

Approved 9/29/20

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Meeting of the Board of Directors

August 25, 2020

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 August 25, 2020. In light of the COVID-19 pandemic and in response to Governor Sununu's Executive Order 2020-04, the meeting was conducted remotely via Zoom videoconferencing.

Directors present were Thomas Mongeon, Alana Albee, Brenda Boisvert, William Darcy, Sharon Davis, Leo Dwyer, Edward French, Carolyn Kedersha, Madeline McElaney, Jeffrey Morrill, and Daniel Senie. Others present were Steve Camerino, President/CEO; Jim Bakas, VP of Operations and Engineering; Brian Callnan, VP of Power Resources and Access; Mark Dean, Attorney; Drew Dunagin, VP of Financial Services/CFO; Steve Kaminski, Power Planning and Policy Advisor; Mike Licata, VP of Member Services/Public Affairs; Pam Ouellette, VP of Human Resources and Organizational Development; Craig Snow, VP of Energy Solutions/Facilities; Geoff Ziminsky, VP of Technology and Business Services/CIO; Dustin Ryan, Safety Manager; Jeremy Clark, Rates and Revenue Administrator; Scott Davis, Power Resources Administrator; Ken Colburn, NRECA Director for NH; Harry Viens, NHEC Member; and Sharon Yeaton, Executive Services Administrator (recording).

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

Agenda Review and Approval of Minutes

There were no changes to the agenda.

The minutes of the July 20, 2020, Special Meeting and the July 28, 2020, Board meeting were reviewed. Upon motion of Mrs. Davis, seconded by Mrs. Boisvert, it was

VOTED: To adopt the minutes of the July 20, 2020, Special Meeting and the July 28, 2020, Board meeting, as presented.

Vote for the motion was unanimous.

Board Safety Moment

Mr. Ryan introduced himself and shared information on his background. He mentioned that in his new role as Safety Manager he will be coming up some new ideas to make the safety program more progressive. He discussed the written safety briefings that were issued during the recent storm, shared his screen showing a safety briefing that will be shared with staff, and noted his plans for more safety communications.

Mr. Ryan left the meeting at 8:36 a.m.

Chairman's Report

Chair Mongeon presented the Chairman's Report, first indicating that if there are things directors would like to see covered in the Chairman's Report they should let him know. He then discussed broadband, thanking staff and directors for their ongoing work; yesterday's Power Resources and Access Committee meeting, noting the continued progress on looking at risks; and board committee goals, stating that he plans to get together with committee chairs in the next few months to discuss progress on goals and see if there is anything he can do to assist.

Messrs. Kaminski and Viens joined the meeting at 8:39 a.m.

Chair Mongeon next discussed NRECA online director training and encouraged directors to explore these online training opportunities. He also mentioned the right to know memo he forwarded from Attorney Dean, noting that if anyone has questions they can bring them up during the Attorney's Report.

President's Report

Mr. Camerino presented the President's Report, mentioning that his written report will resume next month. He reviewed a dashboard of key operating metrics for safety, various financial measures, service reliability, and the Balanced Scorecard (BSC) and then discussed his email on the new COVID guidelines from the State.

Mr. Dunagin provided a financial update and addressed questions. He reviewed slides on year-to-date financial results through July compared to budget, delivery service billed revenue compared to budget, and July non-residential kWh sales by sector.

Mr. Davis joined the meeting at 8:58 a.m.

Mr. Dunagin continued his update, reviewing slides on accounts receivable aging, uncollectible reserve, and payment arrangements. Further questions were addressed regarding the collections process.

Mr. Callnan reviewed the Environmental Disclosure Statement that will appear in the newsletter and on NHEC's website, as well as the monthly Power Resources Variance Report, and addressed questions on each. Ms. Albee suggested a deeper dive on the issue of RECs take place at a future Power Resources and Access Committee meeting.

Messrs. Clark and Davis left the meeting at 9:25 a.m.

Closing out the President's Report, Mr. Camerino discussed letters received from members in Unity and the surrounding area encouraging NHEC to pursue broadband, the updated timeline related to rate changes and some changes in fees and charges, and the significant storm event in early August, noting that NHEC performed extremely well in its restoration efforts. He suggested it would be helpful to provide a better understanding to the board and members of what a significant storm event means to the organization and how we respond. Chair Mongeon indicated that he and Mr. Camerino would discuss and perhaps there is something that can be done in the Member Services Committee for education.

Upon motion of Mr. Darcy, seconded by Mr. Senie, it was

VOTED: That the Board compliments the staff for the superior reaction to the August storm and restoration of service in a remarkable time period.

Vote for the motion was unanimous.

Mr. Camerino advised that he will include the board's motion in his monthly update to staff.

Items of Strategic Focus

Mr. Camerino mentioned his discussion with the Performance Review Committee several months ago about finding opportunities to provide better visibility to the board on some of the things management and staff are working on that don't require board action. He noted that he has tried to get some of these items on the board agendas for the past few months, but other items of importance have pushed them off. He indicated that he wanted to make the board aware that these things are out there and see if there is an interested in hearing about them.

Directors provided input, indicating that they were interested in hearing from staff on the things they are working on.

Update on Strategic Plan Review

Mr. Camerino discussed timing for the strategic plan review, suggesting that with everything else we have going on we don't have the bandwidth to address this before the end of the year.

Directors provided input, agreeing that it makes sense to defer the strategic plan review until after the first of the year.

Board/Organizational Priorities and SWOT Brainstorm

Mr. Camerino reviewed a preliminary list of priorities broken into three groups: 1) things that are imperative, that we can't let slip, 2) things that are items of focus, but may slip, and 3) things that will not have an adverse impact if they don't get accomplished in the timeframe previously identified.

Directors shared support for the items Mr. Camerino identified. Mr. Camerino will share his list of priorities with senior management to see if anything is missing and then it will be provided to the board.

With regard to the SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis, Chair Mongeon recalled the brainstorming done at the last Executive Committee meeting focusing on threats and opportunities, which was included in the board packet. Lessons learned from COVID will be added to the list of opportunities. Chair Mongeon noted that an overall SWOT for the organization for next year's strategic planning process will be a collaboration between staff and the board. He next provided some history on the strategic planning process.

Chair Mongeon requested that if anyone has items to add to the SWOT they email them to him and Mr. Camerino within the next couple of weeks.

Board Policy B-9, Board of Director's Stipends and Expenses

Chair Mongeon shared background and discussed proposed changes to Board Policy B-9, Board of Director's Stipends and Expenses. It was agreed that the policy would go back to the Executive Committee for further review.

Board Committees

The draft minutes of the July 27, 2020, meetings of the Audit, Corporate Services, and Member Services Committees were reviewed. Upon motion of Mr. French, seconded by Mrs. Kedersha, it was

VOTED: To approve the minutes of the July 27, 2020, Audit, Corporate Services, and Member Services Committee meetings, as presented.

Vote for the motion was unanimous.

Power Resources and Access Committee

Power Resources and Access Committee Chair Dwyer indicated that the Committee voted to recommend the board reaffirm two policies. Upon motion of Mrs. Kedersha, seconded by Mrs. Boisvert, it was

VOTED: That the Board of Directors reaffirms Board Policies B-2, Attachment E – Power Resources & Access Committee and B-27 – Wholesale Power Resources and Related Environmental Products and Risk Policy.

Vote for the motion was unanimous.

Updates from Other Committees

Audit Committee Chair Albee stated that BerryDunn will be engaged to conduct the 2020 financial audit.

Member Services Committee Chair Morrill noted that the committee is working on its SMART goals.

Engineering and Operations Committee Chair Senie indicated he would be in contact with committee members later this week regarding the September 2nd meeting.

Chair Mongeon advised that the Broadband Committee would be covered in executive session.

With regard to the Executive Committee, Chair Mongeon stated that he would determine some potential dates for the next meeting and then a Doodle poll would be sent to committee members.

Attorney's Report

Attorney Dean advised he had nothing to report outside of executive session.

Board General Session

Board Tracking Report

There were no changes to the Board Tracking Report.

Committee Meetings

Following is a list of upcoming committee meetings:

- Engineering and Operations Committee – September 2 at 8:30 a.m.
- NHEC Foundation Board – September 28 at 8:30 a.m.
- Corporate Services Committee – September 28 at 10:00 a.m.
- Power Resources and Access Committee – September 28, following the Corporate Services Committee Meeting

NHEC Foundation Report

NHEC Foundation Chair Davis noted that the next meeting is scheduled for September 28. If anyone is interested in filling the NHEC director seat on the Foundation Board they should call or email Mrs. Davis.

Director Expense Reports

Chair Mongeon noted that director expense reports were included in the board packet.

NRECA Report

Mr. Colburn presented the NRECA Report, sharing highlights from his written report which was included in the board packet. With regard to broadband, he encouraged NHEC to tap into NRECA for their knowledge on this front. He agreed to follow-up with NRECA on NHEC's specific need for an extension to the December 15th deadline related to CARES funding as expressed by Mr. Darcy.

The upcoming NRECA Regional meeting and the need for NHEC to appoint a voting delegate and alternate for that meeting were discussed. Mr. Colburn reviewed the meeting schedule. Following discussion, Chair Mongeon appointed Alana Albee as NHEC's voting delegate and Ed French as the alternate.

Chair Mongeon thanked Messrs. Colburn and Viens for attending today's meeting and for their continued support of the Co-op through NRECA.

The meeting recessed at 10:45 a.m. Messrs. Colburn and Viens left the meeting at this time. The meeting reconvened at 10:56 a.m.

Executive Session

Upon motion of Mrs. Boisvert, seconded by Mr. Darcy, it was

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VOTED: That the Board of Directors move into Executive Session for the purpose of confidential discussion of legal claims/litigation/contract negotiations and confidential personnel matters.

Vote for the motion was unanimous and the board moved into executive session at 10:56 a.m.

Adjournment

The Board moved out of executive session and Chair Mongeon adjourned the meeting at 1:40 p.m.

Brenda Boisvert, Secretary

A TRUE COPY ATTEST:

Thomas Mongeon, Chair of the Board