

SUBJECT TO BOARD APPROVAL
MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
CONNECTICUT TRANSMISSION ELECTRIC ENERGY COOPERATIVE

June 25, 2020

The Regular meeting of the Board of Directors of Connecticut Transmission Electric Energy Cooperative (“CTMEEC” and “Transco”) was held on Thursday, June 25, 2020 telephonically and via Zoom.

The meeting was legally noticed in compliance with Connecticut State Statutes and all proceedings and actions hereafter recorded occurred during the publicly open portions of the meeting.

The following Member Representatives / Alternate Member Representatives / Municipal Representatives participated telephonically or via Zoom

Groton Utilities: Ronald Gaudet, Jeffrey Godley, Keith Hedrick
Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose (11:10 a.m.), Robert Staley
Norwich Municipal Representative: David Eggleston
Bozrah Light & Power: Richard Tanger, Scott Barber
Bozrah Municipal Representative: Joseph Cirrito
South Norwalk Electric and Water: Eric Strom, Alan Huth, David Westmoreland
South Norwalk Municipal Representative: Dawn DelGreco
Third Taxing District: Kevin Barber, Michele Sweeney
Third Taxing District Municipal Representative: Pete Johnson
Jewett City Department of Public Utilities: Louis Demicco, Kenneth Sullivan, Richard Throwe
Jewett City Municipal Representative: George Kennedy

The following CMEEC staff participated telephonically or via Zoom

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
Michael Lane, CMEEC CFO
Bella Chernovitsky, CMEEC Director of Business Intelligence
Justin Connell, CMEEC Director of Sustainability and Services
Michael Rall, CMEEC Director of Asset Management
Gabe Stern, CMEEC Director of Technical Services
Scott Whittier, CMEEC Director of Enabling Services

Joanne Menard, CMEEC Controller
Margert Job, CMEEC Executive Assistant / Paralegal
Ellen Kachmar, CMEEC Office and Facilities Manager

The following individuals participated via telephone or Zoom

David Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Chair Kevin Barber called the meeting to order at 10:00 a.m. He stated for the record that today's meeting is being held via Zoom and telephonically.

Chair Barber walked the Board through the protocol for today's meeting stating that all participants' audio should remain on mute unless speaking to eliminate confusion and background noise. He asked everyone to be considerate and patient as we work through the rhythms of conducting a remote meeting with so many participants. He asked that each person state their name prior to speaking for clarity of the record. He confirmed that all participants were able to hear and be heard.

Chair Barber stated that today's agenda required an amendment be made to add two agenda items that had been omitted. He asked for a motion to amend the agenda to add new Agenda Item A Public Comment Period and new Agenda Item B Conduct Voting Roster / Roll Call.

A motion was made by Groton Municipal Representative Mark Oefinger, seconded by Alternate Member Representative Keith Hedrick to amend today's Agenda by adding new Agenda Items A and B, Public Comment Period and Conduct Voting Roster / Roll Call, respectively.

Motion passed unanimously.

T 20-06-01

Standard Agenda Items

A Public Comment Period

No public comment was made.

B Conduct Voting Roster / Roll Call

Ms. Job conducted roll call with each member responding individually as their names were called. Following roll call, Ms. Job identified the voting persons at today's meeting.

C Approve Minutes of the CTMEEC Regular March 26, 2020 Board of Directors' Meeting

A motion was made by Member Representative Ronald Gaudet, seconded by Jewett City Municipal Representative George Kennedy to approve the Minutes of the CTMEEC Regular March 26, 2020 Board of Directors' Meeting.

Motion passed unanimously.

T 20-06-02

Dave Meisinger, CTMEEC CEO, took this time to recognize three new members of the Board. He recognized that Mark Oefinger had been re-appointed the Groton Municipal Representative. He also welcomed new members, Alan Huth who is the acting Interim General Manager of South Norwalk Electric and Water. He will be serving as Alternate Member Representative. He next welcomed Joseph Cirrito who has been appointed as the Municipal Representative for Bozrah Light & Power.

D Hydro Quebec Phase II HVDC Transmission Line and Interconnection Project as CTMEEC Transmission Project #2 Discussion

Mr. Meisinger introduced this agenda item stating it is a discussion surrounding Hydro Quebec Phase II Transmission Line and Interconnection ("HQ Project"). He explained that this is a 20-year project that is slated for renewal in the coming months.

Gabe Stern, CMEEC Director of Technical Services, walked the Board through his slide deck titled CMEEC Hydro Quebec Project – 20-year Contract Renewal. He provided a high-level description of the project and a history of CMEEC's participation and role. Mr. Stern explained that the Agreements providing for the support and use expire on October 31, 2020 and that a 20-year renewal option is being reviewed. He added that in 2018, the Board voted to formally convey CMEEC's intent to renew its participation in the HQ Project, subject to mutually agreeable contract renewal terms.

With respect to the analysis of whether CMEEC should continue to support the Project, he informed the Board that a highly regarded independent consultant, Daymark Energy Advisors, was hired by the Project participants to develop a detailed forecast of the cost and revenue for the renewal term. He described the contract negotiations that have taken place and outstanding issues to resolve. Mr. Stern walked the Board through the risk assessment on his slides that identified risks and how those factored in to the Daymark study. He presented the Board with the NPV margin identified by Daymark, as scaled to CMEEC's share, of \$2,700,000, assuming an 8.98% discount rate, and a worst-case NPV of \$2,030,000, indicating that CMEEC's own internal pro forma review revealed an NPV in excess of the Daymark NPV. Discussion ensued.

Robin Kipnis, CMEEC's General Counsel, provided background to the Resolution before the CTMEEC Board. She explained that for reasons that are now not perfectly clear, the HQ Project was transferred from CMEEC to CTMEEC back in 2014. It appears that other than Resolutions that were adopted by the CMEEC and CTMEEC Boards, the

transfer was not effectuated and that accounting for the Project remained a CMEEEC function, and CTMEEEC was not made a direct party to any of the relevant transaction documents or agreements. In addition, while the Project is in fact a transmission line, CMEEEC's rights in the Project are related to capacity and use rights on the line, not ownership of physical transmission assets. For these reasons, it was recommended that the Project be transferred back to and remain in CMEEEC.

Discussion followed in connection with the proposed Resolution.

At this time, Chair Barber asked for a motion to approve the Resolution to authorize the transfer of Transmission Project #2 to CMEEEC.

A motion was made by Groton Municipal Representative Oefinger, seconded by Member Representative Gaudet to amend the Resolution to add the following to the last WHEREAS clause:

Whereas, the rights and responsibilities under the Basic Agreements were transferred to CTMEEEC pursuant to CMEEEC Board Resolution 14-08 and the transfer was accepted by the CTMEEEC Board pursuant to CTMEEEC Board Resolution 14-02, however, the transfer was not further implemented in order to fully effectuate the transfer.

Chair Barber next entertained a motion to amend the proposed resolution in the manner indicated.

Motion passed unanimously.

T-20-06-03

Chair Barber next entertained a motion to approve the Resolution as amended. A motion was made by Groton Municipal Representative Oefinger, seconded by Member Representative Gaudet to approve the Resolution as amended.

Motion passed unanimously.

T-20-06-04

There being no further business to come before this Board, Chair Barber entertained a motion to adjourn.

A motion was made by Member Representative Gaudet, seconded by Groton Municipal Representative Oefinger to adjourn.

Motion passed unanimously.

T-20-06-05

The meeting adjourned at 11:16 a.m.