

SUBJECT TO BOARD APPROVAL
MINUTES OF THE REGULAR MEETING
OF THE BOARDS OF DIRECTORS OF
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE
AND
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

February 23, 2023

The Regular Meeting of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Municipal Transmission Electric Energy Cooperative (“CTMEEC” dba Transco) was held telephonically and via Zoom on Thursday, February 23, 2023 at 10:00 a.m.

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

The following Member Representatives / Alternate Member Representatives / Municipal Member Representatives participated:

Groton Utilities: Ronald Gaudet, Jeffrey Godley
Groton Municipal Member Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose, Stewart Peil, Robert Staley
Norwich Municipal Member Representative: David Eggleston
Bozrah Light & Power: William Ballinger, Scott Barber
South Norwalk Electric & Water: Alan Huth, David Westmoreland
South Norwalk Municipal Member Representative: Dawn DelGreco
Third Taxing District, East Norwalk: Kevin Barber, Michele Sweeney
East Norwalk Municipal Member Representative: Pete Johnson
Jewett City Department of Public Utilities: Louis Demicco, Kenneth Sullivan
Jewett City Municipal Member Representative: George Kennedy

The following CMEEC Staff participated:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
Margaret Job, Paralegal and Compliance Specialist

The following invited guests participated:

Joseph Martini, Esquire, Spears Manning & Martini
Michael McCormack, Esquire, O’Sullivan McCormack Jensen & Bliss, P.C

Others who participated:

David Silverstone, Esquire, Municipal Electric Consumer Advocate (MECA)

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 Roll Call / Voting Roster

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

C Approve the Minutes of the Regular January 26, 2023 Boards of Directors' Meeting

A motion was made by Municipal Member Representative Mark Oefinger, seconded by Member Representative Louis Demicco to Approve the Minutes of the Regular January 26, 2023 Board of Directors' Meeting.

Motion passed unanimously. 23-02-01

D Possible Executive Session Pursuant to C.G.S. §§1-210(b)(4) and 1-210(b)(10) for Attorney Client Privileged Material Relating to the Criminal Trial Proceedings and On-Going National Union Insurance Litigation.

A motion was made by Municipal Member Representative Dawn DelGreco, seconded by Municipal Member Representative Pete Johnson to enter Executive Session.

Motion passed unanimously. 23-02-02

The basis for entering Executive Session is as identified above.

Members of the Board, Mr. Meisinger, Messes. Kipnis and Job, Attorney Joseph Martini and Attorney Michael McCormack remained.

The Board entered Executive Session at 10:05 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 11:08 a.m. No formal actions were taken in Executive Session.

Attorneys Martini and McCormack left the meeting.

The following individuals joined the meeting:

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 Financial Analyst

Yuxin Liu, CMEEC Utility Business Analyst

Heidi Winnick, CMEEC Financial Treasury Analyst

Ellen Kachmar, CMEEC Office and Facilities Manager

David Silverstone, MECA

E January 2023 Master Dashboard

Mr. Meisinger introduced the Board to the new Master Dashboard, which allows the Board to view the material previously provided in the Objective Summary in greater detail and with historical numbers by way of drill down tabs.

Mr. Meisinger explained that Member Power Costs with Member Return came in at 5% above budget for the month, which he stated was partly due to lower than budgeted load attributable to the mild weather experienced in January. He further explained that year-end projection came in at \$114/MWh versus the target of \$120/MWh. Mr. Meisinger noted that lower forward energy, spot energy and gas prices were the primary drivers for the year-end estimate.

Member Power Cost with Member Return Deviation to Benchmark came in 28% below our regional EDC competitor, versus the target of 20%, with projected year-end result coming in at a strong 36% versus the 21% target. Mr. Meisinger noted that volatility in forward energy, spot energy and gas prices mitigated by solid hedging practices and higher EDC rates beginning in January, were key factors.

F January 2023 Project Portfolio Summary

Mr. Rall explained that the project portfolio performance came in below budget for the month due to much lower than budgeted LMPs during project operation which especially affected avoided cost results of the Subase Fuel Cell and Community Solar Garden projects. He added that the project portfolio came in 55% below budget both for the month and year to date with year-end coming in 31% below budget, with the primary driver being lower forecasted LMPs for the remainder of the year.

Discussion followed.

G January 2023 Energy Market Update

Mr. Cyr provided a high-level overview of the Energy Market Analysis for January, highlighting the results of the previous month and how they were impacted by Load, Energy Costs, weather, Natural Gas Costs, and Oil Costs. Mr. Cyr explained that due to actual loads coming in over 12,000 MWh lower than budgeted, actual hedge volume was 109% on a preliminary basis, resulting in a sale of some hedges on the spot market. He remarked that although energy prices came in under budget, they still far exceeded the LMPs which are very low, despite projections from last year.

Mr. Cyr explained mitigating actions taken recently and walked the Board through the other materials included in the Board Package. Mr. Cyr also discussed energy rate prices in the forward market for the summer months. He further noted that forecasted energy pricing reflects the volatility of winter weather.

H Ad Hoc CEO Compensation Committee

Chair Barber noted that this agenda item included a possible executive session. Ms. Kipnis stated that after discussion with Mr. Meisinger, an executive session was not needed.

Chair Barber then provided a brief history of the Ad Hoc CEO Performance and Compensation Committee. He explained that the Committee is being reconvened to conduct the 2022 CEO performance evaluation and determine appropriate compensation. He further explained that he asked Mr. Meisinger to draft a memo highlighting accomplishments and performance in 2022 which is included in today's meeting materials.

Chair Barber noted that the work conducted by the Committee last year included the retention of Winston Tan of Intandem, LLC. Mr. Tan assisted the Committee with developing a performance evaluation tool that included five competencies to be used to conduct the annual CEO performance evaluation going forward. Mr. Tan also conducted a salary survey which the Committee reviewed to aid in developing Mr. Meisinger's salary. Chair Barber explained that Mr. Tan has been engaged again this year to assist the Committee with Mr. Meisinger's performance evaluation and salary recommendation. He informed the Board that a link to this year's CEO performance survey will be distributed to the Board following today's meeting along with a copy of Mr. Meisinger's memo of accomplishments in 2022. He urged all of the Board to complete the survey and to use Mr. Meisinger's memo to aid in their responses.

Chair Barber added that the survey results will be collected and compiled by Mr. Tan who will work with the Committee as he did last year.

Mr. Meisinger then walked the Board through bulleted highlights of his memo. He explained that he responded to the five competencies while drafting his memo.

Chair Barber informed the Board that the first meeting of the Ad Hoc CEO Performance and Compensation Committee will be held immediately following the March 23, 2023 Board meeting. He encouraged all Board members to participate.

I New Business

Mr. Meisinger explained that the confidentiality language in the GRH PPA was amended in response to CMEEC rating agency's request to receive a copy of the agreement. The edit included a change in the language to allow the Agreement to be shared with rating agencies as needed on a going forward basis.

Mr. Meisinger noted that three Committee meetings are scheduled in March. The Joint Audit and Joint Governance Committees will both meet on March 16, 2023 at 10am and 1pm, respectively. As noted above, the Ad Hoc CEO Performance and Compensation Committee will meet on March 23, 2023.

J MEU Roundtable

Mr. Meisinger reminded the Board that two in-person Board meetings have been scheduled in April and November to be held at Madison Beach Hotel in Madison, CT. A revised meeting invitation for each of the two meetings will be forwarded following today's meeting.

K Adjourn

A motion was made by Municipal Member Representative George Kennedy, seconded by Municipal Member Representative Johnson to adjourn the meeting.

Motion passed unanimously.

23-02-03

The meeting was adjourned at 12:03 p.m.