

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Annual Meeting of Members

June 14, 2022

Pursuant to notice provided to all members, the Annual Meeting of Members of the New Hampshire Electric Cooperative, Inc. was held on Tuesday, June 14, 2022, at Merrill Place Conference Center on the campus of Plymouth State University. A remote Zoom webinar option was also available.

Chair Morrill called the meeting to order at 10:00 a.m. He noted that the meeting is being recorded.

Kristen Taylor led the Pledge of Allegiance, which was followed by Michelle McEwen offering the invocation.

Chair Morrill introduced the Board of Directors, Interim General Manager, and General Counsel.

Mr. Bakas next introduced the senior management team.

Chair Morrill called upon Secretary Brenda Boisvert who reported that she has reviewed the member registration and there are a sufficient number of members present to conduct the business of the annual meeting. Mrs. Boisvert next read the Official Notice of the 83rd Annual Meeting of the Members of New Hampshire Electric Cooperative, Inc.

Chuck Henderson was acknowledged and moved to dispense with the reading of the minutes of the 2021 Annual Meeting of Members and accept the minutes as presented. The motion was duly seconded and adopted by voice vote. Chair Morrill advised that the minutes are available on NHEC's website.

Doug Bergholm, Chairman of the Tellers' Committee, was next called upon to provide the results of this year's election. Mr. Bergholm reported on the number of ballots cast and the number of votes each candidate received.

Chair Morrill declared Alana Albee, Carolyn Kedersha, Thomas Mongeon, and Sharon Davis each elected to the Board of Directors of NHEC for a three-year term. He also thanked director candidates David Boyce of Moultonborough and John Goodrich of Littleton for running for the board.

Chair Morrill next called upon Ed French, Treasurer, to present the Treasurer's Report.

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Mr. French presented the financial results of the Cooperative for the year ending December 31, 2021, stating that the Co-op continues to be in a strong financial position. He provided information on electric distribution and consolidated net margins, equity, and NHEC's S&P rating. He noted that these strong financial results occurred even with continued COVID-19 challenges, expenses from two major storms, and the ramping up of our new broadband business. He discussed NHEC's continued focus on improving reliability and the investment over the past three years on reliability initiatives. With regard to broadband, Mr. French reported that in 2020 NHEC began offering broadband internet service through its subsidiary NH Broadband, LLC, providing service to four towns. He discussed the current expansion in Sandwich and Acworth and plans to continue expansion into our service territory in Grafton County. In closing, Mr. French stated that NHEC's strong financial health supported our efforts to ensure we have the capital necessary to make the investments required to maintain and improve the distribution systems and allow us to respond to critical needs of members to access reliable high speed internet.

Chair Morrill recognized Brenda Inman who moved to accept the Treasurer's, Chair of the Board's and President's Reports as published in the 2021 Annual Report. The motion was duly seconded and adopted by voice vote.

Chair Morrill next recognized Chuck Henderson, Special Assistant for Projects and Policy for Senator Jeanne Shaheen, who read a letter from Senator Shaheen; Bobby Graham, Special Assistant for Policy and Projects for Senator Maggie Hassan, who read a letter from Senator Hassan; and Maeve Dolan, Legislative Assistant to Chris Pappas, who read a letter from Congressman Pappas.

Chair Morrill next addressed the membership, first thanking the board and senior management team for serving our members. He recognized the efforts of Interim General Manager Jim Bakas, noting that he has risen to the challenge and done a great job. He next shared some key notes, first mentioning our CEO search process, noting that we are optimistic for a hire the first of August. He discussed our broadband initiative, commenting that it is a monumental milestone and we have made great progress, he appreciates all the support from our legislators, broadband is a required and needed service, and we are exceeding our customer acquisition targets. He mentioned the hiring of Conexon for the project, noting that they are a major organization building out fiber for many co-ops and he thanked them. He shared the next phase of the project, including the completion of Acworth and Sandwich over the next two months, the expansion into Grafton County, and the availability of grant funds. Chair Morrill

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next discussed the great work of the NHEC Foundation and the grants they have provided to organizations such as the NH Foodbank, noting the power of the Round Up Program. He mentioned the return of capital credits to members and congratulated staff and the board for making it happen. Chair Morrill next shared some challenging news, reporting that NHEC has a contract with CCI (Consolidated Communications, Inc.) for which they have not met their obligation to pay for tree trimming and vegetation management expenses totaling over \$6 million due to NHEC. He explained that we have pending litigation against CCI and hope to amicably solve this. Chair Morrill closed out his report noting that he spends a lot of time talking to members and he invited members to reach out to him and other board members to discuss what is on their mind.

Chair Morrill called upon Jim Bakas to offer remarks. Mr. Bakas first congratulated directors that were re-elected to the board. He mentioned the challenges of increasing cost of materials, sharing an example of a transformer that cost \$300 to \$400 five years ago is now \$3,000 to \$4,000, as well as the issue of availability of materials. He shared some highlights from 2021, including the Moultonborough Battery Project, noting that the goal of the project is to reduce demand during peak times and the project has exceeded our expectations; the SCADA Expansion Program, explaining that it is a system of devices and software on the distribution system that can be controlled remotely allowing us to isolate parts of the system and reduce the number of members impacted by an outage; the Substation Replacement Program to replace aging equipment across our system; the Direct Burial Replacement Project, which is a 10-year program to replace over 200 miles of direct buried cable; and Energy Efficiency Programs, noting that over 1,400 members were served by these programs in 2021. Closing his report, Mr. Bakas thanked the employees and the board for their dedication and efforts.

The meeting was next opened for member questions and comments. Lynne Turmel, Public Relations/Marketing Supervisor, provided instructions for those participating via Zoom webinar on how to ask a question.

Sandra Jones, Director of the Plymouth Area Renewable Energy Initiative (PAREI), shared her appreciation of the Co-op and their partnership on a number of things, provided her thanks for the technical and financial support on the energy efficiency programs, her appreciation for the Co-op's work on increasing the amount of renewable energy in its power mix, and urged the board to continue to look at how much more clean, renewable energy can be included in the default power mix.

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Being no further business to come before the meeting, a motion was made and duly seconded to adjourn the meeting. The motion was adopted and Chair Morrill adjourned the meeting at 10:41 a.m.

Brenda Boisvert, Secretary

A TRUE COPY ATTEST:

Jeffrey Morrill, Chair of the Board