

Approved 6/29/21

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Meeting of the Board of Directors

May 25, 2021

Pursuant to proper notice duly provided to all Directors, the regular meeting of the Directors of the New Hampshire Electric Cooperative, Inc. (NHEC) was held May 25, 2021. In light of the COVID-19 pandemic and in response to Governor Sununu's Executive Order 2020-04, the meeting was conducted remotely via Zoom videoconferencing.

Directors present were Thomas Mongeon, Alana Albee, Brenda Boisvert, William Darcy, Sharon Davis, Leo Dwyer, Edward French, Carolyn Kedersha, Madeline McElaney, Jeffrey Morrill, and Daniel Senie. Others present were Steve Camerino, President/CEO; Jim Bakas, VP of Operations and Engineering; Brian Callnan, VP of Power Resources and Access; Mark Dean, Attorney; Drew Dunagin, VP of Financial Services/CFO; Steve Kaminski, Power Planning and Policy Advisor; Mike Licata, VP of Member Services/Public Affairs; Pam Ouellette, VP of Human Resources and Organizational Development; Craig Snow, VP of Energy Solutions/Facilities; Geoff Ziminsky, VP of Technology and Business Services/CIO; Kristen Taylor, Financial Services Manager; Ken Colburn, NRECA Director for NH; and Sharon Yeaton, Executive Services Administrator (recording).

Chair Mongeon called the meeting to order at 8:32 a.m.

Agenda Review

It was suggested that for future meetings we might want to address broadband earlier on the agenda given its importance. It was also suggested that we may want to enhance the meeting assessment process, as it is sometimes hard to provide immediate feedback. Chair Mongeon expressed his appreciation for the input.

Chair Mongeon advised that the broadband discussion may require more time than allocated so adjustments may be made in other areas of the agenda.

Approval of Consent Agenda

Chair Mongeon asked if anyone wished to remove any of the items listed on the consent agenda for separate discussion. There were no requests to remove items. Upon motion of Mr. Darcy, seconded by Mr. French, it was

VOTED: That the Board of Directors approves the consent agenda items: April 14, 2021 Special Board Meeting Minutes, April 27, 2021 Board Minutes, April 26, 2021 Audit Committee Minutes, April 26, 2021 Member Services Committee Minutes, CFC and NCSC Voting Delegate Resolution, and Power Resources & Access Committee Board Policies Resolution.

Vote for the motion was unanimous.

Individual motions approved through the consent agenda are as follows:

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VOTED: That the Board of Directors appoints Steve Camerino as the voting delegate for the 2021 CFC and NCSC annual meetings.

VOTED: That the Board of Directors reaffirms Board Policies B-2, Attachment E – Power Resources & Access Committee and B-27 – Wholesale Power Resources and Related Environmental Products and Risk Policy.

Board Safety Moment

Ms. McElaney presented the safety moment on the topic of sunscreen safety, sharing a reminder to check the ingredients of your sunscreen prior to use and sharing website resources for a guide to sunscreens.

Chairman's Report

Chair Mongeon presented the Chairman's Report, providing his continued thanks to staff and the LLC managers for their hard work on the broadband initiative. He noted that opportunities to add value to our members while minimizing the impact to electric ratepayers are being aggressively addressed and there is an increased focus on communications, pace, and resources to make things happen. He stated that some ideas will be shared during the broadband section of the executive session agenda.

Chair Mongeon next provided an update on Strategic Planning, noting that the Strategic Planning Steering Committee charter will be presented at the next Executive Committee meeting, and commenting that the revamped board meetings and strategic topic discussions have been going well. He also discussed upcoming meetings for the month of June.

President's Report

Mr. Camerino presented the President's Report, noting that the financial update was included in the board packet and briefly discussing collections activity, which continues to improve; mentioning the news reports around the Moultonborough battery project, congratulating Messrs. Callnan and Snow and their teams, and Mr. Lemay for all of their work on the project; and providing an update on return to work planning, indicating that there is a lot of preparation and planning required and it is likely a return to normal operations would occur at the end of summer, however, it would be more of a hybrid work model.

Mr. Camerino next discussed the waiver of a provision of the Terms and Conditions for the Holderness School, noting that he circulated information to directors by email yesterday. Because this comes up periodically, management is working on a possible revision to this provision of the Terms and Conditions to bring back to the board at a later date.

Upon motion of Mrs. Davis, seconded by Mr. Senie, it was

VOTED: That the Board of Directors authorizes management to waive the deposit requirement for Holderness School that would otherwise be required under the ROI provision in the terms and conditions.

Vote for the motion was unanimous.

The topic of herbicide spraying, and specifically a request for discussion around having an option for members to provide a multi-year opt out from herbicide spraying on their property, was raised. It was agreed this topic would be added to a future Engineering and Operations Committee agenda for discussion.

Strategic Planning

Chair Mongeon stated that said this item is a continuation from last month to allow time to address any questions.

Mr. Camerino noted that the matrix of implementation steps was shared at the last meeting and he is happy to address any comments or questions.

There was discussion on the suggestion for creation of a document that outlines accomplishments under the Strategic Plan. Mr. Camerino indicated that he would create a cumulative document containing everything that has been accomplished under the plan.

Strategic Topic Discussion – Facilities

Chair Mongeon mentioned that he and Mr. Camerino have been discussing how to recap previous strategic topic discussions.

Mr. Camerino noted that today's topic is a continuation from last month. With regard to the strategic topic discussions in general, he indicated that we plan to develop a process that captures the key issues or follow up items from each of the discussions. He welcomed any comments on how we look at these strategic topics. Comments shared were that it would be best not to put too much structure to the conversations and that we should be cognizant of when additional topics arise.

Mr. Camerino shared the items to be covered in today's facilities discussion, including a review of what has occurred to date, next steps, and timelines.

Reviewing what has occurred to date, Mr. Camerino shared a reminder that the Strategic Plan called out the Plymouth facilities replacement as a key objective, recalled last month's facilities condition assessment presentation to the board, and discussed the sense of the board that we should proceed with replacement of the Plymouth facilities.

Mr. Camerino reviewed next steps, including the need for an interim action plan to address our current facilities so we can continue to occupy them until new facilities are built. He called out the need to revise capital and operating budgets for 2021 to address items to be done this year, as well as keeping in mind what will be needed for 2022 budgets.

Messrs. Snow and Camerino addressed the code issues identified in the facilities assessment report and provided clarification that there are no current violations. The items identified in the report are things that would need to be addressed if significant renovations were made to the facilities. Prioritization of items to be addressed will be based on how the facilities present for our employees and things that could disrupt our operations.

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Questions were addressed on the likelihood we would keep any of our existing Plymouth facilities, resale factors, and construction costs.

In response to Chair Mongeon's inquiry, Mr. Snow discussed his prior experience with facilities planning and development prior to joining NHEC. Chair Mongeon commented that it is important for the board to know we have this level of expertise.

Messrs. Camerino and Snow moved on to the next step in the process, which would be to perform a needs assessment, discussing what would be covered in the assessment and noting that an executive summary would be presented to the board later in 2021.

There was mention of having a future discussion of the board's high level visions for the new facilities. It was noted that time would be included in future board meetings, once we have engaged a consultant, for further discussion of high level vision decisions, such as energy efficiency of building(s).

Mr. Camerino next discussed the concept of a management working group led by Mr. Snow with participation of a couple of directors at key points in the process to provide board level input and feedback.

A few directors expressed interested in participating with the management working group. Chair Mongeon asked that interested directors email him and Mr. Camerino indicating their interest and sharing bullets of any prior experience.

Addressing Chair Mongeon's inquiry regarding the timeline and check-in points for the board, Mr. Camerino stated that this is a large enough project that there would likely be monthly status updates. He called on Mr. Snow who reviewed timelines for both the interim facility upgrades, as well as the larger facilities project.

Board Development

Chair Mongeon recommended moving this topic to executive session next month to provide an opportunity for directors to check in on how they are performing as a board.

Chair Mongeon provided updates on a couple of items, both slated for a fuller discussion at the next Executive Committee meeting, including the board oversight checklist and the board self-assessment.

2021 Officer Elections

Chair Mongeon noted that at the June 15 orientation meeting there will be an opportunity for officer candidate to make statements. He noted that today's meeting is an opportunity for directors to express interest in running for officer positions, noting that indications of interest are voluntary and not binding at this time. Indications of interest were shared for each officer position.

Attorney Dean discussed the officer election process and the Zoom polling limitation of 10 voting options for each position. Mr. Darcy indicated that he would not be seeking an officer position and volunteered to have his name removed from the list of options.

Board Committees

Chair Mongeon noted that the Executive Committee is scheduled to meet in August; however, if there is a need to meet sooner he will look for an earlier date.

Chair Mongeon discussed plans to schedule a meeting of the committee chairs in June or July to address SMART goals, meeting efficiency, tracking of action items, and overall strategy.

The meeting recessed at 10:11 a.m. and reconvened at 10:22 a.m. All those in attendance prior to the recess rejoined the meeting.

Board General Session

Board Tracking Report

Chair Mongeon noted that the Board Tracking Report was included in the meeting packet.

Committee Meetings

Following is a list of upcoming meetings:

- Director Orientation Session – June 15, 8:30 a.m.
- NHEC Annual Meeting – June 16, 10:00 a.m.
- Board Organizational Meeting – June 16, following Annual Meeting

NHEC Foundation Report

NHEC Foundation Chair Davis drew attention to the attachment in the meeting packet and noted that the Foundation Annual Meeting and next quarterly meeting are scheduled for June 28.

NRECA Report

Mr. Colburn presented the NRECA Report, sharing highlights from his written report and noting the additions to his bibliography. He also mentioned NRECA's committee structure, which starts with his appointment of individuals to serve on the regional nominating and resolutions committees, noting that he does this appointment in consultation with the board chair and he expects it to take place in late June or early July this year.

Miscellaneous Items

The NHEC Board Chair Emergency Determination, a copy of which was included in the board packet, was addressed. Attorney Dean responded to questions, indicating that the determination letter allows for the continuation of virtual meetings as NHEC works through its plans for return to normal operations. Chair Mongeon indicated that he would execute the Chair Emergency Determination.

Mr. Darcy mentioned he had a few articles he would email to directors.

Per request of a director, an item on the targets for number of customer hookups for the CARES projects will be added to the monthly dashboard.

Review of June Draft Agenda

Chair Mongeon drew attention to the draft agenda for June's meeting that was included in the board packet and asked if there were any questions or comments; none were noted. After requesting feedback, Chair Mongeon indicated that we would not continue the review of draft agendas in future meetings.

Review of Parking Lot

Chair Mongeon stated that no items were identified for the parking lot.

Immediate Meeting Assessment

Immediate meeting assessment feedback was gathered using a "chat storm." Individual comments will be provided to Chair Mongeon and Mr. Camerino.

Mr. Colburn left the meeting at 10:40 a.m.

Executive Session

Upon motion of Mrs. Boisvert, seconded by Ms. McElaney, it was

VOTED: That the Board of Directors move into executive session for the purpose of confidential discussion of legal and commercial information, contracts, and personnel matters.

Vote for the motion was unanimous and the board moved into executive session at 10:41 a.m.

Adjournment

The board moved out of executive session and Chair Mongeon adjourned the meeting at 1:58 p.m.

Brenda Boisvert, Secretary

A TRUE COPY ATTEST:

Thomas Mongeon, Chair of the Board