

SUBJECT TO BOARD APPROVAL

MINUTES OF THE REGULAR MEETING
OF THE BOARDS OF DIRECTORS OF

CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE
AND
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

August 25, 2022

The Regular Joint Meeting of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” dba Transco) was held telephonically and via Zoom on Thursday, August 25, 2022 at 10:00 a.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all the proceedings and actions thereafter occurred in 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
Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose, Stewart Peil (excused himself at 11:00 a.m.), Robert Staley
Norwich Municipal Representative: David Eggleston
Bozrah Light & Power: William Ballinger, Scott Barber
South Norwalk Electric & Water: David Westmoreland
South Norwalk Municipal Representative: Dawn DelGreco
Third Taxing District, East Norwalk: Kevin Barber
East Norwalk 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 in person, telephonically or via Zoom

David Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
Bella Chernovitsky, CMEEC Director of Business Intelligence
Michael Cyr, CMEEC Director of Portfolio Management
Patricia Meek, CMEEC Director of Finance & Accounting
Joanne Menard, CMEEC Controller
Michael Rall, CMEEC Director of Asset Management
Gabriel Stern, CMEEC Director of Technical Services
Heidi Winnick, CMEEC Financial & Treasury Analyst
Margaret Job, CMEEC Paralegal and Compliance Specialist
Ellen Kachmar, CMEEC Office and Facilities Manager

Others participating telephonically or via 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 telephonically and via Zoom. Chair Barber requested all participants mute their devices unless speaking to eliminate confusion and background noise. He requested that those present state their name and where they are from when speaking for clarity of the record.

Chair Barber sought a motion to amend today's Agenda to insert new Agenda Item K for discussion on the Subase Fuel Cell Project pursuant to C.G.S. §§ 1-200(6)(B) and 1-210(b)(4), with the remaining existing Agenda Items being re-lettered accordingly.

A motion was made by Municipal Representative Pete Johnson, seconded by Member Representative Louis Demicco to Amend the Agenda to insert New Agenda Item K to discuss the Subase Fuel Cell Project pursuant to C.G.S. §§ 1-200(6)(B) and 1-210(b)(4), with the remaining existing Agenda Items being re-lettered accordingly.

Motion passed unanimously.

22-08-03

Specific Agenda Item

A Public Comment Period

No public comment was made.

B Roll Call / Voting Roster

Ms. Job conducted roll call and identified the voting persons at today's meeting. Chair Barber confirmed a quorum was present.

C Approve the Minutes of the Regular June 23, 2022 Joint CMEEC and CTMEEC Boards of Directors' Meeting

A motion was made by Municipal Representative Mark Oefinger, seconded by Municipal Representative Johnson to Approve the Minutes of the Regular June 23, 2022 Joint CMEEC and CTMEEC Boards of Directors' Meeting.

Motion passed unanimously.

22-08-04

D Approve the Minutes of the Special August 3, 2022 CMEEC Board of Directors' Meeting

A motion was made by Municipal Representative Oefinger, seconded by Municipal Representative Johnson to Approve the Minutes of the Special August 3, 2022 CMEEC Board of Directors' Meeting.

Motion passed unanimously with the exception of Member Bill Ballinger who abstained as he was not present at the meeting.

22-08-05

E July 2022 Objective Summary

Mr. Meisinger explained that similar to previous months, the continued high gas and wholesale energy prices were the primary drivers for July's results.

For the month of July, Regional Competitiveness came in at 35% versus the target of 34%, with projected year-end remaining at 34% versus the 30% target.

Customer Fulfillment All-in Cost TMR View came in at \$107/MWh versus the target of \$79/MWh, with year-end projected to be \$106/MWh versus a target of \$90/MWh again with the drivers being continued high gas and wholesale energy prices..

F July 2022 Project Portfolio Performance

Mr. Rall walked the Board through the Project Portfolio dashboard stating that the portfolio realized a good month overall coming in at 19% higher than budget, excluding Subase Fuel Cell. He explained that the drivers for this result were primarily due to the Community Solar Garden coming in above budget resulting from generation from the solar garden being more than budgeted as well as LMPs during the hours of solar generation being higher than budgeted.

Mr. Rall continued to explain that Hydro Quebec came in above budget due to lower than budgeted support payment expenses. He further explained that Transmission Project #1 came in below budget due to lower than budgeted pool network peak load in June, and that MicroGen came in on budget.

Mr. Rall further explained that Year-end projection, excluding Subase Fuel Cell, is 9% below budget due to the 2021 LNS transmission true-up in prior months.

G July 2022 Energy Market Update

Mr. Cyr provided a high-level overview of the Energy Market Analysis for July highlighting the results of the previous month and how they were impacted by Load, Energy costs, Natural Gas costs, and Oil costs.

Mr. Cyr explained the mitigating actions taken and walked the Board through other materials including the Board package.

Discussion followed.

H Budget & Finance Committee Report

Member Representative LaRose, Budget & Finance Committee Chair, reported that the Budget & Finance Committee met on July 25, 2022 to discuss the Second Quarter Financial Operating Results, reviewed the proposed reorganization of the monthly Board reports format, Procurement Guidelines and the meeting schedule for the 2023 Budget with the first of those meetings scheduled for September 16, 2022.

Chair Barber encouraged all Board members to attend and participate in the 2023 Budget meetings.

I Risk Management Committee Report

Alternate Member Representative Robert Staley, Risk Management Committee Chair, reported that the Committee met on August 18, 2022 to discuss in Executive Session a Hydro Quebec updated Pro Forma and staff recommendation related to CMEEC's continued participation as an equity sponsor and use rights holder. The Committee also received a report on Great River Hydro's projections for 2023 in Executive Session as that information is considered confidential by Great River Hydro.

The Committee also reviewed a non-confidential report on the positive results in the first six weeks of the Great River Hydro project, including the net benefit realized from operations to date.

Alternate Member Representative Staley further reported that the Committee received an update and status on the Enterprise Risk Management Policy and proposed Decarbonization Policy. He added the Committee agreed that final review of the proposed Decarbonization Policy and proposed changes to the ERMP is anticipated to be complete by the end of the first quarter of 2023.

J Vote to Rescind Resolution No. 21-11-08 Authorizing the Entering into Account and Other Agreements for Financial Trading (ED&F Man Capital Markets)

Ms. Kipnis explained that at its Special Meeting on August 3, 2022, the Board approved a resolution authorizing CMEEC to enter into an agreement with StoneX (StoneX Resolution) to act as clearing agent on behalf of CMEEC for financial trading on the Intercontinental Exchange (ICE) in place of ED&F Man Capital Markets (EDF Man). She reminded the Board that in November 2021, it had approved a resolution for EDF Man (EDF Man Resolution) to act as clearing agent on the ICE however, since that time CMEEC learned that EDF Man is selling its brokerage business and had become unresponsive to CMEEC. With the approval of the StoneX Resolution, the EDF Man Resolution requires rescinding.

A motion was made by Member Representative Ronald Gaudet, seconded by Member Representative Jeffrey Godley to Rescind Resolution No. 21-11-18

Authorizing the Entering into Account and Other Agreements for Financial Trading (ED&F Man Capital Markets).

Motion passed unanimously.

22-08-06

K New Item: Proposed Executive Session Pursuant to C.G.S. §§ 1-200(6)(B) and 1-210(b)(4) with respect to the Subsea Fuel Cell Project

A motion was made by Municipal Representative Johnson, seconded by Member Representative Demicco to enter Executive Session.

Motion passed unanimously.

22-08-07

The basis for entering Executive Session is as identified above.

Mr. Silverstone agreed that he is exercising his right under his Non-Disclosure Agreement dated May 24, 2021 to remain in Executive Session.

Members of the Board and CMEEC staff in attendance, as well as Mr. Silverstone remained.

The Board entered Executive Session at 10:36 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 11:04 a.m.

L Ad Hoc CEO Performance and Compensation Committee Report, including Potential Executive Session Pursuant to C.G.S. § 1-210(b)(1) to Discuss Revised CEO Compensation, Incentive and Benefits and Revised Employment Agreement

It was determined that this discussion would be held in open session until and unless an Executive Session was appropriate. Chair Barber provided an overview of the activities conducted at each of the meetings held by this Committee including engaging Intandem, LLC to develop a process for future performance evaluations. Intandem, LLC also conducted and shared a CEO salary study and survey to help inform the Committee on an appropriate salary and benefits level for Mr. Meisinger as CMEEC's CEO. Chair Barber explained that Carl Mycoff, of Mycoff Fry Partners, was also invited to one of the Committee's meetings to discuss CEO compensation in the energy industry, with a focus on public power. Chair Barber also explained that the Committee worked to amend and revise the CEO Employment Agreement ("Agreement") and that the proposed revised Agreement was included in today's packet of materials. Chair Barber further stated that the Committee held a Special meeting on August 17, 2022, at which it voted to recommend approval of the revised Agreement by the Board at today's meeting.

Ms. Kipnis then walked the Board through her memo summarizing the non-financial changes to the Agreement.

Chair Barber then walked the Board through highlights of the financial changes and impacts of the revised Agreement. He explained that an executive pension restoration plan identified in the Agreement is driven by IRS regulations that cap compensation under qualified retirement plans.

Ms. Kipnis further explained that the pension restoration in the revised Agreement is structured to be funded under an Internal Revenue Code (IRC) Section 457(b) plan as well as an IRC Section 457(f) plan, and that funding will be calculated on an annual basis as set forth in the Agreement.

M Possible Vote to Adopt Resolution Approving the Revised CEO Employment Agreement and to Adopt Resolution Establishing an IRC § 457(b) Plan for CEO

A motion was made by Municipal Representative David Eggleston, seconded by Member Representative David Westmoreland to Adopt Resolution Approving the Revised CEO Employment Agreement. Municipal Representative Oefinger objected.

Members of the Board voted Aye, with Municipal Representative Oefinger voting Nay.

Motion passed. 22-08-08

A motion was made by Member Representative Gaudet, seconded by Member Representative LaRose to Adopt Resolution Establishing and IRC § 457(b) Plan for CEO. Municipal Representative Oefinger objected.

Members of the Board voted Aye, with Municipal Representative Oefinger voting Nay.

Motion passed. 22-08-09

N MEU Roundtable

There were no MEU updates.

Mr. Silverstone took this time to announce that he will be holding his Annual meeting for consumers on October 12, 2022 and that a notice to consumers is being distributed by Ms. Job to the MEUs. He asked that the notice be inserted with the MEU September customer invoices and posted to the MEU websites.

O New Business

• Inflation Reduction Act Summary

Ms. Kipnis walked the Board through her memo on the Inflation Reduction Act stating that she briefly highlighted some of the provisions applicable to the MEUs. After her presentation, she stated that she is working to bring a speaker to the next meeting of this Board to talk about what is available to the MEUs and how to apply for grants.

Mr. Meisinger added that he appreciates the Board's vote to approve his revised Employment Agreement and thanked them for their vote of confidence in what he has accomplished thus far in the time he has been CMEEC's CEO.

Mr. Meisinger further thanked the Ad Hoc Committee and Ms. Kipnis for all the work they completed in coming to a final agreement.

Mr. Meisinger then reminded the Board that the Board Self-Evaluation Survey is due to be completed by August 31, 2022 and asked that they try to complete it by then. He asked that if any of the Board needs the link to the survey again, to please contact Ms. Job.

Finally, he explained that a seat has opened on the APPA Board for Region 8 which includes Pennsylvania, New York and New England. He asked if CMEEC or the MEU might consider filling this vacancy. He explained that he would be happy to be considered to fill the vacancy adding that names are due by Monday, August 29, 2022 if the Board supported it. A questionnaire is required to be completed along with letters of support. The Board agreed to draft a letter endorsing Mr. Meisinger for nomination to fill the vacant seat on the APPA Board, Region 8.

P Adjourn

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

Motion passed unanimously.

22-08-10

The meeting was adjourned at 11:43 a.m.