins</b>	<b>\$805,996</b>	<b>\$615,254</b>	<b>(\$190,742)</b>
Times Interest Earned Ratio (TIER)	1.59	1.45	(0.14)

## Where the Dollars Went

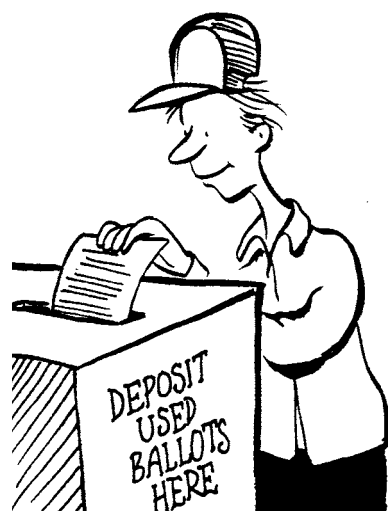


## 2008 Sources and Costs of Power

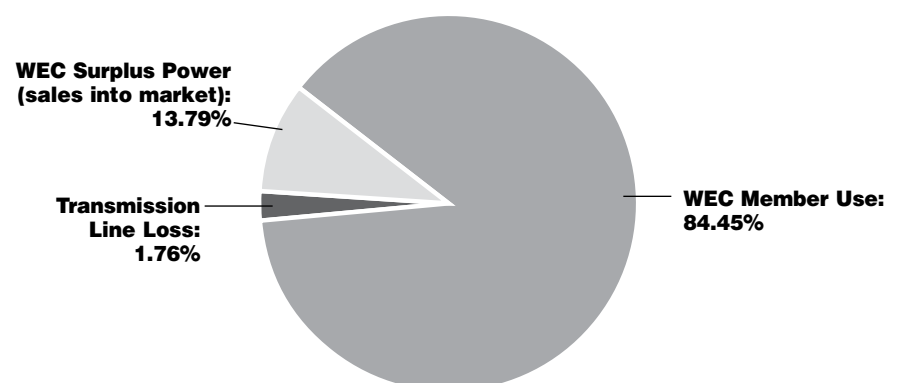


## Notice

Members may vote at the Annual Meeting on May 12 or by ballots accompanying this issue of *Co-op Currents*. Mailed ballots must be received at the Barre Post Office no later than 3 p.m. on Monday, May 11. Members mailing their ballots from out of state are advised to mail them several days before the deadline to be sure that their ballots will qualify. Local members, too, are encouraged to allow a few days for postal delivery. *Ballots hand delivered to WEC's office will be treated as spoiled ballots.* Anyone with questions about voting or deadlines can call Debbie Brown at the Co-op.



## 2008 Energy Resource Allocation





## Annual Meeting

continued from page 1

is a formal occasion. Reports from the treasurer, president, and general manager, and general discussion from the floor, provide Co-op members and their elected Directors information that helps them make decisions about their Co-op. The primary decision members make at the meeting is electing people to serve on the Board

of Directors. This year five Co-op members are running for four available seats on the nine-member Board (see "Candidate Profiles," page 4). People can vote at the Annual Meeting or by mail, using

ballots packaged with this issue of *Co-op Currents*. **(Be sure to check your voting materials for postal deadlines.)** Mailed ballots will be added to those cast at the meeting, and the results will be announced before the meeting is adjourned.

Yet WEC's Annual Membership Meeting is also an informal, very social occasion. The doors will open at the Barre Elks at 5 p.m., with dinner served at 5:30 and the business meeting beginning at 6:30. The meal is a bargain at \$8 per person. Use the dinner reservation on this page.

Speaking of dinner, this year Washington Electric is extending one of its guiding principles – obtaining as much of its electricity as possible from local, in-state sources – to the menu.

"Vermont has a lot of excellent growers who are producing meats, vegetables, baked and dairy products, and desserts," said WEC General Manager Avram Patt. "Some of them are on the Co-op's lines. We believe in supporting Vermont's economy in our energy choices, and now we'll be doing the same thing in the 'gastronomic' realm. It's going to be fun."

### Klein as guest speaker

Just as 1939 wasn't "any old year," 2009 isn't, either. "Change," the election mantra of 2008, is taking hold in myriad ways, and the nation is facing what many consider the worst economic conditions since those days 70 years ago.

Some of today's most critical issues have everything to do with the Co-op's business: electricity. In 1939 the biggest challenge for REA co-ops was constructing an infrastructure able to transport power to people in far-flung places. Today the poles and wires are in place; WEC and other co-ops need to maintain, modernize, and sometimes expand their systems, but the real energy challenges of 2009 concern core, critical questions: How can society generate enough electricity to provide for everyone? What means should be used to generate all that power with the least harm to our planet and our communities? And with intense global competition for resources, how can we afford to pay for it?

This year's guest speaker is fully immersed in those questions. State Rep. Tony Klein of East Montpelier is

chair of the House Energy & Natural Resources Committee, which plays an important role in the state's decisions about future power sources, as Vermont's contracts with Hydro-Quebec and Vermont Yankee expire over the next six years.

As members know, WEC has been charting its own course. Opposed to the sale of Vermont Yankee to Entergy Nuclear, the Board of Directors in

*Washington Electric is extending one of its guiding principles – obtaining as much of its electricity as possible from local, in-state sources – to the dinner menu this year.*

2002 traded nuclear power for electricity generated from landfill methane, which now provides the majority of its electricity. When the recently approved 40-megawatt wind farm in Sheffield opens, the Co-op will also have wind power in its portfolio, along with other commercial sources.

However, Washington Electric is not an island. The serious economic and environmental issues that Vermont faces, and which surface before Klein's House committee, are real for WEC members.

Tony Klein will also continue WEC's recent tradition of drawing guest speakers from its talented membership. Filmmaker John O'Brien, meteorologist Roger Hill, naturalist Bryan Pfeiffer, international energy consultant Michael Dworkin, and story teller/columnist Willem Lange – all of them Washington Electric members – have provided information, insight, and humor at annual meetings.

"I come to the Co-op's meetings almost every year," said Klein. "Washington Electric Co-op is an

## President's Report

continued from page 2

energy use done with professional staff at Efficiency Vermont, and receiving advice and incentives for reducing their usage.

### WEC-Owned Generation

Power that we generate ourselves from our facilities at the Coventry (Vermont) landfill, fueled by methane gas, and the Wrightsville hydro station produced a combined 70.23 percent of our power needs in 2008 – a little more than 52,000,000 kilowatt-hours.

### At Coventry: Increased production and a new (fifth) engine

The facility produced 49,208,777 kWh, with the last quarter of 2008 seeing our best power output since we began operating in 2005. This is in large part due to increased gas output within the landfill, and to engine efficiency.

After a positive member vote on October 7 – when 97 percent of the 1,852 voting members supported the project – work began on expanding our building at the landfill to house the fifth engine. The new engine will be in operation before the end of June, and will further increase our generation capacity. Special thanks to WEC Operations Director Dan Weston and to Denise Jacques, Director of Administrative Services, for their

## Buffet Menu Featuring Vermont Products

BUFFET IS BY RESERVATION ONLY.

To make your reservation, return this coupon **no later than Friday, May 1**. Meal tickets can be picked up at the meeting.

- Roast Turkey/Roast Beef
- Baked Potatoes w/Sour Cream and Butter
- Vegetarian Lasagna
- Bread Stuffing
- Assorted Vegetables & Tossed Salad
- Rolls
- Apple Pie
- Milk, Tea or Coffee

## Dinner Reservation

70th Annual Meeting on May 12, 2009

**To be returned by May 1**

(Please do not return in ballot envelope.)

Name(s) \_\_\_\_\_

Address \_\_\_\_\_

Account # \_\_\_\_\_ Map # \_\_\_\_\_

Number of persons attending \_\_\_\_\_

Amount enclosed: \$ \_\_\_\_\_

(\$8 per person. Make checks payable to WEC and return to:  
PO Box 8, East Montpelier, VT 05651)

important community institution, which serves many of my constituents. And it's my co-op, too. Decisions about energy, such as the future of Vermont Yankee and how we can promote efficiency and green-power development in our state, are critical for Vermont. I hope to shed light on what's going on in Montpelier, as well as to hear what's on Co-op members' minds."

### Getting younger

As you make your plans to attend the 70th Annual Membership Meeting on May 12, remember that WEC President Barry Bernstein issued a

challenge in these pages last month. The meeting tends to attract largely older Co-op members ("like a lot of us on the Board," Bernstein confessed). His challenge was for people to bring WEC members under 50 along with them.

"They'll be the leaders one day, and they need to get their feet wet," Bernstein remarked.

So drag them. Blindfold them. Do whatever it takes to get them there. They'll learn something – and they'll enjoy it, too.

See you at Annual Meeting.



commitment to overseeing this effort. Our thanks also go to the rest of the team: the many WEC employees involved; plant operators Jack Friedman and Scott Wilson of IES (Innovative Energy Solutions); and Lenny Wing of Casella Waste Management and the employees of the NEWS-VT landfill who operate the landfill that feeds our hungry engines. The project would not be possible without our general counsel Joshua Diamond, WEC's engineering consultant John Murphy of Stantec, and Brian Beaudoin of Casella's consulting firm Sanborne & Head (who is also a WEC member). Thanks also to Pizzagalli Construction Co.

**Wrightsville:** Power production in 2008 from our hydroelectric plant on the Winooski River in Middlesex reached 3,400,615 kWh – 15 percent above the 10-year average. For this we thank the weather, but also Steve Anderson, George Mears, and Scott Martino, our WEC employees who oversee the operation of this facility, as well as our consultant, Dennis Wilbur.

### First Wind's Sheffield wind project:

We have no ownership stake in the First Wind electric-generation project planned in Sheffield, but helped in its early financing and were gratified this February when the Vermont Supreme Court upheld the Public Service Board's August 2007 approval of the

project. Construction of this important renewable-energy facility could start this summer, with expectations of full operation in 2010. WEC has negotiated a contract with First Wind that will provide the Co-op approximately 10 percent of the wind facility's power output.

### Special Thanks

I want to thank my fellow Board members and our officers, Vice-President Roger Fox, Treasurer Don Douglas, Secretary Marion Milne; our General Manager Avram Patt; our management staff and our employees in member services, engineering, accounting, at the warehouse, our line crew, consultants La Capra Associates (power supply and economics), and Dan Crockett (electrical engineer). The many hours and thought and planning that go into their decisions is often unseen and unrecognized. We owe them our gratitude.

### The "Under-50" Challenge

Remember to sign up for the Annual Meeting dinner on Tuesday, May 12, and bring your family. We would love to see more of our younger-age members join those of us who have been coming to the Annual Meeting for many years. It's your Co-op, and your future. We are investing in renewables, energy efficiency, energy conservation, and in our Co-op community, all in the effort to make our energy future brighter.

