



2012 Strategic Plan

Core Competencies

SAFETY & SECURITY

Keeping our employees, members, infrastructure, and public safe through our commitment to security, safety and health awareness.

FINANCIAL BALANCE

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

KEEP THE LIGHTS ON

It is our goal to provide consistent, dependable member service reliability by designing, constructing, maintaining and operating a safe, properly engineered, cost effective system.

MEMBER FOCUS

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

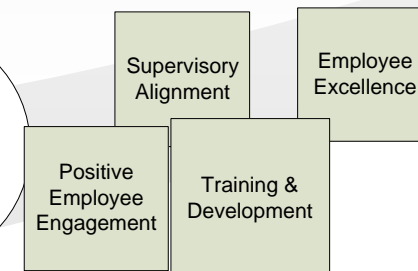
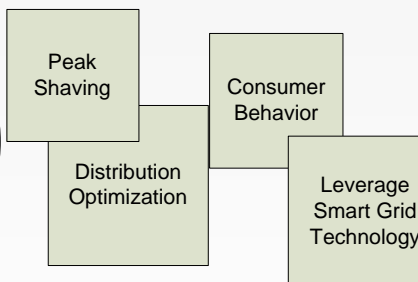
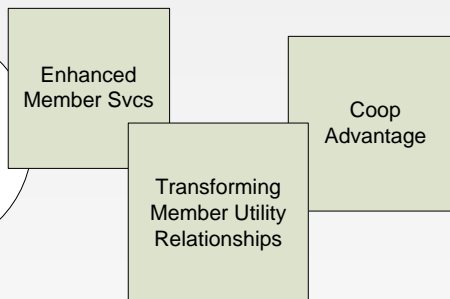
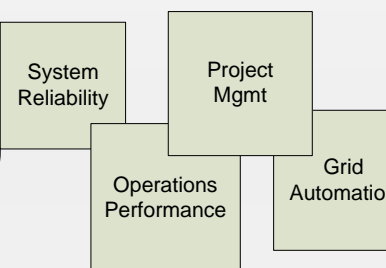
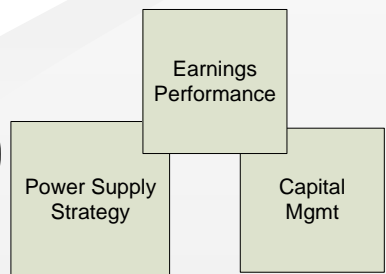
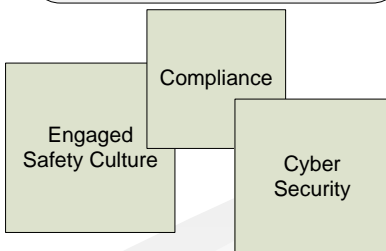
INNOVATION

We will maintain our leadership position in selecting, deploying, and utilizing appropriate technologies and services in order to achieve electrical efficiencies, always ensuring they are affordable and in our members' interest. We will effectively select, pursue, and manage an appropriate level of external funding sources so as not to over-burden VEC resources

CONNECTING EMPLOYEES

We will become a workforce that is connected to the organization and to each other through support and collaboration. We will share best practices, celebrate and recognize achievements and strive to improve communication.

Key Focus Areas



Strategies

Create & implement a cyber security plan and work group by end of 1st quarter

Complete Stage II of VPP program by the end of 2012.

Improve Employee Involvement & Management Commitment, Worksite Analysis, Hazard Prevention & Control, and Safety & Health Training within an engaged safety culture.

Conduct external cyber security audits.

Determine target for earnings to optimize capital spending, TRANSCO stock, and Patronage Capital

Link purchase order system with Finance system for project management reporting. System will project total cost to compare to planned or budgeted cost incurred.

Evaluate all major projects including actual and forecast spending. Improve forecasting process, budget update once/month at capital operational meeting

Maintain existing 2011 price per Kwh for power supply costs for the next 5 years.

Develop specific maintenance protocols

Momentary Average Interruption Frequency Index (MAIFI)MAIFI – monitor reliability report

Develop DOGS/Bird Dogs and distribute operational guides

Continue to monitor and report on measure, implement project management training

Develop, review reporting protocol to evaluate new services and line extensions costs

Provide opportunities for members to have a voice through 2-way communication like Blog and Facebook

Assess and update Public Relations plan in phases (Phase 1=Utilize outside consultant; Phase 2=Develop PR plan; Phase 3=Execute plan).

Promote web presentment tool(s) to members

Develop and deliver member focused informational campaigns about Coop issues (Patronage Capital, Power Supply Portfolio choices, Peak)

MDMS Implementation and MV90, enhance usage of AMI, LED street lighting – initial tariff filing, explore funding for planned transition to LED street lighting

Optimize system through system losses, implementation of improvements

Residential behavior – CBS partnering with EVT, Pilot of time of day and Variable Peak Pricing rates

Commercial/Industrial behavior – Jay Peak initiative, load management, pilot small commercial TOD rates

Require supervisors to complete their performance management actions within a specific timeframe by utilizing new Halogen performance management software tool.

Develop a supervisory best practice document and identify appropriate training to accomplish these best practices

Continue to hold quarterly all employee meetings, monthly supervisory meetings, monthly "Get Connected" meetings. Follow up after meetings to provide manager "talking points"

Support purposeful cross-training opportunities and group training opportunities that support skill-based training and broad employee education.

Managers will hold One-on-One meetings with each of their direct reports twice a month. Managers will hold staff meetings once a month. This is in accordance with the current communication plan.

KPIs Threshold – Target - Distinguished

Total Incident Rate
7.0 – 4.0 – 0

Lost Time Severity Rate
46 – 23 – 0

DART (Days Away Restricted or Transferred)
4.0 – 2.0 – 0

Complete External Audit Recommendations
80% - 90% - 100%

Operating Budget Performance
5% - 0% - -5%

Capital Budget Management
5% - 0% - -5%

Stable Power Supply Costs for Next 5 Yrs
> 2.5% - 0 - < -2.5%

Top 10 Key Account Outages
10 – 5 - 0

SAIFI
2.5 – 2.3 – 2.1

CAIDI
2.6 – 2.3 – 2.1

Budget Scope Variance
15% - 10% - 5%

Construction Efficiency
-20% - 0 – 20%

AMI Deployment
95% - 98% - 100%

Increase Facebook following
10% - 20% - 30%

Member Identity
33% - 38% - 43%

Increase Web Presentment Usage
+5% - +10% - +15%

Increase voter turnout
10% - 15% - 20%

Member Satisfaction
80% - 85% - 90%

Peak Load Impact - KW

System Loss Saving

Consumer Behavior Study task completion
80% - 90% - 100%

Performance Actions On Time
80 % - 90% - 100% Completion

Employee Communication Meetings
80% - 90% - 100% Completion

"Get Connected" Employee Participation
25% - 30% -35%

Total Training Dollars
80% - 90% -100% of budget

Supervisory Communication Meetings
80% - 90% - 100% Completion

Mission Statement:

The Vermont Electric Cooperative is a member owned, not for profit utility whose mission is to provide energy and other appropriate services to its members.

Vision Statement:

We are committed to understanding the needs of our members by practicing the cooperative principles in a transparent manner. We are striving to be recognized for our reasonable rates, reliable service and technological advancements and will achieve success through the continuous development of a highly skilled and engaged workforce. VEC is committed to operating in a manner that is socially and environmentally responsible.

Operating Norms:

Fiscally Responsible
Member Focus
Safe
Productive
Knowledgeable
Teamwork
Integrity