

SUBJECT TO BOARD APPROVAL

MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF

CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE

September 23, 2021

The Regular Meeting of the Board of Directors of Connecticut Municipal Energy Cooperative (“CMEEC”) was held telephonically and via Zoom on Thursday, September 23, 2021 at 10:00 a.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all 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: 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
Bozrah Municipal Representative: Joseph Cirrito
South Norwalk Electric and 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

The following CMEEC Staff participated telephonically or via Zoom:

Dave Meisinger, CMEEC CEO
Robin Kipnis, 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
Heidi Winnick, CMEEC Financial & Treasury Analyst
Margaret Job, CMEEC Paralegal

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.

Chair Barber read a statement advising the Board that Member Representative Ronald Gaudet is out of the office through October 15, 2021, returning on October 18, 2021. In his absence, acting director for administrative issues will be Sue Blanchette and acting director of operational issues will be Mark Biron. He added that both Groton Utilities and Bozrah Light and Power continue to be ably represented on the CMEEC Board.

Specific Agenda Items

A Public Comment Period

There was no public comment made.

B Roll Call / Voting Roster

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 the Minutes of the Regular August 26, 2021 CMEEC Board of Directors' Meeting

A motion was made by Member Representative Jeffrey Godley, seconded by Municipal Representative Pete Johnson to approve the Minutes of the Regular August 26, 2021 CMEEC Board of Directors' Meeting.

Motion passed unanimously.

21-09-01

D August 2021 Objective Summary

Mr. Meisinger took the opportunity to explain that some staff are participating at today's meeting in person in the CMEEC Board Room testing a new Owl camera and welcomed feedback on its performance.

Mr. Meisinger explained that Regional Competitiveness came in similarly to last month coming in at 27% against a 31% target. He added that year end remains at 26% compared to a target of 29%. He added that Customer Fulfillment All-In results came in at \$80/MWh versus the target of \$79/MWh, while year-end projection remained at \$85/MWh versus the original target of \$83/MWh. The drivers for these results were higher forward energy and gas prices and 2020 LNS true-up, lower net capacity costs and strong project performance. Mr. Meisinger added that the LNS true-up was driving performance overall within a couple of percentage points of total cost versus Eversource

benchmark. He informed the Board that in the future, the LNS true-up would be included in the budget.

E August 2021 Project Portfolio Summary

Mr. Rall explained that the Project Portfolio came in 1% below budget excluding Subase Fuel Cell. He stated that MicroGen was below budget for the month due to higher than budgeted maintenance expenses resulting from unit exhaust repairs that were not budgeted. Pierce actual net benefit was higher than budget due to Energy and NCPC revenues resulting from three ISO dispatches that were not budgeted. Transmission Project Number 1 was lower than budget due to pool network peak load for July being lower than budgeted. Battery storage was above budget due to lower capacity payments due to battery non-performance. Mr. Rall explained that excluding Subase Fuel Cell, the project portfolio was on budget for the month.

Following a question by Member Representative Stewart Peil, discussion ensued related to the status of the stop work order on the Subase Fuel Cell project.

F August 2021 Energy Market Update

Mr. Cyr provided a high-level review of the Energy Market Analysis for July highlighting that Actual Loads came in at 86,649 MWh which was 4,837 MWh higher than budget. Actual Energy Cost was \$42.11/MWh which was \$7.23/MWh higher than budget. Weighted Average Energy Cost at LMPs was \$52.41/MWh and Actual Average Daily Hub Day Ahead LMPs was \$49.47/MWh, ranging from \$32.47/MWh to \$82.62/MWh.

Henry Hub Gas Price was \$4.02/MMBTU, which was \$1.16/MWh higher than budget, ranging from \$3.82 to \$4.34/MMBTU and Algonquin Citygate Gas Price was \$3.97/MMBTU which was \$0.091/MMBTU higher than budget, ranging from \$3.00 to \$4.95/MMBTU.

West Texas Intermediate Oil Price was \$67.70/Barrel, which was \$4.79/Barrel lower than previous month and Ultra Low Sulphur Diesel Oil price was \$15.00/MMBtu, which was \$5.445/MMBtu higher than budget.

Mr. Cyr explained that energy prices are high due to increase in demand and increase on price of gas. He then then explained the mitigating actions taken recently and walked the Board through other materials included in the Board Package. Mr. Cyr explained the graph on page 67 of the Board package pointing out the volatility of the market which drives how the loads are hedged.

Lengthy discussion followed with Mr. Cyr answering the Board's and Mr. Silverstone's questions.

G Budget & Finance Committee Report

Member Representative Christopher LaRose, Budget & Finance Committee Chair, explained that the Committee met on September 17, 2021 to kick off the budget preparation season. He stated that Ms. Meek walked the Committee through the

proposed 2022 Transco Budget. He further stated that due to some Committee members being unable to attend that meeting, review of the proposed 2022 CMEEC Budget for Salary and Benefits and the Proposed 2022 CMEEC Capital Budget agenda items were tabled to the next Budget and Finance Committee meeting scheduled for October 1, 2021.

Ms. Meek explained that at the meeting on October 1, 2021, the Committee will review the proposed 2020 Transco Budget again before it votes to recommend approval by the Transco Board of Directors at its meeting in October. She encouraged all Board members, whether a member of this Committee or not, to participate at the October 1, 2021 meeting and ask questions.

Chair Barber reminded the Board that the Budget & Finance Committee's job is to review and recommend the budgets to the Board and that everyone is encouraged to participate in the budget development process.

H Strategic Planning Report

Groton Municipal Representative Mark Oefinger, Strategic Planning Committee Chair, explained that the Committee met on September 9, 2021 to discuss and review the Gantt Chart. He explained that the Gantt Chart is utilized to track progress on the Strategic Plan initiatives and is reviewed quarterly by the Strategic Planning Committee.

Mr. Meisinger explained that the updated Gantt Chart will be included in the December Board package, noting that it was an oversight that it was not included in today's package of materials. He provided a highlight of the status of some of the initiatives under the Strategic Plan.

I Possible Vote to Enter Executive Sessions for Purpose of Discussing Confidential Negotiations Pursuant to C.G.S. Section 1-200(6)(D) and Pending Strategy and Claims Pursuant to C.G.S. Section 1-210(b)(4)

- **Subase Fuel Cell Project**
- **Insurance Litigation**
- **Tesla Solar Gardens**
- **Alfred L. Pierce Generation Station**
- **Wholesale Customer Contract Negotiation Status**

Mr. Meisinger stated that along with himself, Margaret Job, Pat Meek, Robin Kipnis, Gabe Stern, Mike Rall, Mike Cyr and David Silverstone, in accordance with his signed Non-Disclosure Agreement, would remain for Executive Session.

A motion was made by Municipal Representative Johnson, seconded by Municipal Representative George Kennedy to enter Executive Session.

Motion passed unanimously.

21-09-02

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

The Board entered Executive Session at 10:42 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 11:39 a.m.

J MEU Roundtable

Each of the General Managers of the Member Utilities provided updates affecting their operations.

Mr. Meisinger stated that CMEEC is back to about 50-75 percent staff in the office with staff following an in-building mask mandate. He added that the general public is not invited in the building except for maintenance contractors. He explained that we will consider inviting some members of the Board back into the building for the October Board meeting on a limited basis.

Mr. Meisinger then reminded the Board that David Silverstone will hold his annual meeting on October 13, 2021. Originally this was scheduled as a hybrid meeting however after further consideration it was determined that it would be prudent to not allow the public in the building (other than Mr. Silverstone). The public may participate via Zoom and /or telephone. Log-in credentials are available by contacting Ellen Kachmar or Margaret Job.

Mr. Meisinger showed the United Way Employee Campaign plaque that CMEEC recently received, giving full credit to CMEEC staff for implementing and running this year's giving campaign.

He encouraged all Board to complete the interest survey recently emailed to them to aid the Governance Committee in creating officer and Committee slates for 2022 and make recommendations to the CMEEC and CTMEEC Boards at their Annual Meetings in November.

Mr. Meisinger added that the Budget & Finance Committee has two meetings scheduled in October, Risk Management Committee is scheduled to meet on October 7 and the Governance Committee is scheduled to meet on October 21.

K New Business

• Federal Legislative Update

Ms. Kipnis highlighted federal legislation being considered that focused on climate change, infrastructure transmission upgrades, renewables and Conservation and Load Management. She urged the Board to read the summaries included with the material. Ms. Kipnis directed the Board to send a letter, a sample of which was included in today's materials, and urged them to mail it to their member territory congressional representatives. She added that contact information for each of the Member Utility's Congresspeople is also included in the material.

Ms. Kipnis then highlighted legislation known as Build Back Better Act which establishes a Clean Electricity Performance Program in the amount of \$150 billion which

commences one year after the bill is enacted. As written, there is concern, among others, that the payment and penalty provisions in the legislation establish too short timeframes to meaningfully accomplish the reductions identified in the legislation. She added that CMEEEC will be watching this very carefully and will keep the Board apprised of where legislation is going and analyze it for any opportunities.

- **Bond Settlement Update**

Ms. Meek explained that the settlement of the advanced refunding of the CMEEEC Transmission Services 2012A Bonds and CTMEEEC Transmission System 2012A Bonds which took place in early 2020, will occur on October 5, 2021. She stated that at the Board meeting in August, Ms. Kipnis informed the Board that in connection with the settlement each of the General Managers of the Members would receive a certificate for their signature. Ms. Meek explained that this was no longer necessary.

Chair Barber restated the importance of completing the interest survey to facilitate creation of slates by the Governance Committee at its meeting on October 21.

L Adjourn

A motion was made by Alternate Member Representative Keith Hedrick, seconded by Member Representative Alan Huth to adjourn.

Motion passed unanimously.

21-09-03

The meeting was adjourned at 12:01 p.m.