

SUBJECT TO BOARD APPROVAL

MINUTES OF THE
JOINT ANNUAL AND REGULAR MEETING OF THE
BOARDS OF DIRECTORS OF

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

November 18, 2021

The Joint Annual and Regular Meeting of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” d/b/a “Transco”) was held on Thursday, November 18, 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 during the publicly open portions of the meeting.

The following Joint CMEEC and CTMEEC 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 Peil¹, Robert Staley
Norwich Municipal Representative: David Eggleston
Bozrah Light & Power: Richard Tanger, Scott Barber
Bozrah Municipal Representative: Joseph Cirrito
South Norwalk Electric and Water: Alan Huth, Eric Strom
South Norwalk Municipal Representative: Dawn DelGreco
East Norwalk, Third Taxing District: Kevin Barber, Michele Sweeney
East Norwalk Municipal Representative: Pete Johnson
Jewett City Department of Public Utilities: Louis Demicco, 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
Patricia Meek, CMEEC Director of Finance & Accounting
Bella Chernovitsky, CMEEC Director of Business Intelligence
Michael Cyr, CMEEC Director of Portfolio Management

¹ Member Representative Stewart Peil announced that he may need to leave the meeting early and requested that Alternate Member Representative Robert Staley be the voting person for Norwich Public Utilities.

The following CMEEC Staff participated telephonically or via Zoom

Joanne Menard, CMEEC Controller
Michael Rall, CMEEC Director of Asset Management
Gabriel Stern, CMEEC Director of Technical Services
Menglu Tang, CMEEC Lead Energy Market Analyst
Heidi Winnick, CMEEC Financial and 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 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 Conduct Roll Call / Voting Roster

Ms. Job conducted roll call for both the CMEEC and CTMEEC Board of Directors noting that that Board composition is the same for both CMEEC and CTMEEC, 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 for both the CMEEC and CTMEEC Board of Directors.

C Approve Minutes of the CMEEC Regular October 28, 2021 Board of Directors' Meeting

A motion was made by Groton Municipal Representative Mark Oefinger, seconded by East Norwalk Municipal Representative Pete Johnson to Approve the Minutes of the CMEEC Regular October 28, 2021 Board of Directors' Meeting.

Motion passed unanimously.

21-11-01

D Approve Minutes of the CTMEEC Regular October 28, 2021 Board of Directors' Meeting

A motion was made by Member Representative Christopher LaRose, seconded by Member Representative Richard Tanger to Approve the Minutes of the CTMEEC Regular October 28, 2021 Board of Directors' Meeting.

Motion passed unanimously.

T 21-11-01

E October 2021 Objective Summary

Mr. Meisinger provided the highlights of the Regional Competitiveness and Customer Fulfilment metrics stating that Regional Competitiveness Deviation to Benchmark TMR projected year-end remained the same as reported last month. The drivers for the underperformance in October itself was primarily associated with the use of spare parts inventory (carried at original book value) for the Pierce maintenance outage that was expected but not budgeted. Customer Fulfillment All-In Cost Rate 9 View realized the same results with the primary drivers being the same as last month with higher forward energy and gas prices, along with the effects of the Pierce outage.

F October 2021 Project Portfolio Summary

Mr. Rall explained that Pierce October actual net benefit was lower than budget due to spare parts inventory used during the unit combustion inspection outage being written off at original book value in October. MicroGen was below budget for October due to lower than budgeted transmission revenues because of an LNS true-up being applied in October through December and higher than budgeted maintenance expenses because of unit exhaust repairs that were not budgeted. Mr. Rall added that year-end MicroGen is showing below budget due to the LNS true-up affecting the last three months of the year. Transmission Project #1 is above budget due to transmission revenue being higher than budgeted and expense timing on debt expense. Community Solar Garden is below budget due to RIFF funds no longer being used to offset total costs, and there was more production for the project than was budgeted.

Upon inquiry on the status of the Subase Fuel Cell project, Mr. Rall explained that it is expected that Commercial Operation Date (COD) will be mid-December. He then further explained the process that will be followed in order to declare the project commercially operational.

G October 2021 Energy Market Update

Mr. Cyr walked the Boards through the executive summary of the Energy Market Analysis for October highlighting Actual Loads, Energy costs, Natural Gas costs and Oil costs for the month, as well as Capacity Clearing Prices.

Mr. Cyr then explained the mitigating actions taken recently and walked the Board through other materials included in the Board package highlighting the volatility in pricing in the coming months.

Discussion followed.

**H Budget & Finance Committee Report
Possible Vote to Approve 2022 CMEEC Operating and Capital Budgets**

Member Representative Christopher LaRose, Budget & Finance Committee Chair, explained that the Committee met on October 29, 2021 to review the proposed CMEEC Operating and Capital Budgets for 2022. He added that the Committee met several times over the last few months reviewing the proposed budgets. He stated that both Committee and non-Committee members present during these meetings had good discussions with clear explanations and details discussed. He said that the Budget and Finance Committee recommended approval of the CMEEC Operating and Capital Budgets for 2022.

Ms. Meek then walked the Board through the slide deck provided in advance of today's meeting providing a review of the proposed 2022 budgets. The Board and Mr. Silverstone were provided opportunity to ask questions.

Chair Barber thanked the Budget & Finance Committee as well as the CMEEC team that worked on the proposed budgets and entertained a motion to Approve the 2022 CMEEC Operating and Capital Budgets.

A motion was made by Municipal Representative Johnson, seconded by Municipal Representative George Kennedy to approve the 2022 CMEEC Operating and Capital Budgets.

Motion passed unanimously.

21-11-02

**I Governance Committee Report
Possible Vote to Approve the 2022 Joint CMEEC and CTMEEC Officers and Joint Committee Members**

Member Representative Ronald Gaudet, Governance Committee Chair, explained that the Committee met on November 4, 2021 to finalize the proposed slates of Officers and Joint Committee Membership. He stated that the slates discussed at that meeting have not been revised. He informed the Boards that Chris Riley, a non-Board member, has been nominated to the Joint Legislative and Governmental Affairs Committee. Mr. Riley is the Manager of Communications, Community Outreach and Government Affairs for Norwich Public Utilities.

CMEEC Board Vote

Chair Barber entertained a motion to Approve the 2022 CMEEC Officer Slate.

A motion was made by Municipal Representative Johnson, seconded by Member Representative Tanger to Approve the 2022 CMEEC Officer Slate.

Motion passed unanimously.

21-11-03

At this time, Member Representative Alan Huth explained that with the CMEEC and CTMEEC Bylaw change to reduce the number of Alternate Member Representatives from two (2) to one (1) becoming effective on January 1, 2022, Scott Murphy from South Norwalk and Electric (SNEW) will be removed as an Alternate Member Representative, leaving Eric Strom as the single Alternate Member Representative for SNEW. On the 2022 proposed Slate of Committee Members before the Boards for approval today, Alternate Member Representative Murphy is listed as a member for both the Joint Governance and Joint Budget & Finance Committees. Member Representative Huth proposed that Alternate Member Representative Strom be placed on those Committees in place of Alternate Member Representative Murphy, and the Boards agreed.

Chair Barber then entertained a motion to amend the 2022 Joint Committee Slate to remove Alternate Member Scott Murphy from the Joint Governance Committee and the Joint Budget & Finance Committee, and to add Alternate Member Representative Eric Strom in his place.

A motion was made by Member Representative Ronald Gaudet, seconded by South Norwalk Municipal Representative Dawn DelGreco to Amend the 2022 Joint Committee Slate to Remove Alternate Member Representative Murphy and add Alternate Representative in his place on the Joint Governance Committee and the Joint Budget & Finance Committee.

Motion passed unanimously.

21-11-04

A motion was made by Municipal Representative Johnson, seconded by Member Representative Tanger to Approve the 2022 Joint Committee Slate as amended.

Motion passed unanimously.

21-11-05

CTMEEC Board Vote

A motion was made by Member Representative Scott Barber, seconded by Municipal Representative Johnson to Approve the 2022 CTMEEC Officer Slate.

Motion passed unanimously.

T 21-11-02

A motion was made by Municipal Representative Johnson, seconded by Member Representative Scott Barber to Approve the 2022 Joint Committee Slate as amended.

Motion passed unanimously.

T 21-11-03

Possible Vote to Approve the 2022 CMEEC and CTMEEC Board of Directors' Scheduled Meeting Dates and joint Committee Meeting Dates.

Ms. Kipnis explained that the 2022 Joint Committee Schedule was developed internally with input from the CMEEC Committee Leads. She added that the dates are not random, rather they are based on the timing of work each Committee is tasked to complete.

CMEEC Board Vote

A motion was made by Municipal Representative Johnson, seconded by Member Representative Tanger to Approve the 2022 CMEEC Board Meeting Schedule as presented.

Motion passed unanimously.

21-11-06

A motion was made by Member Representative Jeffrey Godley, seconded by Municipal Representative Johnson to Approve the 2022 Joint Committee Meeting Schedule.

Motion passed unanimously.

21-11-07

CTMEEC Board Vote

A motion was made by Member Representative Tanger, seconded by Municipal Representative DelGreco to Approve the CTMEEC Board Meeting Schedule.

Motion passed unanimously.

T 21-11-04

A motion was made by Alternate Member Representative Richard Throwe, seconded by Municipal Representative Johnson to Approve the CTMEEC Joint Committee Meeting Schedule.

Motion passed unanimously.

T 21-11-05

J Possible Vote to Approve Resolution Designation ED&F Man Capital Markets as CMEEC's Broker for Energy Market Trading on the Intercontinental Exchange ("ICE")

Mr. Meisinger explained that providing for financial commodity trading capability versus physical commodity trading was identified as a Strategic Priority for Growth under the Strategic Plan. CMEEC has identified ED&F Man Capital Markets (EDF Man) as a broker for energy market trading on the Intercontinental Exchange ("ICE") and intends to move forward with financial trading by early next month. Mr. Meisinger added that to

execute agreements with EDF Man, a Board resolution is required. He stated that Mr. Cyr will go through the slide deck provided in advance of today's meeting and after discussion, the Board will be asked to approve the resolution also provided in advance of today's meeting.

Mr. Cyr explained that ICE provides the opportunity for real time liquid pricing. CMEEC has desired to use ICE for financial trading for some time as a cost saving tool. He further explained that ICE currently provides CMEEC with price discovery which allows CMEEC to see real time active pricing for energy products, and ICE financial trading would allow for CMEEC to lock-in transactions in real time without any delay. He stated that counterparties with which CMEEC has agreements use ICE for price discovery. CMEEC would like the ability to execute financial trades on ICE however to do that, CMEEC must contract with an ICE Clearing Member. EDF Man is an approved Clearing Member.

Mr. Cyr then walked the Board through the slide deck describing the difference between financial commodity trading and physical commodity trading. He also explained the steps CMEEC currently takes to execute a transaction for a physical commodity trade which can result in final pricing being higher, creating a price movement risk. With financial commodity trading the transaction is executed almost instantaneously versus the many steps required to be taken for physical commodity trading. Financial commodity trading removes the price movement risk providing potential savings. Mr. Cyr added that working with EDF increased the number of counterparties while possibly achieving better prices.

After lengthy discussion, Chair Barber requested an update be provided at the next relevant Joint Risk Management Committee on resulting activity and potential cost savings. Mr. Meisinger stated CMEEC can also make a report in the monthly Board package beginning with the January Board meeting.

After Ms. Kipnis walked the Board through the Resolution before it and provided in advance of today's meeting, Chair Barber entertained a motion to approve the Resolution.

A motion was made by Municipal Representative Johnson, seconded by Member Representative Gaudet to Approve the Resolution Designating ED&F Man Capital Markets as CMEEC's Broker for Energy Market Trading on the Intercontinental Exchange ("ICE").

Motion passed unanimously.

21-11-08

K MEU Roundtable

Mr. Meisinger noted that the Member Delegation meetings will follow this meeting. He apologized for the timing of this month's Board package but reminded the Board that was due to the timing of the ISO-NE invoice. He reminded the Board that this will similarly impact the December Board package. We will provide all materials as soon as they are

available. Mr. Meisinger added that there are four Committee meetings in December, two on December 2 and two on December 9.

Member Representative Christopher LaRose encouraged each of the Member Utilities to work together on activities related to the recently signed infrastructure bill.

L Possible Vote to Enter Executive Session Pursuant to C.G.S. § 1-210(b)(4) to discuss:

**Tesla Solar Garden Settlement Update
D&O Litigation Update**

A motion was made by Member Representative Louis Demicco, seconded by Member Representative Tanger to Enter Executive Session.

Motion passed unanimously.

21-11-09

The basis for entering Executive Session is as stated above. Members of the Board, Messrs. Meisinger, Rall, Stern, Silverstone and Ms. Kipnis, Meek and Job remained.

Mr. Silverstone agreed that his attendance in Executive Session is pursuant to the Non-Disclosure Agreement executed on May 4, 2021.

The Board Entered Executive Session at 11:53 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 12:09 p.m.

M New Business

Mr. Meisinger provided a brief update on outstanding issues related to the Navy and the Subase lease. He stated that a report might be made at the December Board meeting related to the credit for work performed by CMEEC to more fully inform the Board on the status. Mr. Meisinger added that this outstanding matter will not impact the Commercial Operation Date for the fuel cell project. He also provided a brief update on the Pierce transaction stating that it is moving along.

N Adjourn

A motion was made by Member Representative Scott Barber, seconded by Municipal Representative DelGreco to adjourn.

Motion passed unanimously.

21-11-10

The meeting was adjourned at 12:11 p.m.