

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Meeting of the Board of Directors December 17, 2024

Pursuant to proper notice duly provided to all Directors, the regular meeting of the Directors of the New Hampshire Electric Cooperative, Inc. (NHEC) was held December 17, 2024, at the Cooperative's 287 Highland Street Office in Plymouth, NH.

Directors present were William Darcy (Chair), Leo Dwyer (via Teams), Harry Viens, Alana Albee, Thomas Mongeon (via Teams), Pat Barbour, Carolyn Kedersha, Jerry Stringham, Peter Laufenberg, and John Goodrich.

Not present was Jeffrey Morrill.

Others present were Alyssa Clemens Roberts, President/CEO; Kristen Taylor, Chief Financial Officer; Joshua Mazzei, VP of Operations; Christine Axten, Controller; Todd Fahey, Attorney; Sonja Gonzalez, Chief Information Officer; Michael Jennings, VP of Energy Delivery; Peter Glenshaw, VP of Member Engagement; Jeremy Clark, Financial Planning Analysis Rates Manager; Cooper Beaudet, Associate Engineer (via Teams); Maida Lessard, Executive Services Administrator (recording); Madeline McElaney, NRECA Director for New Hampshire; and, John Kilgo, Steven Kelly, and 2 others, Cooperative Members.

Not present was Carla Munoz, VP, People & Culture.

Chair Darcy called the meeting to order at 8:30 a.m.

Agenda Review and Consent Agenda Approval

No changes were requested to the agenda.

Chair Darcy drew attention to the consent agenda items and asked for a motion to approve.

Upon motion of Ms. Albee, seconded by Mr. Morrill, it was

VOTED That the Board of Directors approve the consent agenda items as presented in the board packet.

Vote for the motion was unanimous with the exception of Mr. Morrill who was absent at the time of the vote.

Chairman's Report

Chair Darcy thanked Ms. Clemens Roberts for her service to the board and for leaving the Co-op in very good condition. Our rates are very low compared to other businesses such as

Eversource and we have made significant investments in reliability with our transformer and direct bury cable project. We are on schedule for our fiber broadband construction with an aggressive schedule. In 2021, we were just starting up our broadband project and staff was not terribly enthusiastic and self confident about the project, but Ms. Clemesen Roberts has made staff very enthusiastic and self confident which is important for our future. We also had several pilot projects back 2-3 years ago that she put an end to that didn't yield very much and diverted our focus from our primary goals of a safe, reliable and affordable electric system.

Board Committees

Budget, Finance, and Rates Committee

Mr. Stringham drew attention to the October 25, 2024 minutes that were prematurely approved at last month's board meeting. He asked for approval of the meeting minutes from October 25, 2024 and November 18, 2024.

Upon motion of Mr. Goodrich, seconded by Ms. Kedersha, it was

VOTED That the Board of Directors approves the October 25, 2024 and November 18, 2024 Budget, Finance, and Rates Committee meeting minutes.

Vote for the motion was unanimous with the exception of Mr. Morrill who was absent at the time of the vote.

Mr. Stringham commented it has been a busy time and another meeting was held on December 13, 2024 and as a result, there are two resolutions that need to be approved by the Board of Directors.

The first resolution is the Board of Directors authorizes staff to set up Co-op power and regional access charges on a bills rendered February 1, 2025 as recommended in the February 1st 2025 Co-op Power and Regional Change proposal presented to the Budget, Finance and Rates Committee on December 13, 2024.

Upon motion of Chair Darcy, seconded by Mr. Goodrich, it was

VOTED That the Board of Directors authorizes staff to set the Co-op Power and Regional Access Charges on a bills-rendered basis effective February 1, 2025 as recommended in the February 1, 2025 Co-op Power and Regional Access Rate Change Proposal presented to the Budget, Finance, and Rates Committee on December 13, 2024.

Chair Darcy explained on the electricity side, there's a 6% reduction in the rate, but on the regional access charge side, there's an increase largely caused by a large increase in the transmission charges. When combined with the distribution rate increase, it works out to a net

of 1.6% to 1.9% on bills starting in February 2025. This is good news for the energy side, however, the transmission side did not fare as well as this is something NHEC has no control over as it is done on a regional basis. Staff has done a good job on this and he thinks the board should approve it.

Vote for the motion was unanimous with the exception of Mr. Morrill who was absent at the time of the vote.

Mr. Stringham drew attention to the second resolution and explained there was discussion with SLT about long term purchases and the right balance of short term and long term purchases in terms of getting the best rates possible for our members with the appropriate or minimal amount of risk in spikes. We're going to continue to receive recommendations, but we feel it is important to authorize the staff to begin making purchases based on six months of what the resolution calls IBT purchases of up to 33% of the expected load for the Fall 2025 rate period.

Upon motion of Chair Darcy, seconded by Mr. Goodrich, it was

VOTED That the Board of Directors authorizes staff to make 6 months' worth of IBT purchases of up to 33% of expected load for the Fall 2025 rate period.

Chair Darcy explained that we are looking forward to the following rate period which begins in August and set some parameters. We will be working on policies to determine how the default energy rate is set in the future, but we need to give staff authorization to start making purchasing for that six month period.

Vote for the motion was unanimous with the exception of Mr. Morrill who was absent at the time of the vote.

Mr. Mongeon asked if there is a timetable or goals for the policy revisions mentioned earlier.

Chair Darcy responded he has spoken with Mr. Jennings and the focus will be completing these revisions by the end of Q1 2025.

Chair Darcy mentioned he will be scheduling an Executive Committee meeting sometime in January to go over some of the policies as well as other items related to the transition.

Member Comments

Members John Kilgo, Steven Kelly, and two other gentlemen from Tenney Mountain Ski Resort addressed the board to discuss their long term expansion plans in Plymouth and how the resort should not be bearing the costs for long overdue power system capacity upgrades by NHEC. After meeting with Ms. Clemens Roberts and some of the NHEC leadership team recently, a proposed bill by NHEC for necessary power system improvements was discussed with no

resolution. They feel they have been paying their fair share to NHEC for many years and believe with their expected expansions to the resort, the entire community will benefit including NHEC.

Chair Darcy thanked them for their presentation and commented he feels it is very encouraging that we have economic development such as this in the area. He commented it was his understanding that the purpose of the presentation was in part because of the dissatisfaction with staff's application of our rules and regulations. One principle that applies to all regulations is when a customer imposes additional load on the system that the customer would be primarily responsible for the additional cost imposed on the system. It is also his understanding that there aren't any system improvements as a result of our existing load. We would be willing to work with Tenney Mountain in the future as plans start to develop, but we can't compromise the general principle as it would compromise many regulations and rules that are in the interest of our overall membership which is the critical element. We also do not overrule staff's interpretation of our regulations. The board unfortunately will not be able to make a decision or dig into this today or likely at future meetings due to electrical engineering and load factor issues that were mentioned. He commented that the current fee for expansion is not something that can be granted at this time and he encouraged them to continue talking with our staff as expansion continues. There is a lot of available grant money out there and perhaps in the future there may be something we can work out such as a combined economic development with grid reliability.

Ms. Albee commented this is an interesting project and she encouraged them to keep the conversation going and let NHEC know who has formed partnerships whether it be at the federal, state, or town level. We should stay in touch and continue to look at the bigger project and see how we might be able to engage.

Mr. Kilgo, Steven Kelly, and 2 others from Tenney Mountain Resort left the meeting.

President/CEO Report

Ms. Clemens Roberts drew attention to her report in the board packet and shared a safety moment on the use and installation of home generators.

There is no power supply report this month due to the timing of this month's board meeting, but October and November will be provided at January's board meeting.

There will also be no financials this month, but they will also be provided at January's board meeting.

Mr. Mongeon asked if there is a goal set for the talent development strategy that she mentioned in her report.

Ms. Clemesen Roberts replied it is outlined in the strategic plan on what we are doing in terms of our talent development program. Training has been scheduled on how to perform performance reviews. She will have Mr. Jennings follow-up with Ms. Munoz on what the plan is for next year.

Board General Session

NRECA Report

Ms. McElaney thanked Ms. Clemesen Roberts for her leadership at NHEC as she navigated many storms and FEMA events, hired an amazing leadership team, brought DEI to the Co-op, and brought NHEC into the present day. She also congratulated Mr. Jennings for his new role of interim CEO/President and would like to set up some time to discuss how NRECA can assist in the transition and to make sure that NRECA resources are being utilized if applicable.

She drew attention to the highlights of her report in the board packet and mentioned there is an electric utilities Bar Association legal seminar coming up August 5-7, 2025 in Providence, RI and one in July in Sante Fe, NM.

Mr. Mongeon commented that the Form 990 for Mr. Matheson, the CEO of NRECA shows his overall compensation for 2022 is close to \$5 million and asked what the board approved for adjustments going forward.

Ms. McElaney responded that the board approves the CEO salary each December for the following year. It is a year long process and very similar to what is done here at NHEC where we take information from peer organizations. The goal is always to be in the 50th percentile among peer organizations doing similar things and we have hit those targets.

Review Board Tracking Report

Chair Darcy commented to add the Tenney Mountain request to the request for a member tracking report and assign it to the Executive Committee.

Mr. Mongeon asked that the volumetric versus member charge item on the tracking report have due date of the end of Q1 2025.

Chair Darcy noted he is going to continue this meeting to the first week of January for the purpose of appointing the Nominating Committee. It will be too late to wait for the January Board Meeting as per our bylaws there is a certain window we have to act on this and this meeting is too early. There are only six board directors not up for election this year that can participate in this continued board meeting. A Doodle poll will be sent out to find 30 minutes to schedule this meeting.

Mr. Mongeon asked if we have done our annual review of the bylaws and if not, maybe we should do this at the next Executive Committee meeting.

Chair Darcy responded this is one of the subjects that will be put on the agenda for the January Executive Committee meeting.

Chair Darcy asked for a motion to go into executive session for the purposes of discussion of confidential legal litigation, and personnel matters.

Upon motion of Mr. Stringham, seconded by Mr. Viens, it was

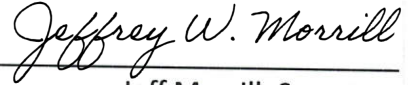
VOTED That the Board of Directors go into executive session for the purposes of discussion of confidential legal litigation, and personnel matters.

Vote for the motion was unanimous with the exception of Mr. Morrill who was absent at the time of the vote.

Attendees other than NHEC Senior Leadership, Board of Directors, and General Counsel left the meeting at 9:18 a.m.

The Board of Directors went into executive session at 9:30 a.m. after a short break.

The Board of Directors came out of executive session at 11:26 a.m. to continue this board meeting to the first week of January 2025 for the purpose of appointing the Nominating Committee by those board members not up for election in 2025. A specific date/time will be announced.


Jeff Morrill, Secretary

A TRUE COPY ATTEST:


William R. Darcy, Chair of the Board