

Approved 12/19/23

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Meeting of the Board of Directors

November 28, 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 November 28, 2023, at the Cooperative's 287 Highland Street Office in Plymouth, NH.

Directors present were Sharon Davis, Leo Dwyer, Edward French, Madeline McElaney, Jeffrey Morrill, and Harry Viens. Directors Alana Albee, Brenda Boisvert, William Darcy, Carolyn Kedersha, and Thomas Mongeon participated via Zoom. Others present were Alyssa Clemsen Roberts, President/CEO; Peter Glenshaw, VP of Member Engagement; Michael Jennings, VP of Energy Delivery; Joshua Mazzei, VP of Operations; Carla Munoz, VP of People and Culture; Paul Phillips, Attorney; Kristen Taylor, Chief Financial Officer; Kelley Achenbach, Controller; Jeremy Clark, Financial Planning, Analysis, and Rates Manager; Autumn Doan; Budget Executive; Ken Colburn, NRECA Director for New Hampshire; Cooperative members Pat Barbour and Will Abbott; and Sharon Yeaton, Executive Services Administrator (recording). Others participating via Zoom were Haley Kuplin, Energy Solution Program Administrator – Residential Products; Maida Lessard, Energy Delivery Administrative Assistant; and Adam Schwartz, The Cooperative Way.

Chair Davis called the meeting to order at 8:31 a.m.

Agenda Review and Consent Agenda Approval

Chair Davis asked for any changes to the agenda.

Mr. Morrill mentioned a note from a director around governance and a NH hospital that failed that raised some questions and he asked if it was pertinent enough to put on the agenda, or if Chair Davis has talked to that director. Chair Davis replied that she has not had time. Mr. Morrill stated that he wants to make sure we are doing our required duties and suggested we should talk about that. Chair Davis advised she would include it on the December agenda.

Attorney Phillips commented that this sounds like an executive session discussion.

Mr. Mongeon remarked that he was the one that sent the article about the NH hospital that went bankrupt and it was not meant to challenge directors but was a piece of news in NH related to board governance and important to understand how the NH Attorney General's office weighed in and he was hoping it would be on agenda. Chair Davis reiterated she would put it on the executive session agenda for December.

Chair Davis next drew attention to the consent agenda items for approval, including draft minutes of the October 31, 2023, Board of Directors meeting, draft minutes of the November 8, 2023, Strategic Planning Retreat, 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.

Vote for the motion was unanimous.

Board Committees

Power Resources and Access Committee

Power Resources and Access Committee Chair Darcy drew attention to the draft minutes of the committee's September 18, 2023, meeting. Upon motion of Mr. Darcy, seconded by Ms. Albee, it was

VOTED: That the Power Resources and Access Committee approves the minutes of the September 18, 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 the draft minutes of the committee's October 4, 2023, meeting. Upon motion of Mr. Morrill, seconded by Mr. Mongeon, it was

VOTED: That the Engineering and Operations Committee approves the minutes of the October 4, 2023, committee meeting as presented in the board meeting packet.

Vote for the motion was unanimous among committee members.

Member Services Committee

Member Services Committee Chair Viens drew attention to the draft minutes of the committee's October 16, 2023, meeting. Upon motion of Ms. McElaney, seconded by Mr. Morrill, it was

VOTED: That the Member Services Committee approves the minutes of the October 16, 2023, committee meeting as presented in the board meeting packet.

Vote for the motion was unanimous among committee members.

Executive Committee

Chair Davis drew attention to the draft minutes of the committee's October 20, 2023, meeting. Upon motion of Mr. French, seconded by Ms. McElaney, it was

VOTED: That the Executive Committee approves the minutes of the October 20, 2023, committee meeting as presented in the board meeting packet.

Vote for the motion was unanimous among committee members present. It was noted that Ms. Kedersha was not present for the vote.

Strategic Planning Steering Committee

Strategic Planning Steering Committee (SPSC) Chair Mongeon mentioned that slides from the strategic planning retreat were posted in OnBoard. He reported on the SPSC's November 14th meeting, noting that the committee did a lessons learned throughout the process and talked about next steps. He reported that staff will be bringing a draft strategic plan to the board in December and there will be an opportunity for questions and discussion. Staff, if necessary, will bring a revised plan to the board in January for approval. He requested the board have the draft plan at least a week before the board meeting.

Audit Committee

Audit Committee Chair Kedersha drew attention to the draft minutes of the committee's October 20, 2023, committee meeting. Upon motion of Mr. Mongeon, seconded by Ms. Boisvert, it was

VOTED: That the Audit Committee approves the minutes of the October 20, 2023, committee meeting as presented in the board meeting packet.

Vote for the motion among committee members was three in favor and one abstention, with Mr. French abstaining as he was not present for the meeting.

Corporate Services Committee

Corporate Services Committee Chair French mentioned that the 2024 operating budget required changes from what was presented at the Corporate Services Committee meeting. He noted that the committee recommended board approval of the capital budgets; did not recommend approval of the operating budget; and in terms of the rate change, there was discussion about how the increase would be funded with management's recommendation being a 50/50 split between the member service charge and the volumetric charge, and a differing of opinions among directors, so it was decided it should be discussed by the full board. He advised that something will need to be passed today for the budget to take effect in January.

Mr. Abbott joined the meeting at 8:49 a.m.

Ms. Taylor began the 2024 budget presentation sharing slides on the agenda, overview, recent events, and key distribution budget figures. Mr. Clark next reviewed slides covering assumptions; capital budgets, including the capital construction budget, general plant capital budget, capital improvement budget, capital budget history, and capital budget takeaways; the operating budget, including sales forecast, distribution operating budget, distribution payroll and benefits, tree trimming expense, distribution depreciation expense, major storms expense, social and environmental responsibility, other key distribution expenses, power resources operating budget, power resources payroll and benefits, power resources other expenses, distribution margin considerations, distribution margin comparison, distribution margin, and operating budget takeaways; budget risks; rate design review, including basic member service charge history, meters per mile, non-residential load, average residential kWh, member service charge comparison, and utility comparison takeaways; 2020 rate design review, rate design guiding principles, and allocating rate increases to member service charge pros and cons; rate change, including rate change proposal, rate change scenarios, and member bill impact. Discussion, comments, and questions throughout the presentation included:

- Ms. Clemens Roberts explained the reason for not reducing the margin and taking a loss for the year to avoid a \$4 million rate increase and asking our lender for special dispensation, noting that this was a discussion staff had but one of the concerns is because NHEC cut the margin so much last year it is much lower than other co-ops, even of smaller size, and staff anticipates broadband will take a loss for a couple of years. Ms. Clemens Roberts and staff felt the \$4 million increase was the most financially prudent decision to make.
- The fiber lease revenue offset by the corresponding depreciation and interest expense is about \$2.1 million.
- Whether a promise had been made to members that there would not be an increase to electric members because of broadband. Committee Chair French indicated that he did not remember us saying or taking a vote that there would be no rate increase but he

Approved 12/19/23

remembers a lot of discussion that the rollout of broadband should not negatively impact the electric business.

- The social and environmental responsibility programs cover things such as electric vehicles and heat pumps. The programs will continue as there is an existing balance of \$217,000 as of October 2023.
- The increase in legal fees is for telecom litigation.
- It is expected that the Co-op Power rate will go down as forecasted costs have come down.
- Total margins per kWh sold were in the nine cent range from 2015 – 2018.
- The current strength of NHEC's balance sheet with acknowledgment of the need to also look out to next year, as well as a discussion of depreciation with it noted that another depreciation study is being planned for next year.
- The increased financial pressure on future years and the desire to see financial projections on a consolidated basis, as well as a look at our key performance indicators. Ms. Taylor advised that an update to our 10-year financial forecast is being prepared and should be available for the December board meeting. She also noted that staff has been reviewing our Key Ratio Trend Analysis (KRTA) and plan to put together a presentation for the board to give context to some of our ratio numbers.
- An explanation of MDSC (modified debt service coverage) versus DSC (debt service coverage), with it noted that MDSC is the best two out of three years.
- Thoughts on the allocation between the member service charge and the volumetric charge:
 - Ms. Clemens Roberts mentioned that, like the board, staff was split and so she settled on a recommendation for a 50/50 split. Mr. Clark added that 50/50 is close to where we are today.
 - It could make sense to have a survey to revisit our guiding principles before the next cost of service study and for the board to have an opportunity to contribute to some of the survey questions.
 - It might be interesting to know how co-ops with higher member service charges message and educate their members.
 - We should think about what we are trying to do with electrification because putting more on the volumetric charge discourages people from using more kilowatts for things such as electric vehicles and heat pumps.
 - Mr. Darcy commented that compared to other rates in New Hampshire, NHEC's member service charge is way out of line, it harms those least able to pay, and discourages conservation and energy efficiency and that is why regulators have always suppressed the member service charge so he would vote against that rate design.
 - A desire to see the board come to agreement on averaging up to 100% going to the member service charge over a certain number of years. We need a clearer member education campaign that explains why we are so different and why this makes sense.
 - A question of why not go with a 52/47 split so the increase is 5.8% for all members. Mr. Clark explained that staff tried to put it into scenarios that are digestible and felt 50/50 was an understandable way to do that.
 - We need to spend time analyzing the direction we want to go.
 - Ms. McElaney explained that there is not a correlation between income and using less electricity. She mentioned that she spent time doing energy efficiency work in low-income communities and saw things like poorly insulated homes and use of ovens and space heaters for supplemental heat and all of that increases usage so a 100% volumetric charge would be detrimental in this situation.
- Mr. Jennings shared that the very preliminary forecast for Co-op Power rates in February is about a 10% rate decrease.

Approved 12/19/23

Ms. Taylor wrapped up the budget discussion reminding everyone of the historical lack of rate increases a couple of years ago and what that has done for financial pressures that has brought us here today. She mentioned the tight margin last year, the increased capital budget, high interest rates, and the broadband business, noting that we feel this budget is the most realistic and responsible thing to do for the Cooperative. She thanked Mr. Clark, Ms. Doan, Ms. Achenbach, Ms. Clemsen Roberts, and all of the senior leadership team who all weighed in on this and put in an enormous amount of work.

Ms. Clemsen Roberts reiterated where we are at and where we've been, noting that this is her first time going through the full budget process as the budget was close to completion when she arrived last year. She discussed efforts to bring the budgets together, mentioning that last year was the first year for a power resources and access budget, the broadband budget trailed a little bit due to some challenges, and next year our goal is to bring all the budgets together with joint committee meetings for better collaboration. She discussed the budget process and advised that throughout the organization all activities get scrutinized before being included in the budget. She thanked the board for all of its time, Mr. French for his leadership on the committee, staff who put a lot of work into this, the leadership team for undertaking this big process, and the finance team who put in a lot of hours to put together a fiscally responsible budget.

Committee Chair French drew attention to the three resolutions in front of the board today, noting that the first is related to the capital budgets.

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

VOTED: That the Board of Directors approves the 2024 Capital Construction Budget of \$22.1 million, the 2024 General Plant Capital Budget of \$2 million, and the 2024 Capital Improvement Budget of \$9.3 million for a total Capital Budget of \$33.4 million as recommended by staff in the proposal as presented to the Corporate Services Committee on November 17, 2023, and the Board of Directors on November 28, 2023.

Vote for the motion was unanimous.

Committee Chair French drew attention to the 2024 operating budget motion. Upon motion of Ms. Kedersha, seconded by Ms. Boisvert, it was

VOTED: That the Board of Directors approves the 2024 Distribution Operating Budget of \$76.8 million, 2024 Distribution Net Margin of \$4.8 million, and 2024 Other Power Resources & Access Operating Budget of \$2.4 million in Other Expenses as recommended by staff in the proposal as presented to the Board of Directors on November 28, 2023.

Mr. Darcy stated that he had voted against the operating budget at the Corporate Services Committee meeting because he had some unanswered questions. He noted that answers were subsequently provided and he felt comfortable with a \$2.3 million margin and 2.8% rate increase because he felt it was responsible given all the capital increases that have a positive impact on reliability, but he does not feel the same about these recent changes as a result of the broadband losses. He stated that those losses were anticipated and we understood that all our ratios would go down as a result of the capital investment so he does not think an increase in margin and rates is justified. He suggested we have to bear those losses and then it will turn around and provide surpluses.

Mr. Dwyer remarked that we operate in a very capital-intensive business and we are doing a lot of investment. He has a hard time approving a budget without seeing a balance sheet and cash flow statement.

Ms. Albee thanked staff for their hard work and commented that we are in challenging times. She mentioned her concern is the question that Mr. Mongeon raised earlier about our commitment to our members in terms of not raising our rates because of the broadband business. We knew that margins would go down while we were trying to stand up the business and we should tighten our margin more firmly and tighten our belts in order not to have the sticker shock of a 5.7% rate increase that will put pressure on year-round members in rural NH.

Mr. Mongeon echoed some of the concerns mentioned and stated that he is not ready to vote either way this month and will be ready in December when there are financial projections. He typically likes to see the balance sheet, cash flow, and profit and loss statement and he is also concerned about the impact to members and he will be abstaining.

Mr. Morrill commented that he was kind of there to support the prior budget but the increase in margin concerns him and he supports Mr. Dwyer's comment about not having all of the financial statements. He would have supported the previous budget, but not this one.

Ms. Kedersha mentioned that it will be several years of the broadband business generating negative equity before we have enough funds from broadband to reduce that to zero. She suggested it is a little early to say we will run a bare bones budget when we know almost 100% that in the next 10 to 15 years we will be hit sideways and we will not have any resources to absorb that type of hit and we will end up handing members a huge budget increase. She stated that she would rather have these smaller increases every year and get several years down the road where we have more comfort and visibility on how quickly the broadband business is turning and then ease back, but not at the beginning of this decade plus long project as she thinks that is irresponsible on our part. She encouraged board members to think about that.

Ms. McElaney shared her thoughts, mentioning that while we anticipated a loss with broadband the loss is greater than we anticipated and it is affecting our budget. She stated that she is not comfortable decreasing our margin so low that we are operating at a loss. We can be the most affordable electric co-op in the nation but what does that do for our reliability and safety which are so important to our members. She noted that it makes her uncomfortable that we don't have a storm fund in our budget, so she would not want to reduce the proposed budget further and have some catastrophic event we are not prepared for and, as Ms. Kedersha alluded to, have to do a massive rate increase as a result. Increasing rates slowly over time is part of our rate design principles and she supports what is presented today.

In response to a question regarding financial information for the broadband business, Ms. Taylor noted that there was parent company and subsidiary financials, and then the consolidated of the two included in the executive session meeting packet. There was a statement of cash flows, capex statement, income statement and balance sheet. This information was from NHEC and Conexon's partnership point of view for the broadband build for the next 10 years.

Vote for the motion was six in favor (Directors McElaney, Boisvert, Viens, French, Kedersha, and Davis) and five opposed (Directors Morrill, Albee, Mongeon, Darcy, and Dwyer). The motion carries.

Approved 12/19/23

Committee Chair French drew attention to the motion for recovery of \$4 million in distribution revenues to support the budget, noting management's recommendation is for a 50/50 split between the member service charge and the volumetric charge.

Upon motion of Ms. Kedersha, seconded by Ms. Boisvert, it was

VOTED: That the Board of Directors approves the recovery of \$4.0 million in Distribution Revenues as recommended by staff in the proposal on a bills-rendered basis effective January 1, 2024 as presented to the Board of Directors on November 28, 2023.

Mr. Dwyer commented that if we are voting for both, he is happy with the 50/50 split but not with the \$4 million. Committee Chair French explained that the reason a rate change could not be voted on before the budget was if the budget were different the amount to collect would be different. He noted that now the budget has been approved the question is how do you want to collect it.

Vote for the motion was seven in favor (Directors Dwyer, French, McElaney, Viens, Kedersha, Boisvert, and Davis) and four opposed (Directors Mongeon, Darcy, Albee, and Morrill). Directors offering comments included Mr. Dwyer who indicated that he disapproved of the \$4 million and Ms. Albee who stated she voted no because of the \$4 million and she had no problem with the principle of the 50/50 split.

Member Comments

Chair Davis recognized Cooperative members Pat Barbour and Will Abbott. Both indicated they were here to observe the meeting.

The meeting recessed at 9:59 a.m. and reconvened at 10:11 a.m. All those present prior to the recess rejoined the meeting. Mr. Schwartz also joined the meeting at this time.

Chairman's Report

Board Consultant Proposal

Chair Davis welcomed Adam Schwartz of The Cooperative Way. Ms. McElaney introduced Mr. Schwartz, mentioning that she met him at an NRECA event a couple of years ago. She noted that when thinking about the challenges we have been having with board communications and definitions of roles she thought Mr. Schwartz might be a good person to talk to, so we have a proposal today for what his company could do for the Co-op.

Mr. Schwartz offered his thanks for the opportunity, drew attention to his proposal included in the board packet, shared his background, and offered to answer any questions. He addressed questions sharing what he believes are the main issues facing the board, his experience dealing with these kinds of issues, his hope that all board members will buy into the process, an exercise he has done to help open people's minds to other viewpoints, his willingness to adjust the proposal if the board would like to include more in-person time, his openness to helping the board work through a couple of their issues prior to entering a contract, and the number of boards he has worked with that had similar issues to the Co-op and the outcome of that work.

Chair Davis thanked Mr. Schwartz and noted that either she or Ms. McElaney would get back to him later today.

Mr. Schwartz offered his thanks before leaving the meeting at 10:33 a.m.

Chair Davis noted that we approached three vendors and have two proposal. She drew attention to the proposals from Stefanie Borsari and Adam Schwartz, both included in the board packet.

Ms. McElaney commented that, based on his experience, she felt Mr. Schwartz would understand what we might need for help. Mr. Viens added that his proposal showed more knowledge of the co-op model. Upon motion of Ms. McElaney, seconded by Mr. Viens

VOTED: That the Board of Directors approves the engagement of Adam Schwartz to assist the Board of Directors with its communications and governance efforts.

In response to a question, Chair Davis confirmed that we are just voting on the consultant and not the contract. We will ask Mr. Schwartz to provide us with a contract that we'll present to the Executive Committee and then bring to the full board for approval.

Mr. Mongeon commented that he thinks Mr. Schwartz has more experience than the other consultant but he doesn't think it is enough for a successful outcome with this board. He requested that we take another month to explore other options and suggested Chair Davis take the offer to work with him and Mr. Viens on the type of consultant we need.

Vote for the motion was eight in favor (Directors Darcy, Kedersha, McElaney, French, Boisvert, Viens, Dwyer, and Davis), one opposed (Director Mongeon), and two abstentions (Directors Morrill and Albee). Directors offering comments included Mr. Morrill who indicated he is interested in learning more and would want Mr. Schwartz to get to know us better; Mr. Mongeon who felt we have not done an exhaustive search and he and Mr. Viens offered to do some of that work; and Mr. Dwyer who advised he was in favor with the caveat that we first "kick the tires." The motion carries.

Chair Davis advised that we will work with Mr. Schwartz to expand his contract and get a more solid proposal to bring to the Executive Committee.

Board/Management Communications

Chair Davis mentioned that Mr. Darcy has been working to try to move along the Board/Management Communications Policy. She drew attention to Mr. Darcy's proposed resolution, as well as the opinion of General Counsel, both included in the board packet.

Mr. Darcy mentioned that since the passage of the May resolution he has been thinking about some possible compromises on the issue. He mentioned that he talked to a number of people, including the Vermont Electric Cooperative president who indicated they had similar issue under a prior CEO and shared some policies they had on the subject. He also had email correspondence with Chair Davis and they agreed if we could work this out it would eliminate a source of friction among board members and staff and she asked him to draft something. He noted that Attorney Phillips submitted a response suggesting he objected to the reference to public utility commissions and Mr. Darcy suggested he thinks he got wrong what was intended by the language in the resolution, noting that there are striking similarities in some ways with public utility commissions and unregulated co-op boards as both have a purpose to protect ratepayers from excessive rates while ensuring financial viability and in pursuit of that objective both require information in the possession and control of utility management to perform their duties. He mentioned an article on the role of co-ops as regulators in the Legal Reporting Service of NRECA

which recognizes the ratemaking function of unregulated cooperatives. He discussed the content of his proposed resolution, noting that in the first part he tried to create a safe haven of things that are obviously permissible to send on to the Board of Directors and then there is a mechanism for all other types of documents to be requested. He stated that the purpose of the resolution is to balance the interest of fiduciary obligations of directors with the interest of staff not to be unduly burdened by information requests. He added that the resolution refers this to the Policy Committee to be incorporated into board policies. He advised that he disagrees with the analysis provided by Attorney Phillips that it is inappropriate and makes us some kind of ratemaking agency that is inconsistent with our role as fiduciaries.

Mr. Jennings shared that from a staff perspective we've had issues with this in the past which is why the policy was developed, noting that we are not trying to withhold any information but when we didn't have the current pipelines of director to CEO communication it ended up being a lot for staff to handle. With the existing conflicts we have, there are often directors on both sides of the fence and they want staff to provide them with information that is contradictory and that is very hard for staff to manage as a team and he asked the board to keep that in mind because we don't want to end up in a continual cycle of having to maintain and hire staff here. He advised that he probably wouldn't be here if Ms. Clemsen Roberts wasn't here as she has done a very good job of managing it for us, so please keep this in mind.

There was discussion regarding Attorney Phillips providing advice outside of executive session. It was suggested that nothing in what was submitted is confidential and this discussion is regarding the ability of the board to perform its fiduciary responsibility and is of utmost importance to our members and should be a public discussion. Attorney Phillips stated that he was not advocating going into executive session, just raising the issue as it is the board's privilege to waive and not his.

Mr. Mongeon stated that he initiated the board communications policy several years ago as Vice Chair and there are some elements in there that have been very helpful in providing some direction as far as traffic to the senior team and CEO. He suggested that the more recent policy, which is kind of a gag order, has hurt our ability to perform our fiduciary responsibilities.

Attorney Phillips shared the reasons he felt this was rushed, noting that it was received the Friday prior to the meeting, it has not gone through the committee process, and there was no input from management or staff. He commented that the issue he had was that it needlessly grafted on an analogy of a public utility commission that he thinks just creates tremendous ambiguity and complications. He suggested the board needs a communications policy that is clear, unambiguous, easily understood, and when it comes time for a dispute of interpretation there are very few questions on how to interpret. He advised that he issued his memo because the proposal on the table was layered with all kinds of complications, standards, and ambiguities that he thought were going to invite future disputes and not a lot of solutions. He indicated that his recommendation was to refer this to the Executive Committee, noting that he doesn't think the Policy Committee is meant to establish policy it is meant to review and streamline and the communications policy has always been the Executive Committee's responsibility.

Mr. Darcy suggested the Policy Committee is appropriate, mentioned that the May policy never went through any committee, noted that this policy does go back to the Policy Committee and board before it is finally enacted, and creates a more structured system than exists now. He added that at the end of this month Board Policy B-3, Attachment B as originally drafted will be the policy and he was trying to provide a compromise so the burdens on staff would be less.

Approved 12/19/23

Attorney Phillips noted that the May resolution was drafted, intended, and voted on as temporary and not meant to be a permanent policy. Mr. Darcy added that this one will be referred to the Policy Committee as well as the board for final action.

Additional comments shared included appreciation for the intent of this policy; a suggestion that this is a good start but should not be voted on today as it could have unintended consequences; acknowledgment that the May resolution ends November 30th and it is important to take Mr. Jennings's words to heart and be respectful in information being requested, including the volume and timeline; support for bringing this to the Executive Committee; and a suggestion that Mr. Darcy has provided a good foundation and maybe this would be a good topic to work through with Mr. Schwartz.

Chair Davis thanked Mr. Darcy for his time and effort to present us with this document. She proposed that we table the resolution, and like several directors have suggested, this could be the first project for Mr. Schwartz to help us develop a workable policy. Upon motion of Mr. French, seconded by Ms. Boisvert, it was

VOTED: To table the proposed Communications and Information Policy Resolution included in the board packet and use this as the first project to work on with Mr. Schwartz to help us develop a workable policy.

Vote for the motion was unanimous.

Chair Davis pointed out that Board/Management communications now reverts back to Board Policy B-3, Attachment B and she asked directors to please think about what they are asking for so we don't have to have additional resolutions to restrict communications.

Board Minutes

Chair Davis advised that this item is being referred to the Executive Committee for conversation.

President's Report

Ms. Clemsen Roberts presented the President's Report, sharing highlights from her written report. She reviewed items from the Safety Brief; noted that the 2024 budget was covered earlier; discussed the Supervisory Control and Data Acquisition (SCADA) expansion; and provided a broadband overview.

It was mentioned that there was a member request at the last board meeting to change the way in which NHEC pays net metered members for their kWh exports from annually to monthly. It was asked if this could be added to a board agenda if it has not yet been addressed. Ms. Clemsen Roberts stated that it has not been completed and suggested adding it to the board tracking report.

Questions were addressed on board material, including efforts being made to address the phishing goals in the board report through additional training; a belief that the reason TIER is down is due to major storm impact in the beginning of the year, which Ms. Taylor indicated she would verify; operating revenue is down due to the milder weather; and until we have final numbers, we are estimating power supply rates for the next rate period to be 10% lower than current rates.

Board General Session

Board Tracking Report

Chair Davis asked for any changes to the Board Tracking Report; none were noted.

Committee Meetings

Following is a list of upcoming committee meetings:

- Executive Committee – December 13, 8:30 a.m.
- Corporate Services Committee – December 14, 8:30 a.m.

NHEC Foundation Report

Chair Davis noted that the next meeting will be January 4, 2024.

NRECA Report

Mr. Colburn indicated he had nothing to add to his written report. He mentioned that he has known Adam Schwartz for over a decade and he believes he will do good work for the Co-op.

Miscellaneous Additional Items

No additional items were mentioned.

Executive Session

Upon motion of Mr. Viens, seconded by Mr. Morrill, 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 11:12 a.m.

The Board moved out of executive session at 1:14 p.m.

Adjournment

Upon motion of Mr. French, second by Mr. Viens the board unanimously voted to adjourn the meeting. Chair Davis adjourned the meeting at 1:14 p.m.

Brenda Boisvert, Secretary

A TRUE COPY ATTEST:

Sharon Davis, Chair of the Board