

**Approved 11/28/23**

**NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.**

**Minutes of the Meeting of the Board of Directors**

**October 31, 2023**

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 October 31, 2023, at the Cooperative's 287 Highland Street Office in Plymouth, NH.

Directors present were Sharon Davis, Brenda Boisvert, William Darcy, Leo Dwyer, Edward French, Madeline McElaney, Jeffrey Morrill, and Harry Viens. Directors Alana Albee, Carolyn Kedersha, and Thomas Mongeon participated via Zoom. Others present were Alyssa Clemens Roberts, President/CEO; Peter Glenshaw, VP of Member Engagement; Sonja Gonzalez, VP of Information Technology/CIO; Michael Jennings, VP of Energy Delivery; Joshua Mazzei, VP of Operations; Carla Munoz, VP of People and Culture; Jonathan Nelson, VP of Broadband; Paul Phillips, Attorney; Kristen Taylor, Chief Financial Officer; Kelley Achenbach, Controller; Jeremy Clark, Financial Planning, Analysis, and Rates Manager; Shayna Williams, Member Solutions Manager; Ken Colburn, NRECA Director for New Hampshire; Cooperative member Packy Campbell and son Ryan; and Sharon Yeaton, Executive Services Administrator (recording). Others participating via Zoom were Seth Wheeler, Senior Communications Specialist.

Chair Davis called the meeting to order at 8:30 a.m.

**Agenda Review and Consent Agenda Approval**

Chair Davis asked for any changes to the agenda. Ms. Albee stated that she would appreciate consideration of an agenda item for 30 minutes for board only discussion of our largest legal matter.

Mr. Mongeon requested an agenda item, noting that he is looking for five minutes to discuss our Conflict of Interest Policy. He stated that specifically he would like to know why we are not following Board Policy B-29, Conflicts of Interest, and he would like our General Counsel to explain why. He noted that he had asked in an email and our Chair directed the General Counsel to essentially not to respond to his question. Conflicts of interest are critical in our decision making and are very important to our members to make sure we are making sound decisions and conflicts of interest need to be addressed.

Chair Davis noted that both of these items would be addressed in executive session.

Mr. Mongeon advised that he would like his question recorded verbatim.

Chair Davis next drew attention to the consent agenda items for approval, including draft minutes of the September 26, 2023, Board of Directors meeting, draft minutes of the October 5, 2023, Special Board meeting, and director expense reports. Upon motion of Mr. French, seconded by Ms. McElaney, it was

**VOTED:** That the Board of Directors approves the consent agenda items as presented in the meeting packet.

**Approved 11/28/23**

Vote for the motion was ten in favor and one abstention with Mr. Darcy abstaining. The motion carries.

**Board Committees**

***Power Resources and Access Committee***

Chair Davis noted that approval of the committee minutes is being pulled from the agenda since Mr. Darcy did not get to review the minutes prior to them being posted. We will address this item next month.

***Strategic Planning Steering Committee***

Strategic Planning Steering Committee (SPSC) Chair Mongeon drew attention to the draft minutes of the committee's September 19, 2023, meeting. Upon motion of Mr. Morrill, seconded by Mr. Mongeon, it was

**VOTED:** That the Strategic Planning Steering Committee approves the minutes of the September 19, 2023, committee meeting as presented in the board meeting packet.

Vote for the motion was unanimous among committee members.

***Engineering and Operations Committee***

Engineering and Operations Committee Chair Mongeon drew attention to Board Policy B-2, Attachment C – Engineering & Operations Committee, noting that the committee is recommending this policy by reaffirmed. Upon motion of Mr. Mongeon, seconded by Mr. Morrill, it was

**VOTED:** That the Board of Directors reaffirms Board Policy B-2, Attachment C – Engineering & Operations Committee, as present in the board packet.

Vote for the motion was unanimous.

Committee Chair Mongeon stated that he has the draft minutes from the October 4, 2023, committee meeting and he will forward them to the committee for review and he will then get back to staff.

***Member Services Committee***

Member Services Committee Chair Viens reported on the October 16, 2023, Member Services Committee meeting noting that Mr. Glenshaw presented a recommendation for the 2024 Annual Meeting. Mr. Glenshaw shared that the two available dates for the meeting are June 18 and June 25 at the Owl's Nest from 5:00 – 7:00 p.m. Ms. McElaney mentioned that the NRECA Board meeting is on June 25. Mr. French noted he would be out of the country on June 18, but suggested the Assistant Treasurer could present the Treasurer's Report.

Upon motion of Mr. Morrill, seconded by Ms. Boisvert, it was

**VOTED:** That the Board of Directors sets the date, time, and location for the 2024 New Hampshire Electric Cooperative Annual Meeting of the Members as Tuesday, June 18, 2024 from 5 – 7 p.m. at the Owl's Nest Resort in Thornton, NH.

**Approved 11/28/23**

Vote for the motion was unanimous.

***Executive Committee***

Reporting on the October 20<sup>th</sup> Executive Committee meeting, Chair Davis first drew attention to Board policy B-5 – General Counsel Functions, noting that there is one revision recommended by the Executive Committee. Upon motion of Mr. Darcy, seconded by Ms. McElaney, it was

**VOTED:** That the Board of Directors approves changes to Board Policy B-5 – General Counsel Functions, as present in the board packet.

Addressing a question on the timetable for the General Counsel review, Chair Davis advised that November is a busy month and we will be looking at scheduling it the best we can with the hope to complete it by year-end.

Vote for the motion was unanimous.

Chair Davis next drew attention to the 2024 Nominating Committee Selection Questionnaire and asked if there were any suggested changes, noting that there were no recommended changes from the committee. Upon motion of Mr. Darcy, seconded by Mr. French, it was

**VOTED:** That the Board of Directors approves the 2024 Nominating Committee Selection Questionnaire as presented in the board meeting packet.

Vote for the motion was unanimous.

Chair Davis drew attention to the proposed changes to Board Policy B-40 – Nominating Committee that were submitted by Mr. Darcy, noting that she has no concerns with the changes and it will be a relief and less burden for the CEO. She suggested the policy not refer expressly to the Executive Services Administrator and instead refer to an administrative assistant of NHEC so there is flexibility if the Executive Services Administrator is not available. Mr. Darcy stated that he takes that as a friendly amendment. Upon motion of Mr. Darcy, seconded by Ms. McElaney, it was

**VOTED:** That the Board of Directors approves the proposed changes to Board Policy B-40 – Nominating Committee, as presented in the board meeting packet and amended by Chair Davis.

Vote for the motion was unanimous.

Packy and Ryan Campbell joined the meeting at 8:40 a.m.

Chair Davis mentioned that the committee heard from Stephanie Borsari regarding her proposal to assist with board communications. Chair Davis advised that she is going to table this item, noting that she is waiting for a proposal from another consultant, Adam Schwartz, who has done a lot of training for NRECA and has his own consulting business. She indicated that she would like to have two proposals for the board to consider and it is possible Mr. Schwartz will be joining the board meeting next month for a brief introduction.

## Approved 11/28/23

Addressing questions, Chair Davis and Ms. McElaney shared that information on Mr. Schwartz can be found on The Cooperative Way website and when Chair Davis receives material from him she will pass it along to the board for review. Chair Davis also confirmed that CFC has indicated they cannot help us with this and that it is more than just communications that a consultant will be helping us with.

### **Corporate Services Committee**

Corporate Services Committee Chair French reported on the October 26<sup>th</sup> Corporate Services Committee meeting, first reviewing the annual write-off of uncollectible electric accounts, Attachment #10 in the board packet. Upon motion of Mr. Darcy, seconded by Mr. Dwyer, it was

**VOTED:** That the Board of Directors authorizes a write-off for uncollectible electric accounts, excluding bankruptcies, in the amount of \$146,997.58 for accounts final billed April 2022 to March 2023. There was no amount to write-off for miscellaneous accounts receivable. The Board directs staff to continue to attempt recovery of these uncollectible accounts.

Ms. Albee pointed out that we continue to try to collect these amounts. Chair French added that we have had pretty good success.

Vote for the motion was unanimous.

Committee Chair French next reviewed the January 2024 Schedule of Fees Proposal, drawing attention to the comprehensive analysis included in the board packet, as well as the supplemental construction allowance information provided after the committee meeting showing various scenarios. Upon motion of Mr. Darcy, seconded by Mr. Viens, it was

**VOTED:** That the Board of Directors authorizes staff to update the Schedule of Fees and Terms & Conditions effective January 1, 2024, as recommended in the January 2024 Schedule of Fees Proposal as presented to the Corporate Services Committee on October 26, 2023, and included in the October 31, 2023, board meeting packet.

Vote for the motion was unanimous.

Next, Committee Chair French addressed the October 2023 Distribution Rate Simplification Proposal, drawing attention to Attachment #12 in the board packet. Upon motion of Mr. Dwyer, seconded by Mr. Boisvert, it was

**VOTED:** That the Board of Directors authorizes staff to update the Schedule of Rates and Terms and Conditions as recommended in the October 2023 Distribution Rate Simplification Proposal presented to the Corporate Services Committee on October 26, 2023, and included in the October 31, 2023, board meeting packet.

Vote for the motion was unanimous.

Committee Chair French stated that the committee also received a preliminary review of the 2024 budget, drawing attention to Attachment #13 in the board packet and encouraging directors to review this information if they have not yet done so. He also asked that directors think about the allocation of the rate increase (member service charge, volumetric, or a combination), noting that

## **Approved 11/28/23**

management has put together a summary of the options. He advised that budget comments are due to the Board Chair, with a copy to him, by November 2. He noted that this year management intends to do a full presentation of the budget proposal at the November board meeting.

Questions and requests were addressed, including: 1) although it will be a tight timeline for staff, it was agreed to extend the due date for budget comments to November 6, 2) the presentation for November will be more comprehensive and staff will see what they can do regarding providing the budget in Excel instead of PDF format, and 3) the broadband budget will be presented at the November NH Broadband LLC Managers meeting.

### ***Audit Committee***

Audit Committee Chair Kedersha reported on the October 20<sup>th</sup> Audit Committee meeting, noting that topics covered included an update on non-financial internal controls, a risk assessment and review of cyber security, and initial discussion on the Whistleblower Policy. She noted that the next meeting will be in January.

Mr. Mongeon suggested the Whistleblower Policy needs a tighter timeline and should be fast tracked because of its importance. Following discussion, it was agreed that Ms. Kedersha would send an email to directors requesting they submit written comments to her on the Whistleblower Policy. In response to Mr. Mongeon's request that comments be submitted by November 15<sup>th</sup>, Chair Davis advised that Ms. Kedersha would determine the date for responses and would include that in her email.

### ***Any Other Committee Items Requiring Action or Update***

Attorney Phillips reported that in trying to schedule the first meeting of the Policy Committee there are no common times or dates for November so he will ask Mrs. Yeaton to put out another Doodle poll with December dates. He asked if the Audit Chair would consider referring the Whistleblower Policy review to the Policy Committee. This was agreed to and Ms. Kedersha will forward any responses she gets on that policy to Attorney Phillips. Attorney Phillips also confirmed that he would be sending the Policy Committee a list of the policies that have been referred to them.

Mr. Darcy drew attention to two items in the board packet, Attachment #18 – Community Aggregation Report, noting that this is a helpful report to assuage our concerns and suggested it would be helpful if this could be provided to the board on a quarterly basis; and Attachment #29 – Power Resources Variance Report, pointing out that this is good news and we are only off about 2% on estimates for the current rate period and the next rate period is looking good and energy costs are down.

### **Member Comments**

Mr. Campbell addressed the board first sharing that he has been a member for 25 years and is very happy with the service he receives. He distributed a packet of information and shared his background, noting that he has been doing solar at his house for about five years. He mentioned a dual axis solar tracker technology and discussed its advantages over rooftop solar. He stated that he has a negative bill every month and his request is to be paid monthly instead of annually.

Ms. Albee offered her thanks for a clear presentation and asked if the handouts provided could be scanned and sent to those not at the meeting.

## Approved 11/28/23

Mr. Campbell addressed questions on how Eversource pays, the KW capacity of one 48 panel tracker and the capital cost, and the amount of space required for the units. He noted that his biggest ask is that NHEC pay him monthly for kwh export and adopt a permanent time of use rate that would pay 30 cents between 4 p.m. and 8 p.m., 10 cents from 8 a.m. until 4 p.m. and 5 cents from 8 p.m. until 8 a.m.

Chair Davis shared the board's appreciation for Mr. Campbell's presentation and noted that management would review. Mr. Campbell expressed his willingness to meet and address any questions. He commented that he hopes paying monthly is a simple change.

Mr. Campbell and his son Ryan left the meeting at 9:35 a.m.

### Chairman's Report

Chair Davis advised she had nothing for today and this time is needed for the rest of the agenda items.

### President's Report

Ms. Clemsen Roberts presented the President's Report, sharing highlights from her written report. She reviewed items from the Safety Brief; drew attention to the resolution to update signers on a letter of credit with CFC; mentioned NHEC's letter of support for the NH Department of Energy's solar for all grant application; provided an update on broadband, including installs, construction, splicing, and the Broadband Matching Grant Initiative (BMGI); noted there would be a presentation on the vision, mission, and values later today; reported that October was cybersecurity awareness month; stated that the 2024 Balanced Scorecard would be delayed so we can get further along with the strategic plan; addressed a question on performance management asked last month; drew attention to the Community Aggregation Report; announced that NHEC was named a top women-led business in the October issue of Business NH Magazine; mentioned attending the BIA dinner; and noted that the first payment from FEMA was received yesterday.

Ms. Achenbach addressed a question on the accounting treatment of FEMA funds and Ms. Clemsen Roberts and Ms. Gonzalez addressed comments on cybersecurity risks.

Mr. French moved the following resolution, which was seconded by Mr. Dwyer:

**WHEREAS**, the Cooperative previously authorized a letter of credit to be issued by National Rural Utilities Cooperative Finance Corporation ("CFC"), *provided that* such letter of credit shall be issued to Universal Service Administrative Company, as Beneficiary thereof and shall be in an aggregate amount not to exceed \$2,000,000.00 ("Authorized Amount"); and

**WHEREAS**, the Cooperative has established a letter of credit facility with CFC under the terms of the Letter of Credit Reimbursement Agreement, dated as of April 13, 2021, as amended by First Amendment to Letter of Credit Reimbursement Agreement dated as of October 6, 2022 (together, the "Agreement"), pursuant to which CFC issued a letter of credit to Universal Service Administrative Company in the amount of Nine Hundred Seventy Nine Thousand Six Hundred One and 40/100 Dollars (\$979,601.40) (the "Letter of Credit"); and

**WHEREAS**, the Cooperative wishes to have the amount of the Letter of Credit increased to One Million Three Hundred Six Thousand One Hundred Thirty Five and 20/100 Dollars (\$1,306,135.20).

**Approved 11/28/23**

**RESOLVED**, that and each of the following individuals be, and each of them is, authorized in the name and on behalf of the Cooperative, to execute and deliver the Second Amendment to Letter of Credit Reimbursement Agreement, in substantially the form presented to this meeting, and to execute and deliver all such other instruments, to execute any future amendments to said Letter of Credit Agreement as such individual may deem appropriate within the Authorized Amount, and do all such other acts as in the opinion of such individual(s) acting may be necessary or appropriate in order to carry out the purposes and intent of the foregoing resolutions.

<u>Title or Office</u>	<u>Name</u>
<u>President/CEO</u>	<u>Alyssa Clemsen Roberts</u>
<u>Chief Financial Officer</u>	<u>Kristen Taylor</u>
<u>VP of Energy Delivery</u>	<u>Michael Jennings</u>
<u>VP of Broadband</u>	<u>Jonathan Nelson</u>

Vote for the motion was unanimous.

### **Strategic Topic Discussion – Strategic Planning Update**

Mr. Mongeon shared his screen and displayed the strategic planning schedule, noting that nothing has changed. He advised that the Strategic Planning Steering Committee would be meeting on Thursday to review the agenda for the upcoming retreat. He next called on the subgroup leads for status updates.

Each of the subgroup leaders provided an update on their group’s progress. Ms. Taylor reported on the Affordability Subgroup, Mr. Nelson reported on the Broadband Buildout Subgroup, Ms. Munoz reported on the Employee Experience Subgroup, Mr. Glenshaw reported on the Member Experience Subgroup, and Ms. Gonzalez reported on the Reliability Subgroup.

Mr. Mongeon addressed a question, confirming that the strategic plan will include the mission, vision, values, and strategic goals and the implementation aspects will be in the annual operating plan. He noted that the idea behind assessing resources is to help prioritize the goals at a top level because we may not be able to achieve everything we have identified, or we may need to space them out.

Mr. Glenshaw reviewed a PowerPoint presentation on Mission, Vision, and Values. He covered slides on the methodology for creation of the mission, vision, and values; the current, proposed, and alternative mission statements; the current, proposed, and alternative vision statements; results of employee feedback on values; and the recommended values.

There was discussion on the proposed mission: we provide our members access to affordable and reliable electric & broadband services. Feedback included support for the proposed statement and a discussion of the use of “members” given the fact that many do not know they are members and how do we bridge that gap. Mr. Glenshaw noted that it is his role to bridge that gap and make it clear and apparent. It was also mentioned that Mr. Glenshaw’s presentation at the Member Services Committee meeting spoke to education of members with year-round engagement so there are many opportunities to explain our mission.

Mr. Glenshaw reviewed the proposed vision: our members will thrive and benefit from our commitment to their needs. There was discussion regarding the words “thrive” and “benefit,” a

## **Approved 11/28/23**

suggestion that the vision needs to be more inspirational/ aspirational, a comment that “thrive” is aspirational and also engaging, a desire to see the word “cooperative” in the vision, and support for a suggestion for alternative one without the word “benefit” – our members will thrive from our commitment as a cooperative to their needs.

There was discussion on the proposed values: members, integrity, and safety. Comments included whether the order is important; a suggestion that safety should be first; a suggestion that the order should be members, integrity, and safety, as safety is kind of included in reliability; a comment that since these are employee values safety should be first, and a note that we always start with safety; a remark that all three values are important and we should avoid ranking them; and discussion of members, with it mentioned that we find this in every part of the organization. Mr. Glenshaw indicated that we would come back with safety, members, and integrity.

Mr. Glenshaw mentioned that if we talk about the mission, vision, and values all the time it will stick. We have to live this.

In response to his sense of how the group feels and what is left for his work, Mr. Glenshaw stated that it is just a rewording of the vision and reordering of the values.

The meeting recessed at 10:18 a.m. Mr. Clark left the meeting at this time. The meeting reconvened at 10:34 a.m. and Ms. Williams joined the meeting.

### **An Inside View of Member Solutions**

Mr. Glenshaw introduced Shayna Williams, Member Solutions Manager, and shared her background.

Ms. Williams presented a preview of what Member Solutions does and addressed questions on verification processes they have in place and how they handle various scenarios. She mentioned some of the types of calls and emails they address and walked through the process of how they handle one of their most frequent calls, a member wishing to make a payment on their account.

In response to a question of what percentage of our billing is done via credit card, Ms. Achenbach indicated she would need to pull the stats on that but noted that we pay a processing fee for checking as well as credit card because it is an electronic payment.

Chair Davis thanked Ms. Williams.

Ms. Clemens Roberts mentioned that having members move to online billing is a huge savings to the Cooperative and encouraged all of us to move to email versus paper billing.

Ms. Williams left the meeting at 10:53 a.m.

### **Board General Session**

#### ***Board Tracking Report***

Chair Davis drew attention to the Board Tracking Report and asked for any feedback.

In response to questions, Chair Davis confirmed that the nominating process is still on the tracking report for a deeper dive and stated that she made note of the idea of term limits and four-year director terms for the Executive Committee’s discussion of the bylaws.



It was agreed that item #2, Annual Meeting, has been addressed and can come off the tracking report.

### ***Committee Meetings***

Following is a list of upcoming committee meetings:

- Corporate Services Committee – November 17, 8:30 a.m.

### ***NHEC Foundation Report***

Chair Davis drew attention to the third quarter NHEC Foundation Report, Attachment #21 in the board packet, noting that she reported on this last month. She stated that due to the holiday the next meeting will be January 4, 2024.

In response to a question regarding details on the Appalachian Mountain Club grant, Ms. Clemesen Roberts stated it is to support educational learning for youth in Coos County. Mr. Mongeon indicated if there are additional details he would be interested in seeing them.

In response to questions, Ms. Clemesen Roberts advised that there are no NHEC employees that spend 100% of their time on the Foundation, Sara Thielbar spends the most time with a few others having a few hours, and the Foundation is its own non-profit organization separate from NHEC.

### ***NRECA Report***

Mr. Colburn drew attention to his written NRECA Report included in the board packet, noting that there were no additional elaborations.

Commenting on NRECA opposing the DOE's revisions to energy conservation standards for heat pump water heaters, Mr. Darcy indicated he supports NRECA's position as the rules would harm low-income households, citing the bids he received for installation of a 50 gallon unit.

### ***Director Training Feedback***

Ms. McElaney shared feedback on the Northeast Association of Electric Cooperatives (NEAEC) meeting she attended and mentioned the presentation on rate making and governance, noting that she emailed directors regarding the availability of all the presentations on the NEAEC website.

Mr. Wheeler left the meeting at 11:08 a.m.

Mr. Darcy reviewed slides on the Risk Oversight course he attended at the NEAEC meeting, as well as two other presentations "Preparing for an Uncertain and Dynamic Energy Future" and "Manage the EV Future: Leveraging Charging to Reduce Peaks and Provide Member Benefits."

Mr. French noted that the next NEAEC conference will be held in October of 2024 in either Maine or New Hampshire.

### ***Miscellaneous Additional Items***

No additional items were mentioned.

**Executive Session**

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

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

Vote for the motion was unanimous and the board moved into executive session at 11:20 a.m.

The Board moved out of executive session at 3:21 p.m.

Upon motion of Mr. Morrill, second by Mr. Dwyer the meeting was recessed at 3:21 p.m. A Doodle poll will be sent to find a time to reconvene the meeting.

**Meeting Continuation**

The meeting was continued on November 17, 2023, and separate minutes were taken.

\_\_\_\_\_  
Brenda Boisvert, Secretary

A TRUE COPY ATTEST:

\_\_\_\_\_  
Sharon Davis, Chair of the Board