

MINUTES OF THE
REGULAR MEETING OF THE

JOINT RISK MANAGEMENT COMMITTEE
OF THE
BOARDS OF DIRECTORS OF

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

December 9, 2021

A Regular Meeting of the Joint Risk Management Committee 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 via Zoom and telephonically on Thursday, December 9, 2021 at 10:00 a.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all proceedings, and all actions hereafter recorded occurred during the publicly open portions of the meeting.

The following Committee Members participated via Zoom and telephonically:

Bozrah Light & Power: Richard Tanger
Groton Utilities: Ronald Gaudet
Jewett City Department of Public Utilities: Louis Demicco, Kenneth Sullivan
Norwich Public Utilities: Robert Staley
East Norwalk, Third Taxing District: Kevin Barber, Pete Johnson
South Norwalk Electric and Water: Alan Huth

The following Non-Voting Members participated via Zoom and telephonically:

Groton Municipal Representative: Mark Oefinger
Jewett City Department of Public Utilities: Richard Throwe

The following CMEEC Staff participated via Zoom and telephonically:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
Michael Cyr, CMEEC Director of Portfolio Management
Patricia Meek, CMEEC Director of Finance and Accounting
Joanne Menard, CMEEC Controller
Michael Rall, CMEEC Director of Asset Management
Margaret Job, CMEEC Paralegal and Compliance Specialist

Others participating via Zoom and telephonically:

David Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Committee Chair Robert Staley called the meeting to order at 10:01 a.m. noting for the record that today's meeting is being held via Zoom and telephonically.

Specific Agenda Item

A Public Comment Period

No public comment was made.

B Roll Call

Ms. Job conducted roll call with each participant responding individually as their names were called. Committee Chair Staley confirmed a quorum was present.

C Approve Minutes of the August 19, 2021 Regular Meeting of the Joint Risk Management Committee

A motion was made by Committee Member Pete Johnson, seconded by Committee Member Richard Tanger to Approve the Minutes of the August 19, 2021 Regular Meeting of the Joint Risk Management Committee, with Committee Member Ronald Gaudet abstaining.

Motion passed.

D Review and Discussion: Memorandum of Bob Staley

Committee Chair Staley walked the Committee through his memorandum addressed to the Committee provided in advance of today's meeting. He stated that the memorandum expressed his views of the responsibilities incumbent on the Risk Management Committee related to due diligence. He noted that Ms. Kipnis has drafted a Due Diligence policy that will be discussed later in today's meeting.

Committee Chair Staley stated that the purpose of his memo was to stimulate discussion. He then highlighted the five issues identified in the memo. Discussion followed.

E Discussion and Potential Vote Regarding Temporary Waiver of Future Year Forward Energy Procurement Requirements of Enterprise Risk Management Policy

Mr. Cyr walked the Committee through the slide deck provided in advance of today's meeting. He stated that per the Enterprise Risk Management Policy (ERMP), CMEEC is required to purchase increasing quantities of future power supply resources going out over the next five years. He stated that to comply with the ERMP CMEEC is required to purchase a minimum amount of additional resources for certain time periods by December 31, 2021. He explained that the staff is requesting a temporary, one-time waiver of the December 31, 2021 deadline and that it be extended to June 30, 2022. Mr. Cyr then provided the Committee with reasons for the request, including anticipated market forces that are expected to reduce forward prices after December. He added that if resources were purchased by the end of 2021, the purchases might be made at unnecessarily-elevated price levels.

After lengthy discussion the Committee agreed to support this temporary one-time change the deadline to purchase additional resources from December 31, 2021 to June 30, 2022.

A motion was made by Committee Member Johnson, seconded by Committee Member Richard Tanger to approve a one-time waiver of the December 31, 2021 deadline to purchase additional resources and to approve the CMEEC Portfolio Management Group and Lead Energy Market Analyst to procure additional resources by June 30, 2022.

Motion passed unanimously.

F Review of Due Diligence Process

Ms. Kipnis explained that the document before the Committee today, and provided in advance of today's meeting, incorporates comments from its meeting on August 19, 2021, as well as additional staff comments. She highlighted some of the changes, pointing out that some of those related to the statements made in Committee Chair Staley's memo discussed earlier this morning. Ms. Kipnis walked through a summary of the Due Diligence Process that will be incorporated into the ERMP. She added that it is expected that the Due Diligence Process will be followed any time a new project is being proposed by CMEEC.

Ms. Kipnis stated that the next step for this document is to finalize it with the understanding that it is a living, working document that may need refinement as staff work through the process of evaluating a potential project.

After inquiry by Mr. Silverstone related to whether there was a process in the Due Diligence Process that would bring a project before the Committee for discussion that

CMEEC staff did not recommend as a viable project, Ms. Kipnis stated there was not however one can be added for material new projects that were considered by staff.

Committee Chair Staley inquired if the Committee would adopt the Due Diligence Process in its present form, allow Ms. Kipnis to make the above discussed edit, and bring the document back to the Committee for vote. The Committee agreed that it would vote on the amendment today.

A motion was made by Committee Member Ronald Gaudet, seconded by Committee Member Tanger to approve the amendment to the Due Diligence Process as discussed at today's meeting.

Motion passed unanimously.

G New Business

There was no new business.

H Adjourn

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

Motion passed unanimously.

The meeting adjourned at 11:07 a.m.