



2019 Strategic Plan

Core Competencies

SAFETY & SECURITY

We will have an uncompromising pursuit toward an injury free workplace. Our safety program will support the health, safety, and security of our employees, members and general public.

FINANCIAL BALANCE

We will sustain a strong Cooperative through fiscal responsibility by balancing service, reliability and rates.

KEEP THE LIGHTS ON

It is our goal to ensure grid availability by designing, constructing, maintaining and operating a safe, properly engineered, modern and efficient system.

MEMBER FOCUS

Delivering value to members by providing responsive, innovative, and knowledgeable support that anticipates and exceeds member expectations.

CONNECTING EMPLOYEES

We will become a workforce that is connected to VEC's vision. We will create a culture that inspires curiosity and creativity, encourages collaboration, supports continuous improvement, and fosters adaptability. We will celebrate and recognize achievements.

Key Focus Areas

Key Focus Area #1

We will continue to work toward a culture of high employee engagement and leadership at all levels consistent with our core values (Rules of Engagement).

Key Focus Area #2

We will continue to pursue excellence in our core business functions.

Key Focus Area #3

We will explore opportunities to increase load to ensure financial sustainability and to optimize use of the grid in order to provide benefits to the membership.

Key Focus Area #4

We will pursue battery storage and other load control measures to provide benefits to all members.

Key Focus Area #5

We will engage with members to promote understanding of the benefits of Co-op membership.

KPIs

of Communication trainings attended
100 -- 200 -- 400

Overall Score Core Values Index in Dennison Survey
48 --58 --68

Update performance management system
Plan-Pilot-Implement

Increase Average Overall Dennison Survey Score
78—82—86

Number of employees who have taken new actions to improve leadership skills
25 -- 35 -- 50

15%--20%--25% of system maintenance plan completed

Implementation of 2019 IT Plan
Create plan in Q1- Implement Critical Priorities-Implement High Priorities

of employees participating in voluntary safety or cybersecurity training activities.
40—55—70

Cyber steering team to develop and implement improvement plan.
Create plan in Q1—Implement Critical Priorities—Implement High Priorities

Meet Operating Budget
-5% , ≥ 0% , ≥ 5%

Meet CAP-X Budget
+/-5%, +/-2.5%, +/- 1%

of collaboration meetings with state and regional entities
4-8-12

Reduce system losses
6.65%-- 6.45%--6.25%

Financial Impact from Block Load management
\$50K--\$85K--\$120K

Tier III 2019 Goals
3.0% of sales- 3.4 % of sales- 3.7% of sales

Direct Cost/MWh For Tier III
\$20-\$15-\$10

of external collaborations
2-4-6

of new Energy Storage Agreements (ESSA's) executed.
1-2-3

of controllable residential batteries deployed or enrolled.
12-16-24

Amount of controllable load
1,100kW--1,300kW--1,500kW

New or improved outreach methods, tools or platforms.
2-3-4

Improved Member Safety Education Plan
Create plan in Q1—Implement Critical Priorities—Implement High Priorities

System improvements implemented.
2-3-4

of communities visited
6-12-18

Strategies

Provide opportunities for employees to participate in communication skills training to enhance collaboration, alignment, and relationships.

Improve employee awareness of our Rules of Engagement (core values) and expected behaviors.

Explore implementation of a new, "continuous communications" based performance management process.

Continue to focus on Leadership development (through efforts such as Mentoring Program, Project Leadership Training, Succession and Leadership Planning, Job Shadowing, and Team Leadership Experience).

Implement year one of a five-year distribution system maintenance plan.

Implement technology to support business performance

Enhance safety (enhancing VPP) and cyber security

Ensure financial sustainability

Collaborate with state and regional economic development organizations to attract and retain new businesses in VEC service territory

Increase grid efficiency through continuous improvement in field monitoring, IT, and rate design.

Promote beneficial electrification

Explore business opportunities or collaboration with other entities that benefit the VEC membership.

Deploy battery storage technology in areas that provide the most significant VEC benefits including transmission cost benefits and grid stability

Implement residential battery storage programs.

Evaluate & introduce load control technology for VEC sponsored programs

Develop and implement 2019 Member Communications and Engagement plan.

Enhance systems to improve VEC member experience.

Expand community outreach and connections

Mission Statement

Vermont Electric Cooperative is a member-owned electric distribution utility that provides safe, affordable and reliable energy services to its members.

Vision Statement

We believe in meeting the needs of our members by practicing the cooperative principles in a transparent manner. We are striving to be an energy leader by providing innovative energy services, delivering reasonable rates in a regulatory environment, and adapting to changes that will shape our energy future. VEC is committed to operating in a safe manner that is socially and environmentally responsible. We will achieve success through the continuous development of a highly skilled and engaged workforce.

Rules of Engagement:

Live Safely
Demonstrate Integrity
Collaborate to Achieve
Be Positively Engaged
Strive for Improvement
Show Appreciation
Deliver Results
Communicate Openly