

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

June 25, 2020

The Regular meeting of the Board of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) was held on Thursday, June 25, 2020 telephonically and via Zoom.

The meeting was legally noticed in compliance with Connecticut State Statutes and all proceedings and actions hereafter recorded occurred during 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, Robert Staley
Norwich Municipal Representative: David Eggleston
Bozrah Light & Power: Richard Tanger, Scott Barber
Bozrah Municipal Representative: Joseph Cirrito
South Norwalk Electric and Water: Eric Strom, Alan Huth, David Westmoreland
South Norwalk Municipal Representative: Dawn DelGreco
Third Taxing District: Kevin Barber, Michele Sweeney
Third Taxing District 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
Robin Kipnis, Esquire, CMEEC General Counsel
Michael Lane, CMEEC CFO
Bella Chernovitsky, CMEEC Director of Business Intelligence
Justin Connell, CMEEC Director of Sustainability and Services
Michael Rall, CMEEC Director of Asset Management
Gabe Stern, CMEEC Director of Technical Services
Scott Whittier, CMEEC Director of Enabling Services
Joanne Menard, CMEEC Controller

Margaret Job, CMEEC Executive Assistant / Paralegal
Ellen Kachmar, CMEEC Office and Facilities Manager

The following individuals participated via telephone or Zoom

David Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Chair Kevin Barber called the meeting to order at 11:17 a.m. He stated for the record that today's meeting is being held via Zoom and telephonically.

Chair Barber walked the Board through the conduct of today's meeting stating that all participants' audio should remain on mute unless speaking to eliminate confusion and background noise. He asked everyone to be considerate and patient as we work through the rhythms of conducting a remote meeting with so many participants. He asked that each person state their name prior to speaking for clarity of the record. He confirmed that all participants were able to hear and be heard.

Standard Agenda Items

A Public Comment Period

No public comment was made.

B Conduct Voting Roster / Roll Call

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 Minutes of the CMEEC Special June 16, 2020 Board of Directors' Meeting

A motion was made by Third Taxing District Municipal Representative Pete Johnson, seconded by Groton Municipal Representative Mark Oefinger to approve the Minutes of the Special June 16, 2020 Board of Directors' Meeting.

Motion passed unanimously.

20-06-04

D May 2020 Objective Summary Review

Mr. Meisinger provided the Dashboard review noting that the Regional Competitiveness Deviation to Benchmark TMR View realized a strong month coming in at 36% exceeding the target of 28%. He explained that this was the result of strong project and portfolio performance despite reduced load levels resulting from weather and Covid-19. He stated that year-end projection remains strong at 30% compared to the 31% target. He added

that Customer Fulfillment All-In TMR View also had a strong month coming in below budget at \$82/MWh versus a target of \$88/MWh. He added this is also the result of a strong project and portfolio performance. Based on revised load forecast and other factors, the year-end projection remains at \$84/MWh compared to the original target of \$80/MWh. Mr. Meisinger explained that the 2019 LNS true-up was higher than anticipated which had a direct impact on these results. He added that the ISO recently offered an opportunity to pay over a 24-month period beginning in July 2020, versus the usual approach whereby CMEEC accrues and pays this over a 12-month period beginning in January. He explained that the total net dollar impact of the ISO's proposal is still unknown, and that staff will follow up with the MEUs by the June 30 deadline if it is determined that the proposal would be sufficiently beneficial.

E May 2020 Project Portfolio Performance

Michael Rall, CMEEC Director of Asset Management, provided a high-level review of the Project Portfolio performance stating that the projects finished in a position at 3% higher than budget.

He explained that Pierce came in above budget due to lower than budgeted maintenance and staff expenses. He added that there was also a true-up for debt service investment income for January through April that was applied in May. He stated that Community Solar Garden actual net benefit was higher than budget due to RECs for the previous six-month period all being sold in May. Transmission Project #1 was below budget due to lower than budget peak loads in April.

Mr. Rall provided an update on Pierce stating that the plant has returned to service on June 15, 2020 after a fire event that happened on June 6, 2020. A complete inspection revealed a small oil leak from a bearing internal to the turbine and bearing seal air tubing that had separated from the combustor wrapper connection. He stated that once all repairs were completed, test runs were conducted which showed no signs of further leaks. He added that a full root cause analysis is under way.

Upon inquiry, Mr. Rall provided a brief update of the status of the fuel cells at the SUBASE. He stated that one of the two fuel cells is nearly complete and the second is 80-90% complete. Further studies are being conducted with respect to relay setting changes. He stated that the interconnect agreement between the FCE and the Navy is in the process of being completed and that the units will be ready to export power beginning in August.

F May 2020 Energy Market Update

Michael Cyr, CMEEC Director of Portfolio Management, provided a high-level review of the Energy Market Analysis for May noting that actual loads came in at 57,410 MWh which was 2,297 MWh lower than budget. Actual Energy Cost was \$33.29/MWh, coming in \$1.49/MWh lower than budget. Weighted Average Energy Cost at LMPs was

\$16.72/MWh and Actual Average Daily Hub DA LMPs were \$16.48/MWh, ranging from \$13.29/MWh to \$20.83/MWh.

Henry Hub Gas Price was \$1.70/MMBTU which was \$0.63/MMBTU lower than budget and ranging from \$1.56 to \$1.93/MMBTU. Algonquin Citygate Gas Price came in at \$1.37/MMBTU which was \$1.81/MMBTU lower than budget and ranging from \$1.05 to \$1.77/MMBTU.

West Texas Intermediate Oil Price was \$28.56/Barrel higher than previous month and Ultra Low Sulphur Diesel Price came in at \$6.00/MMBTU lower than budget.

Mr. Cyr noted that in the months leading to May 2020, no additional resources were purchased, sold no excess resources and no physical call option with the MicroGen fleet. He added that we are 87% hedged.

G Hydro Quebec HVDC Transmission Line

Mr. Meisinger explained that this item is connected to the discussion held at the CTMEEC meeting earlier this morning. He stated that the same revisions would be made to this resolution as was discussed at today's CTMEEC meeting.

He walked the Board through the requests being made of the Board for their approval today. He explained that approval is sought for the Board to accept the transfer of the project (Transmission Project #2) back from CTMEEC, and that the Board approve and authorize the CMEEC CEO to execute agreements to effectuate the 20-year renewal of the project. He added that an RFP for Use Rights was distributed, and responses were received yesterday which include proposed arrangements that could last as long as ten (10) years. Ms. Kipnis added that CMEEC is looking to maximize the value of use rights but also for a bid that will cover CMEEC under the Support Agreement.

Chair Barber entertained a motion to accept the transfer by CTMEEC of Transmission Project #2 to CMEEC and authorizing the CMEEC CEO to finalize and execute the Basic Agreements for the renewal of the CMEEC's Rights and Obligations to the Hydro-Quebec Phase I and II Transmission Projects, as well as any arrangements for maximizing the value of CMEEC's Use Rights in the manner contemplated in the Basic Agreement, including by entering into contracts or arrangements that may have up to a maximum term of ten (10) years.

A motion was made by Member Representative Jeffrey Godley, seconded by Third Taxing District Municipal Representative Johnson to Approve the Resolution Accepting the Transfer by CTMEEC of Transmission Project #2 to CMEEC as an additional Power Project and authorizing the Chief Executive Officer to finalize and execute the Basic Agreements for the renewal of the CMEEC's Rights and Obligations to the Hydro-Quebec Phase I and II Transmission Projects.

Motion passed unanimously.

20-06-05

Chair Barber entertained a motion to approve the amendment to the above Resolution as amended at today's meeting.

A motion was made by Member Representative Ronald Gaudet, seconded by Groton Municipal Representative Mark Oefinger to approve the amendment to the Resolution Accepting the Transfer by CTMEEC of Transmission Project #2 to CMEEC as an additional Power Project and authorizing the Chief Executive Officer to finalize and execute the Basic Agreements for the renewal of the CMEEC's Rights and Obligations to the Hydro-Quebec Phase I and II Transmission Projects.

Motion passed unanimously.

20-06-06

H Coronavirus Status Update

Mr. Meisinger provided an update on the MTUA invoice deferral, indicating that the deferral would only last for two months (for service provided in April and May), and that MTUA is expected to pay the corresponding invoices in full by August 31, 2020. He added that MTUA expressed their appreciation to CMEEC for extending that courtesy.

Mr. Meisinger explained that the APPA had sent out requests for support for a Congressional Covid-19 Relief Package for public power entities and asked members to write letters of support to their Federal delegates. He stated that CMEEC has sent letters to its delegates asking for support adding that he would share that letter with the Board upon request.

He provided an update on the Strategic Planning project adding that CMEEC staff has begun to meet in working groups. The next meeting of the Board's Strategic Planning Committee is scheduled for the afternoon of July 14, 2020 and with staff meeting that morning and then again on July 17, 2020. He added that CMEEC and Groton Utilities are in tandem working with Tim Blodgett on Strategic Planning and that Norwich Public Utilities is working with Tim for their Governance training.

He added that Ron Gaudet and Chris LaRose have expressed interest to have Tim come to Connecticut in July to conduct a hybrid meeting where Tim is physically on site and some meeting attendees participate remotely and some participate "in person." He asked that anyone who is interested in participating in person to let him know so that the appropriate venue can be chosen while maintaining safe social distancing. He added the Ron Gaudet offered the use of the Groton Utilities facilities for this use. Mr. Meisinger stated that he would encourage participation in whatever form staff chooses.

Mr. Meisinger stated that the July 23, 2020 Board meeting will be held via Zoom reminding the Board that a Member Delegation meeting is scheduled to be held immediately following that Board meeting. He noted that only one other Board

Committee is currently scheduled to hold a meeting in July, the Governance Committee, which is scheduled to meet on July 9.

Mr. Meisinger provided an update on CMEEC return to work. He explained that CMEEC is currently slowly allowing employees to come into the office however remote working will continue for a while. He added that Mr. Blodgett's travel to this area will be contingent on hot spots related to the latest announcement, executive order and related guidance, from Governor Lamont's office related to visitors to Connecticut from identified regions having to self-quarantine.

Mr. Meisinger noted that at last month's Board meeting, the General Managers provided an update on the impact of Covid-19 at their respective utilities. Discussion followed with each General Manager providing a further update.

I New Business

Mr. Meisinger provided a brief update of recent activity. In February, CMEEC received a letter from the Department of Energy requesting information for their review in connection with past events culminating in federal indictments. He explained that Ms. Kipnis drafted a response with supporting documentation. Recently, CMEEC received a letter from the Department stating their appreciation for the corrective actions that have been put in place as evidenced by the documentation provided to them and they have closed their file on this matter.

Mr. Meisinger updated the Board on the Board Data Management Project that was discussed at a February Governance Committee meeting, and for which brief updates had been given over the past few months. He stated that several platforms were reviewed by CMEEC staff for this initiative, but SharePoint was chosen for its simplicity of use. He stated that beginning in July, the Board will receive an email that will contain a secure link to the July board materials. He added that in the future, links will also be provided to access other relevant CMEEC documents such as Member Agreements and past minutes of Board and Committee meetings. He explained the goal is to move away from printing out on paper, binding and distributing these materials in hard copy via Federal Express, as is current practice. He stated that unless someone expresses concern that they need the material in hard copy and specifically requests that they continue to receive a paper copy by Fed Ex, CMEEC will discontinue that practice immediately. He added that CMEEC will monitor whether there is a need to deploy devices or otherwise take steps in order to allow any individual Board members to adequately prepare for and participate in Board and Committee meetings.

Upon inquiry, discussion followed with respect to the availability of press releases and other news about CMEEC and how they might be published.

There being no further business to come before this Board, Chair Barber entertained a motion to adjourn.

A motion was made by Third Taxing District Municipal Representative Johnson, seconded by Jewett City Municipal Representative George Kenney to adjourn.

Motion passed unanimously.

20-06-07

The meeting was adjourned at 12:24 p.m.