

SUBJECT TO BOARD APPROVAL

MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF

CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE

July 22, 2021

The Regular Meeting of the Board of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) was held on Thursday, July 22, 2021, telephonically and via Zoom at 10:00 a.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all proceedings and actions thereafter recorded 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
Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose, Stewart Peil (excused at 11:00 a.m.), Robert Staley
Bozrah Light & Power: Richard Tanger
Bozrah Municipal Representative: Joseph Cirrito
South Norwalk Electric & Water: Alan Huth, Eric Strom
South Norwalk Municipal Representative: Dawn DelGreco
Third Taxing District, East Norwalk: Kevin Barber, Michele Sweeney
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 telephonically or via Zoom:

Dave Meisinger, CMEEC CEO
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
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 that 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 for clarity of the record.

Specific Agenda Items

A Public Comment Period

No public comment was made.

B Roll Call / Voting Roster

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. Chair Barber confirmed a quorum was present.

C Approve the Minutes of the Regular June 24, 2021 CMEEC Board of Directors' Meeting

A motion was made by Municipal Representative Mark Oefinger, seconded by Member Representative Ronald Gaudet to approve the Minutes of the Regular June 24, 2021 Board of Directors' Meeting.

Motion passed unanimously.

21-07-01

D June 2021 Objective Summary

Mr. Meisinger briefly highlighted the Regional Competitiveness and Customer Fulfilment metrics. He stated that the Regional Competitiveness Total Member Return came in at 40% for the month of June, which was slightly above the target of 39%. He added that the year-end projection remains the same as last month, at 26% versus a target of 29%. Mr. Meisinger explained the factors impacting these results. Mr. Meisinger added that CMEEC will budget for the LNS transmission true-up payment next year since a true-up payment has consistently been required and that trend will likely continue.

All-In Customer Fulfillment results for the month of June reflected similar drivers as noted above as well as impact from projects. Mr. Meisinger explained that for the month of June, All-In cost came in at \$75/MWh versus a target of \$74/MWh with year-end projection remaining at \$85/MWh versus the target of \$83/MWh. He then explained the factors impacting these results, adding that they were like those discussed under Regional Competitiveness metric.

E June 2021 Project Portfolio Summary

Mr. Rall explained that the Project Portfolio ended the month slightly higher than budget. He explained the drivers being MicroGen and Pierce came in above budget and provided the factors impacting these results. Mr. Rall added that Hydro Quebec came in above budget mostly due to support payment and staff expenses coming in lower than budget. Transmission Project #1 came in below budget due to expense timing however Mr. Rall explained that at year end this project should be at budget.

Mr. Rall stated that overall year-to-date projects are on budget and projected year-end is 6% below budget excluding Subase Fuel Cell. He explained that the Community Solar Garden project is lower than budget due mostly to lower than budgeted RRIF credit offset because of project participant decision to no longer offset costs with RRIF, effective earlier this year. Mr. Rall added that this project also came in lower than budget for the month due to actual real time LMPs being lower than budgeted and REC expenses being higher than budget.

Lengthy discussion ensued upon inquiry by Mr. Silverstone for an update on the Subase Fuel Cell project.

F June 2021 Energy Market Update

Mr. Cyr provided a high-level review of the Energy Market Analysis for June highlighting that Actual Loads came in at 74,038 MWh, which was 7,031 MWh higher than budget. Actual Energy Cost came in at \$39.18/MWh, which was \$5.85/MWh higher than budget. Weighted Average Energy Cost at LMPs came in at \$40.69/MWh and Actual Average Daily Hub Day Ahead LMPs came in at \$37.10/MWh, ranging from \$23.40/MWh to \$104.35/MWh.

Henry Hub Gas price came in at \$3.23/MMBTU, which was \$0.41/MMBTU higher than budget and ranged from \$2.85 to \$3.74/MMBTU. Algonquin Citygate Gas price came in at \$2.88/MMBTU, which was \$0.38/MMBEU lower than budget, ranging from \$1.91 to \$5.21/MMBTU.

West Texas Oil price came in at \$71.38/Barrel, which was \$6.21/Barrel higher than previous month. Ultra-Low Sulphur Diesel Oil price came in at \$16.00/MMBtu, which was \$6.66/MMBtu higher than budget.

Mr. Cyr then explained the mitigating actions taken recently and walked the Board through other materials included in the Board Package, highlighting the graph on page 78 of the Board Package identifying Forward Energy Prices. Lengthy discussion followed.

G Potential Vote to Enter Executive Session for Purpose of Discussion Confidential Settlement Negotiations between Contractual Counterparties Pursuant to C.G.S. Section § 1-210(b)(4)

Chair Barber inquired who will remain for the Executive Session discussion. Mr. Meisinger identified himself, Mr. Cyr, Ms. Meek, Mr. Rall, Mr. Stern and Ms. Job. Mr. Silverstone also remained based on the provisions of the executed Non-Disclosure Agreement between him and CMEEC related to his participation in Executive Sessions of CMEEC Board and Committee meetings.

Chair Barber entertained a motion to enter Executive Session.

A motion was made by Municipal Representative Pete Johnson, seconded by Municipal Representative George Kennedy to enter Executive Session.

Motion passed unanimously.

21-07-02

The basis for entering Executive Session is pursuant to Connecticut General Statutes Section 1-210(b)(4). Members of the Board, Messrs. Meisinger, Cyr, Rall, Stern, Silverstone and Mses. Meek and Job remained.

The Board entered Executive Session at 10:41 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 11:13 a.m.

H New Business

Premium Only Plan: Possible Vote to Adopt the Restated and Amended Section 125 Welfare Benefits Plan

Mr. Meisinger provided a brief update on the ISO Internal Market Monitor report flagging a tariff interpretation issue related to certain behind the meter generation being excluded from the monthly coincident peak load reporting, stating it has raised a question and concerns of how all ISO-NE market participants are treating behind the meter generation. He explained that discussions evolved into a tariff proposal whereby if a participant has an asset that is not a generating asset participating in the ISO market, that participant doesn't have to add that generation back into their load when reporting on the

peak or when peaks are measured. Mr. Meisinger informed the Board that a FERC tariff filing was made by ISO-NE that will codify how such generation is to be treated for these purposes. CMEEC has joined other New England public power entities in making a formal filing in the relevant FERC docket in support of the tariff change.

Mr. Meisinger then provided an overview of the resolution before the Board today explaining that its purpose is to address and confirm current practice related to administration of health savings accounts for CMEEC staff. He explained that the resolution does not change current practice, nor does it change costs. Mr. Meisinger stated that it was revealed during non-discrimination testing that such a resolution was not signed by the Board in the past. The resolution confirms current and past practice related to how the health savings accounts are funded by both CMEEC and its employees with pre-tax dollars. Mr. Meisinger then explained that in 2001, the Board adopted a resolution identified in today's resolution, but at that time there was no option for pre-tax funding of health savings accounts. Since that time, benefit plans have changed and CMEEC and its employees now fund staff health savings accounts with pre-tax dollars. It is required by the IRS that we have a Board resolution in place to authorize this practice. The resolution before the Board today authorizes the CMEEC CEO to execute the Adoption Agreement in the form presented to the Board prior to today's meeting. Mr. Meisinger added again that there is no cost associated with the Adoption Agreement, this is simply a house cleaning exercise as there was not a Board resolution approving adoption in the past.

Chair Barber entertained a motion to approve the Resolution Adopting the Restated and Amended Section 125 Welfare Benefits Plan.

A motion was made by Municipal Representative Oefinger, seconded by Municipal Representative Johnson to approve the Resolution Adopting the Restated and Amended Section 125 Welfare Benefits Plan.

Motion passed unanimously.

21-07-03

Chair Barber entertained a vote to approve the Resolution.

Aye: All members of the Board voted unanimously to approve the Resolution.

Nay: There were no Nay votes.

I MEU Roundtable

General Managers provided an update of meeting procedures of their Commissions and Boards.

J Adjourn

Chair Barber entertained a motion to adjourn.

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

Motion passed unanimously.

21-07-04

The meeting was adjourned at 11:22 a.m.