

Approved 9/24/24

**New Hampshire Electric Cooperative, Inc.
Minutes of the Meeting of the
Executive Committee
Zoom Meeting
August 21, 2024 10:00 a.m.**

Present: Executive Committee board members: Bill Darcy (Chair), Alana Albee, Jeff Morrill, Jerry Stringham, and Tom Mongeon
Other Board members: Pat Barbour, Harry Viens, Leo Dwyer, John Goodrich (in-person), and Peter Laufenberg (in-person)
NHEC employees: Alyssa Clemesen Roberts, Peter Glenshaw, Carla Munoz, Kristen Taylor, Josh Mazzei, Sonja Gonzalez, and Maida Lessard (Recording)
Others Present: Paul Phillips-NHEC Counsel

Meeting Called to Order

Chair Darcy called the meeting to order at 10:00 a.m.

Agenda Review

There were no suggested changes to the agenda.

Restructuring, Reduction, and Renaming of Standing Committees

Chair Darcy brought attention to the restructuring of the committees at the request of Ms. Clemesen Roberts to vote on as he will be assigning board members to committees soon. He suggested renaming the Corporate Services Committee to the Budget, Finance, and Rates Committee and consolidating the Power, Access, and Resource Committee into it as the decisions made at this committee result in a rate decision formerly brought to the Corporate Services Committee. He also suggested consolidating the Member Services Committee into the Executive Committee.

Some of the ad-hoc committees will be eliminated but some will remain as there are pending items such as the Building Feedback Committee as capital improvements with the NHEC buildings are reported on. He suggested that this committee move into the Budget, Finance, and Rates or Executive Committee.

Mr. Mongeon commented that it appears the number of standing committees are reduced by two and rolled one or two ad-hoc committees into the Executive Committee.

Chair Darcy replied the number of standing committee meetings went from five to three. The Planning and Building Feedback Committees will be part of the Executive Committee, and the Committee Structure and Policy Committees will be dissolved.

Ms. Clemesen Roberts requested that the E&O Committee be moved to the Budget, Finance, and Rates Committee as the main purpose of this committee is to review the capital budget which is done by the Corporate Services Committee already.

Chair Darcy commented he would like the new board directors to understand how our electric system works, capital projects, and incorporate some educational functions into it. He will be assigning all the new directors to this committee with Mr. Mongeon as the chair.

Mr. Mongeon commented that one aspect of the E&O Committee charter is to review the future planning of our infrastructure, integrity of the grid, etc. and would not see that fitting into another committee.

Chair Darcy commented this would be recommended to the full board and then the necessary changes will be

made to the policies. He suggested in the proposed resolution that he and Attorney Phillips work on the actual language on the consolidation and restructuring of the functions of the committees.

Chair Darcy asked for a motion to approve the resolution on committee structures as presented in the meeting packet.

Upon motion of Mr. Mongeon, seconded by Mr. Stringham, it was

VOTED The Executive Committee recommends to the Board of Directors that the Corporate Services Committee will be renamed the Budget, Finance, and Rates Committee; the functions of the Power Resources and Access Committee will be transferred into the Budget, Finance, and Rates Committee; the functions of the Members Services Committee will be transferred into the Executive Committee; and the Chair and General Counsel will prepare amendments to board policies to present to the board at the September meeting to implement these changes in board committees.

The vote for the motion was unanimous by committee members.

Board Policy Review: Ethics, Code of Conduct, Whistleblower, and Elections

Chair Darcy drew attention to some disagreements and conflicts between some policies in the past and the employment counselors have commented that they see a problem with the whistleblower, code of conduct, and ethics policies as they seem to overlap in some areas or too long and problematic. He has asked the employment counselors to give their thoughts on these policies and provide some templates.

He also asked the committee to consider a new policy on elections as there were issues raised in the last election. He suggested a neutral, impartial policy that would help guide staff and the board to reduce the areas of controversies during the election.

Mr. Stringham asked when it comes to policies, where do the ideas come from and are committees assigned to do the writing of them and then put before the whole board.

Chair Darcy responded that this is the committee for all governance issues and is the appropriate place for this subject. The General Counsel generally does the actual writing of the policies, and he will work together with Attorney Phillips and the employment counselors on the changes to these policies.

Mr. Glenshaw commented that the issues that were suggested are non-existent and the concerns that were raised were debunked and answered thoroughly.

Chair Darcy responded he disagrees and asked what is wrong with making the policies clear.

Mr. Glenshaw suggested that the policies are clear, an independent company is used to run the election, all ballots are appropriately accounted for, there is no manipulation of any kind. The issues that were alleged to occur did not, and the correspondence to prove this can be shared with other directors.

Ms. Clemens Roberts asked for clarification on the statement that says no public statements by NHEC employees on director candidates, or ballot issues.

Chair Darcy responded that we need to be careful about this issue and whether or not member employees can be actively involved in the election campaign.

Mr. Glenshaw commented that they can be as they are members and have the full rights of any member.

Attorney Phillips commented he is seeing this for the first time this morning but has similar concerns about the First Amendment Protections that we need to respect for our members. As one of the largest employers in the area, it is evident that an employee who is a member might have an opinion about an issue whether it is a director candidate or a ballot question. He warned about the idea of placing an official restriction on their ability to make public comments. Limiting the role of officers who have a fiduciary duty to the Co-op is different.

Chair Darcy agreed these are good points and distinguishing members, non-members and officers are reasonable distinctions.

Mr. Mongeon suggested to collect input and bring it up again at a later meeting.

Chair Darcy responded that was his intent. He wanted to let the everyone know these issues are going to be worked on and will get the information in a more definite form for future meetings. There is no action being requested at this time.

Mr. Glenshaw commented he is concerned about the statement about no communication with the voting contractor and no communication from the voting contractor during the voting process. This is actually a very important part of the election as it helps us to understand how many people have submitted a ballot either electronically or by paper and send reminder messages to members to vote. This is a critical part in making sure the voting turnout is as high as it can be. This is the only nature of communication with the contractor, and we have no insight into how the votes occur whatsoever.

Chair Darcy responded this will be considered.

Review of General Counsel

Chair Darcy commented in February the Performance Review Committee started the process of reviewing the General Counsel and a vote was taken for the board to have access to the legal invoices. Nothing has happened since this time and he would like to restart that process. One of the issues was the access to information and is a continuing one that he would like to resolve. He proposed a resolution to get the invoices to the board in a process that protects anything legitimate and affects the legal interests of the Co-op. Attorney Phillips has raised a number of issues in the correspondence to the full board and as a result he has made an amendment to that resolution that deals with the redactions that he was concerned about. After receipt of the invoices, his intent is to appoint a committee to review them. The next step which was delayed was to send out a survey much like the NRECA council survey performance review that was modified.

Chair Darcy noted the only change to the resolution was the addition to the end of the second paragraph that stated the 2023 Primmer Piper Investigative Panel invoices shall not be subject to this procedure and names of witnesses and complainants shall not be revealed.

Chair Darcy moved the proposed amended resolution and asked for a second.

Upon motion of Chair Darcy, seconded by Mr. Mongeon, it was

VOTED That the Executive Committee recommend the amended resolution to the full board at the September board meeting.

Attorney Phillips raised his concerns about possible future investigations involving allegations of director misconduct and a policy that declares the directors have access to everything including things like whistleblower identities and witness identities. He stressed this is not good governance to disclose the names of the alleged victims to the folks who alleged to have done wrong.

Chair Darcy replied that none of that is intended, and future problems can be dealt with in the future.

Attorney Phillips commented he has asked the investigative panel from the August 2023 investigation to convene but they are not available until 4:45 pm this afternoon. Given that they will have a view on this, he stated he did not want to commit to compliance with a policy if it becomes ethically or legally problematic for Primmer Piper to comply with that policy. This issue was raised and asked that action be deferred until we have a better understanding what this means. He asked the board to accommodate the desire to have a better understanding of the implications and consequences of this policy change.

Chair Darcy replied he had specifically exempted the investigative panel as we are not changing anything or revealing their redactions of their bills, and this recommendation has to also go before the board.

Ms. Clemens Roberts commented that the only redacted invoices from Primmer Piper were those surrounding the whistleblower.

Chair Darcy commented he doesn't know what is in the bills and might be objectionable as some were marked as confidential in entirety.

Ms. Clemens Roberts explained that the legal invoices for the Co-op were requested and came to her. She reached out to Ms. Davis at the time because some of those invoices contained information regarding the whistleblower investigation. All invoices were provided with the exception of those which were sent back to Attorney Phillips's firm to be redacted.

Chair Darcy commented he wasn't referring to those bills but to the ones that were marked confidential in entirety. There were also some invoices missing from July and August 2023.

Ms. Taylor commented that Mr. Dwyer provided a list of missing invoices and we pulled them. If they were confidential, Attorney Phillips's firm redacted them and we uploaded anything that was deemed as missing.

Mr. Mongeon commented there is obviously disagreement around the documents that will not be resolved today. He would like to add some more verbiage to the amended resolution brought forward today. A general counsel review has not been performed and we need to have this information in order to do the review. He suggested adding verbiage to the resolution to make it clear that the names of the whistleblowers and witnesses will not be revealed.

Chair Darcy replied he is in agreement and will add that verbiage to go before the full board as an amended resolution.

Ms. Gonzalez mentioned a concern she has when using OnBoard and the lack of posture checking with this application. This means that anyone can log in on any computer and download confidential documents that will be left on that machine and possibly public spaces. She does not recommend allowing confidential documents to be downloadable from OnBoard for this reason as there are not enough restrictions.

Chair Darcy mentioned the CCI settlement documents were posted on OnBoard that was ongoing for months and the risk of releasing this information would have been extremely destructive.

Ms. Gonzalez commented that she does not want to continue any process that enables that risk and any kind of process that allows our personal devices to manage our confidential data. All company email business should be done using a NHEC.com email account, but not all board members use theirs and this puts our secure information at risk.

Ms. Barbour asked if Chair Darcy is concerned that there are redacted invoices that do not apply to whistleblower matters and is this going to be a process that's going to happen more than once in the future.

Chair Darcy replied that there are invoices labeled confidential in their entirety and it is unknown if there are any redactions in them.

Ms. Clemens Roberts commented that we have a process for how we submit board documents for review and it is concerning that staff is not receiving the information in enough time to review.

Attorney Phillips commented that when it comes to protecting whistleblower and witness identities, it should not be limited to just Primmer Piper bills but to any legal bills.

Mr. Glenshaw asked how an investigation would be handled going forward.

Chair Darcy replied this only applies to the bills that have been pending right now and going forward we'll see when the future comes.

Mr. Stringham commented that as part of the weekly review of the outgoing checks, there's detailed lists of invoices that are either over \$50,000 or all the individual invoices for any legal work are also included in a separate package. He noticed there were three invoices but the one for \$30,000 was not included. He asked if he should ask for that invoice to be redacted or partially redacted.

Chair Darcy replied that this resolution would resolve that and get access to that information that is requested.

Ms. Clemens Roberts commented that she hasn't asked Attorney Phillips's firm to redact that invoice yet because it wasn't asked for. When the invoice comes in and it has to do with a whistleblower matter or an investigation, we do not upload it into our system so it is not visible to employees.

Mr. Dwyer commented it would be good practice for any law firm to redact the names of witnesses and complainants on any invoice.

Vote for the motion was unanimous among committee members.

Chair Darcy commented he would touch base with Ms. Clemens Roberts before the board meeting to see if he understood all of her concerns.

Attorney Phillips asked what Chair Darcy's plans were to fill the at large seat on this committee.

Chair Darcy responded he plans to leave it unfilled for now.

Chair Darcy made a motion to adjourn the meeting, seconded by Mr. Mongeon, it was

VOTED That the Executive Committee adjourn the meeting.

Vote for the motion was unanimous.

The meeting was adjourned at 10:52 a.m.