



Washington
Electric
CO-OP

Washington Electric Cooperative

Louis Porter - General Manager

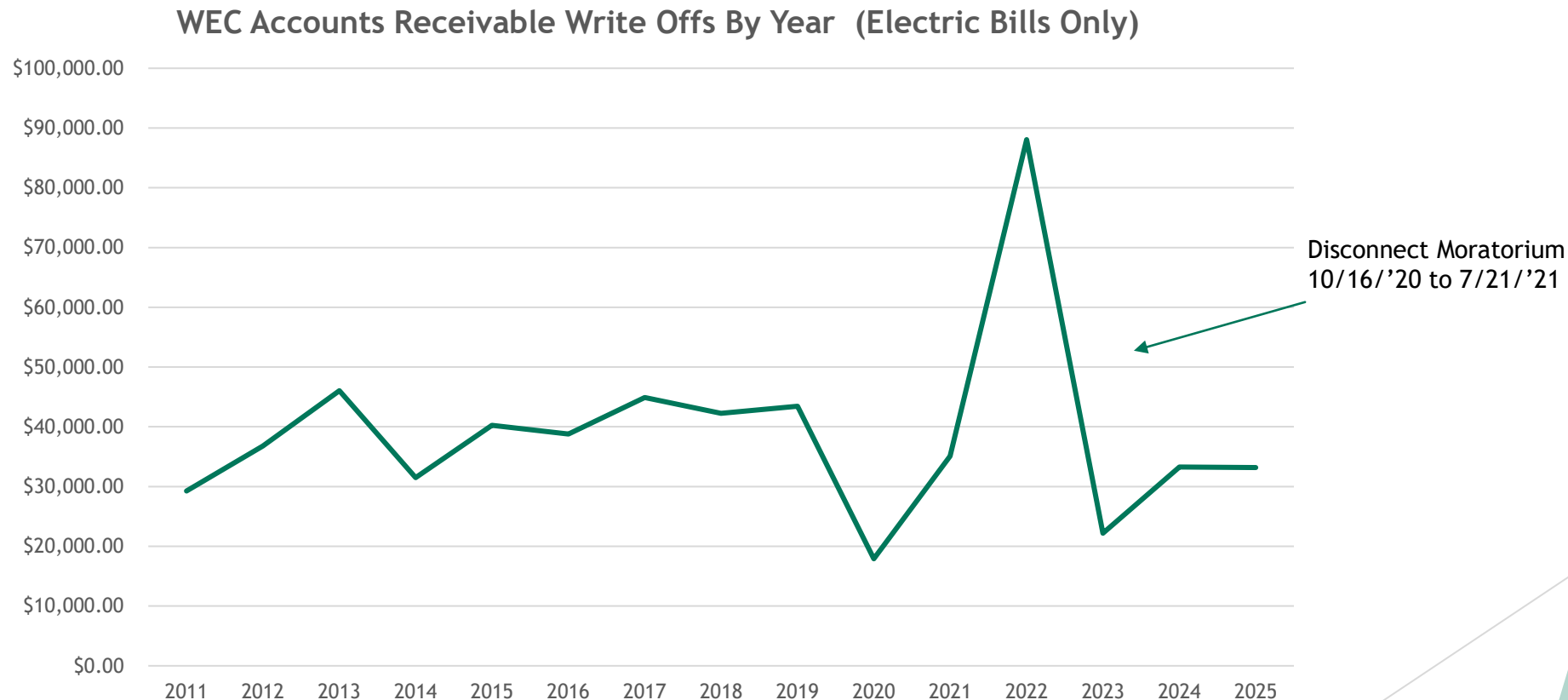
Washington Electric Cooperative, Inc.
East Montpelier, VT

Wednesday, Feb. 11, 2026

When Members Don't Pay Their Bills

Costs Don't Disappear

- As a regulated utility, we charge only what is needed to operate and remain able to borrow
- \$190,000 is roughly equivalent to % 1 of WEC's rates



Disconnection Process

- **Strict Rules Govern Disconnects for Nonpayment in Vermont**
 - Rule 3.300 is 8 pages long
 - Must offer budget billing plans
 - Must establish payment plans
 - Extensive notification requirements
 - Limitations on hours and days in which can occur
 - Extensive winter disconnect rules
 - Medical notes
- **Non-Profit Electrical Cooperatives**
 - Highly regulated in Vermont – unlike most states
 - Governed by elected boards of members
 - Have no profit motive
 - Were created to serve rural, often economically challenged areas
 - Have transparent and open financial and disconnect records
- **Disconnections Limited in Vermont – and Further Limited by Co-Op Principles**

WEC + Income Qualified Members

Affordable Community Renewable Energy Program (ACRE)

- \$40 bill credit over 60 months (about \$2,700)
- 221 WEC members (115 + 106)
- Federal funding through via state, with assistance by VEC
- Department for Children and Families verifies

TIER III

- Electric vehicle bonus incentive (\$500 on top of \$500)
- Statutory requirement paid for by WEC members
- Attestation
- 15 members annually

Rewire

- Service Entrance Upgrade
- \$4,000-\$6,000
- 10 members annually
- Helped launch statewide EVT effort
- Vermont Low Income Trust for Electricity (Vlit) funded
- Capstone verifies

WEC + Income Qualified Members (cont.)

Fuel Switch

- Heat pumps and electrical panel work on weatherized homes
- \$6,500 on average but variable
- 10 participants annually
- WEC funding with Efficiency Vermont
- Weatherization agencies verify

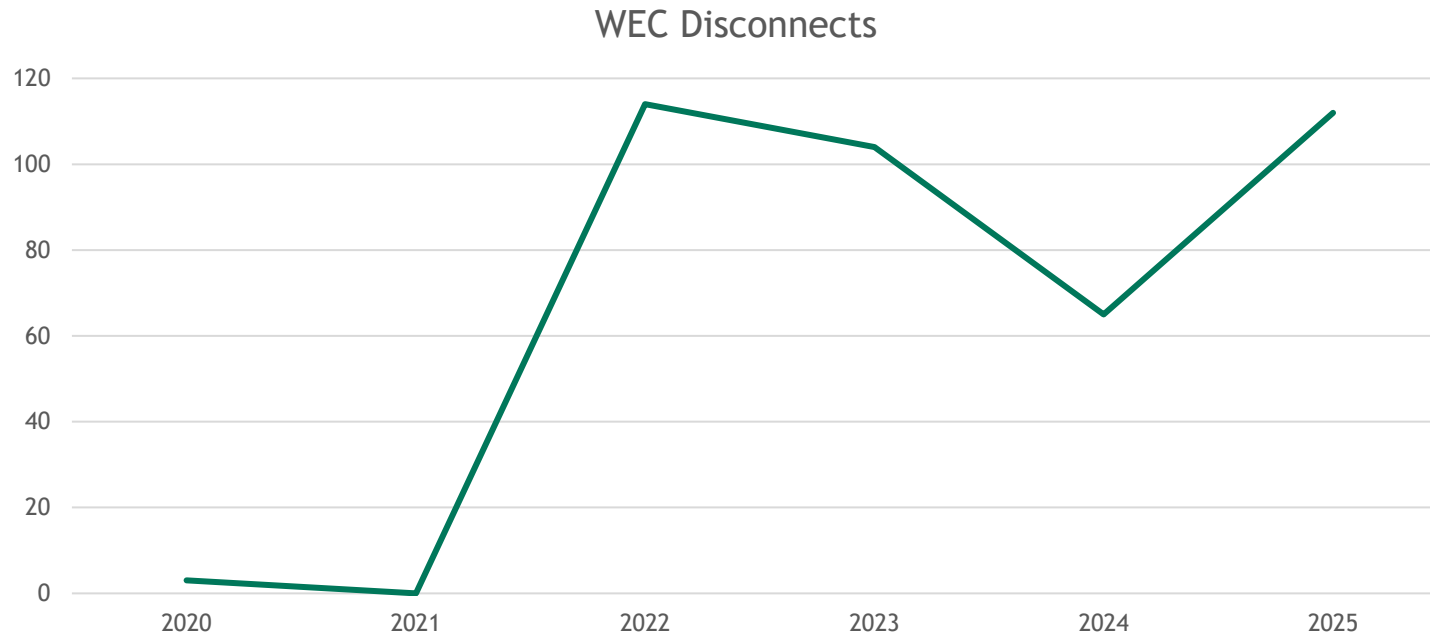
ESAP Battery Storage (by 2027)

- Home Battery Storage
- About \$20,000
- State Grant
- Attestation
- 10 members annually

Disconnect Statistics

“According to the Department of Public Service, disconnection rates have increased 31% since 2022.” - Gov Phil Scott

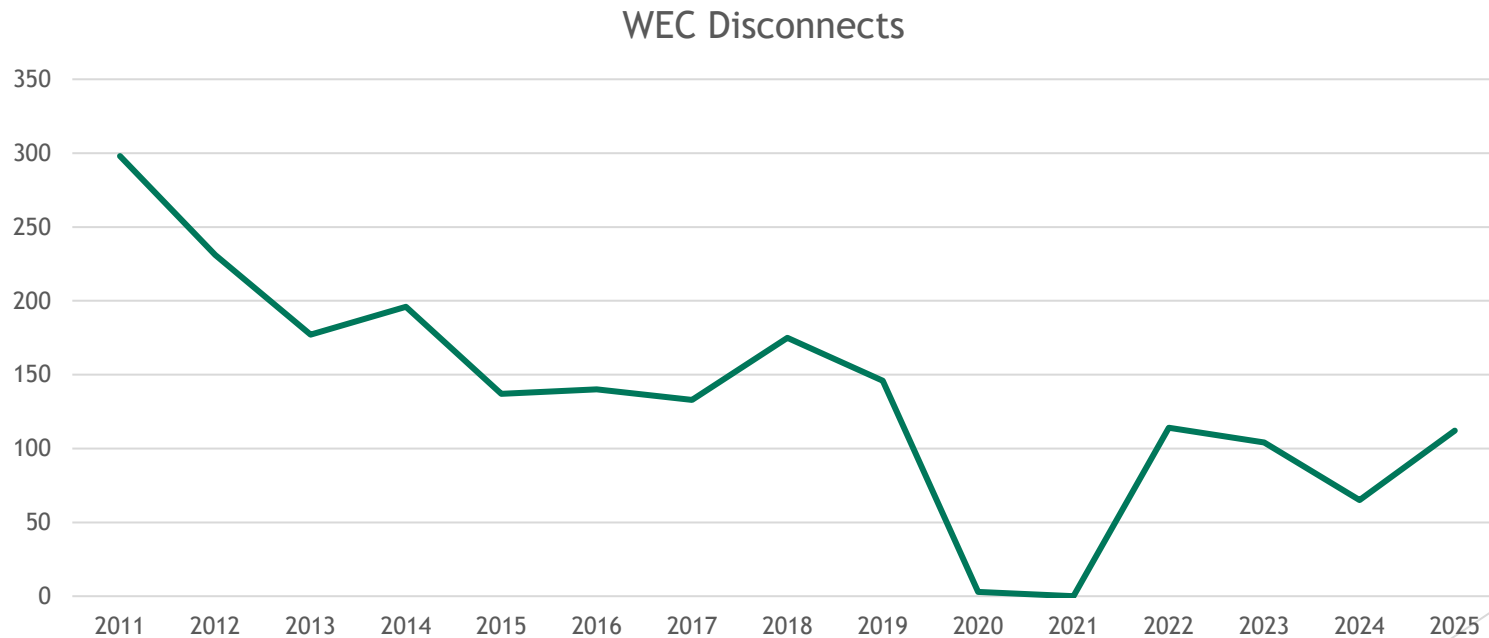
- **I’m sure that is correct statewide – but doesn’t tell the whole story**



Disconnects in Context

A somewhat different picture emerges when you look deeper

- Millions in Federal Covid assistance went to assist Vt ratepayers
- Prohibitions on disconnections - members learned they would not be disconnected
- It takes time to get to disconnect - payment plans made and broken, assistance programs sought, medical notes, winter and other periods



We Hate Disconnects – But Somebody Pays

Costs Are Unavoidable - Which of Your Neighbors Pay Them Can Change

- Net Metering policies already mean 10% of WEC members (disproportionally the well-off ones) already don't pay the cost of providing them service
- Disconnects are not means or income tested - neither is preventing them
- Does not help members in the long-run - they still owe an increasing debt
- Increases electricity costs and rates - discourages adoption of EVs/Heat Pumps
- Costs fall on others who are also struggling to get by

Increase Weatherization and Programs Not Funded Through Electrical Bills

- Doesn't disincentivize beneficial electrification
- Doesn't put more pressure on those just above threshold who already cover NM costs