

SUBJECT TO BOARD APPROVAL

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

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

March 24, 2022

The Regular Joint 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 telephonically and via Zoom on Thursday, March 24, 2022 at 10:00 a.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all the 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, Jeffrey Godley, Keith Hedrick
Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose, Stewart Peil, Robert Staley
Norwich Municipal Representative: David Eggleston
Bozrah Light & Power: Scott Barber, Richard Tanger
South Norwalk Electric & Water: Alan Huth, David Westmoreland
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 (Arrived at 10:35 a.m.)

The following CMEEC Staff participated telephonically and Via Zoom:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
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
Candice DiVita, CMEEC Lead Accounts Payable Accountant

Margaret Job, CMEEC Paralegal and Compliance Specialist
Ellen Kachmar, CMEEC Officer & Facilities Manager
Leslie Williams, CMEEC Principal Accountant
Heidi Winnick, CMEEC Financial & Treasury Analyst

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 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 when speaking for clarity of the record.

Specific Agenda Item

A Public Comment Period

No public comment was made.

B Conduct Roll Call / Voting Roster

Ms. Job conducted roll call and identified the voting persons at today's meeting. Chair Barber confirmed a quorum was present.

C Approve the Minutes of the Regular February 24, 2022 Joint CMEEC and CTMEEC Boards of Directors' Meeting

A motion was made by Municipal Representative Pete Johnson, seconded by Municipal Representative Mark Oefinger to Approve the Minutes of the Regular February 24, 2022 Joint CMEEC and CTMEEC Boards of Directors' Meeting.

Motion passed unanimously.

22-03-01

D February 2022 Objective Summary

Mr. Meisinger reported that the percentage under the Regional Competitiveness Objective goals were on track for the month and year-end projection. He stated that the monthly target for TMR Net Cost Deviation to Benchmark came in below benchmark. The year-end All-In Cost TMR View is projected to come in \$10/MWh above the target of \$90/MWh and is \$17/MWh above target for the month.

E February 2022 Project Portfolio Performance

Mr. Rall reported that the project portfolio came in below budget for the month. He identified the major drivers as Transmission Project #1 coming in below budget due to realized losses on liquidation of investments related to the transfer of pre-collected bond debt. Upon inquiry, Ms. Meek explained this is the result of transferring pre-collected debt service monies from Transco to CMEEC, to be used to pay off CMEEC's Pierce-related debt at year-end.

Mr. Rall also reported that Community Solar Garden actual net benefit was below budget due to lower than budgeted generation and lower than budgeted LMPs. LMPs came in at \$64/MWh against the budget of \$148/MWh.

Mr. Rall further reported that MicroGen was below budget due to elevated fuel prices. Fuel pricing is projected to increase by 30% for year end. He described some mitigation actions that will be looked at to offset the fuel prices.

F February 2022 Energy Market Update

Mr. Cyr provided a high-level overview of the Energy Market Analysis for February highlighting the results of the previous month and how they were impacted by Load, Energy Costs, Natural Gas Costs and Oil Costs.

Mr. Cyr then explained the mitigating actions taken recently and walked the Board through the other materials included in the Board Package highlighting Member Residual costs for the month and the volatility of the current energy market. Lengthy discussion followed related to current issues affecting forward energy and gas pricing.

G Audit Committee Report

Member Representative Stewart Peil, Chair of the Joint Audit Committee, reported that the Audit Committee met on March 17, 2022 to review the 2021 financial audit results with Vanessa Rossitto and Jessica Aniskoff of CliftonLarsonAllen, LLP ("CLA"). He explained that CLA provided CMEEC an unmodified opinion which is the highest opinion an entity can receive. Member Representative Peil further reported that David Silvertstone, Esquire, Municipal Electric Consumer Advocate offered clarifying language related to Footnotes 2 and 14 of the financial audit report which the Committee agreed CMEEC staff and CLA staff would address. The Committee also agreed at its meeting that it would present the 2021 financial audit results to the Board for approval at today's meeting with the edited language in Footnotes 2 and 14. On Tuesday, March 22, 2022, the Audit Committee and Mr. Silverstone received the edited language, and each confirmed their satisfaction with the edits.

Member Representative Peil further stated that the Committee agreed that it would change the internal audit focus from the CMEEC Business Continuity and Disaster Recovery policy to the CMEEC Accounts Payable process. The reason for the change is

that current work being conducted on the CMEEC Cybersecurity policy by the CMEEC consultants also has a component on business continuity and disaster recovery. A special meeting will be scheduled to discuss the scope of the internal audit of the CMEEC Accounts Payable process.

Chair Barber entertained a motion to Approve the 2021 Audited Financial Statements and Report on the audit of the CMEEC and CTMEEC Financial statements.

A motion was made by Municipal Representative Oefinger, seconded by Member Representative Jeffrey Godley to Approve the 2021 Audited Financial Statements and Report on the Audit of the CMEEC and CTMEEC Financial Statements for the year ended December 2021.

Motion passed unanimously.

22-03-02

H Risk Management Committee Report

Member Representative Robert Staley, Chair of the Joint Risk Management Committee, reported that this Committee met on March 3, 2022 noting that their first scheduled meeting in January was canceled. The Committee re-appointed Member Representative Staley as Chair for 2022 and discussed goals for 2022.

Member Representative Staley stated that the Committee also held an executive session at which two potential hydro projects were reviewed. He stated that the Committee authorized staff to negotiate a final proposed agreement for the first hydro project and asked for more due diligence on the second hydro project. He further added that the projects are non-carbon and PPA versus owned assets.

The Committee also discussed a draft decarbonization policy in executive session which will also be reviewed at today's meeting. Mr. Meisinger explained the policy is being discussed in executive session again because it is still in draft form and contains draft discussion points or proposed concepts which tend to reflect strategic CMEEC approaches that, if made public, could tend to compromise CMEEC's negotiations with potential future counterparties.

Mr. Silverstone stated at this time that he was present at the March 3, 2022 meeting of this Committee and objected to discussion of the draft policy in executive session. He was invited to attend that session and provided input. He again stated that he felt that discussion of the draft policy should be held in public session and explained his reasons.

Ms. Kipnis explained that the Board can choose not to hold discussion in executive session. She further explained the rationale for holding discussion in executive session stating that the Freedom of Information Act supports that rationale.

Member Representatives Oefinger and Peil stated their opposition to holding discussion in executive session upon inquiry of Chair Barber. Chair Barber then entertained a motion to enter Executive Session.

A motion was made by Member Representative Louis Demicco, seconded by Member Representative Richard Tanger to enter Executive Session with Member Representatives Oefinger and Peil opposing.

Motion passed.

22-03-03

The basis for entering Executive Session is pursuant to C.G.S §1-210(b)(1) and §1-210(e)(1) for Decarbonization Policy Development – Initial Working Draft for Board Review.

Members of the Board as well as Messrs. Meisinger, Cyr, Rall, Stern and Silverstone and Meses. Kipnis, Chernovitsky, Meek, Menard, Job, Kachmar, Williams and DiVita remained.

The Board entered Executive Session at 10:53 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 11:52 a.m.

I MEU Roundtable

There were no Member updates.

J New Business

Congressional Meetings Update

Ms. Kipnis explained that notice was sent with the schedule of meetings to the Board this week encouraging all to participate in all or any of the Zoom meetings. She added that some responses have been received today. Ms. Kipnis reported that an extra meeting has been scheduled on March 30, 2022 from 11am – 12pm with Congressman Himes’ office who represents Norwalk. She explained that CMEEC is drafting talking points that will be shared with the congressional delegates and the Member participants. She asked that anyone interested in participating in these virtual meetings to let her know by close of business Friday, March 25, 2022.

Update on Insurance Litigation

Mr. Kipnis explained that developments in the D&O insurance litigation has begun to be reported, if minimally, in local newspapers. She explained that CMEEC has filed a Motion for Prejudgment Injunction against National Union Insurance for failure to abide by the summary judgment ruling causing CMEEC irreparable harm. National Union Insurance has filed a motion for additional time to respond to the Motion for Prejudgment

Injunction. Ms. Kipnis explained that the matter will be heard by the judge sometime in April.

Mr. Meisinger added that a meeting of the Ad Hoc CEO Performance and Compensation Committee is scheduled for April 1, 2022 at 2:30 p.m. to discuss a restructure of the CEO employment arrangement. Two outside consultants will also be present. He explained that a notice was sent to the full Board with this information and encouraged all to attend if their schedules allow.

Mr. Meisinger further informed the Board that Chuck Carpinella, a long time CMEEC employee, will be retiring effective April 1, 2022 and that CMEEC staff will be holding a small celebration for the occasion on that day to recognize Mr. Carpinella's nearly 40 years of employment with CMEEC. The Board expressed their appreciation for Mr. Carpinella.

K Adjourn

A motion was made by Member Representative Ronald Gaudet, seconded by Municipal Representative Dawn DelGreco to adjourn.

Motion passed unanimously.

22-03-04

The meeting was adjourned at 11:59 a.m.