

Approved 7/27/22

**NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.**

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

**June 28, 2022**

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 June 28, 2022, at the Cooperative's 287 Highland Street Office in Plymouth, NH.

Directors present were Jeff Morrill, Sharon Davis, William Darcy, Leo Dwyer, Edward French, Carolyn Kedersha, and Harry Viens. Directors Brenda Boisvert, Madeline McElaney, and Thomas Mongeon participated via Zoom. Others present were Geoff Ziminsky, VP of Technology and Business Services/CIO; Drew Dunagin, VP of Financial Services/CFO; Mike Licata, VP of Member Services/Public Relations; Michael Jennings, Engineering Manager; Randall Kimball, Field Network Technician; Jeremy Clark, Financial Planning/Analysis Rates Manager; John Ducsay, Service Continuity Manager; Scott Davis, Power Resources Administrator; and Edee Murphy, Administrative Assistant (recording). Others participating via Zoom were Steve Kaminski, Power Planning and Policy Advisor; Paul Phillips, Attorney; Kristen Taylor, Financial Services Manager; and Seth Wheeler, Communications Administrator.

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

**Agenda Review**

Chair Morrill asked for approval of the agenda. Mr. Mongeon requested an update on an outage that occurred yesterday afternoon. Chair Morrill indicated he would add that under the topic of "Other." Upon motion of Mr. French, seconded by Mr. Darcy, the agenda was unanimously approved.

**Consent Agenda Approval**

Chair Morrill drew attention to the consent agenda items, including draft minutes of the May 31, 2022, Board meeting, June 14, 2022 Board Organizational Meeting, and the June 14, 2022 Annual Member Meeting, as well as several director expense reports.

Upon motion of Mr. Darcy seconded by Mrs. Kedersha, it was

**VOTED:** That the Board of Directors approves the consent agenda items.

Mr. French pointed out that Mrs. Davis should have submitted for \$250/day for training instead of \$200. Mrs. Davis acknowledged and will submit for the difference.

Vote for the motion was unanimous.

**Board Safety Moment**

Mr. Kimball presented the safety moment on the topic of UTV safety, sharing a PowerPoint presentation.

Mr. Kimball left the meeting at 10:41 a.m.

## Board Operations Moment

Ms. McElaney presented the Board Operations Moment, providing a summary of the five NRECA training courses she recently attended, including 1) Rules and Procedures for Effective Board Meetings, noting that the instructor, Collette Collier Trohan, could come to NH and provide this class if there is interest; 2) Giving and Receiving Effective Feedback; 3) Increasing Influence and Building Board Consensus, 4) The Evolution of Electric Cooperative Power Supply, and 5) Rate Making Strategies and Policy Decisions for Electric Cooperative Boards. She mentioned that if anyone has taken these classes or worked with these instructors she is interested in hearing their thoughts. She noted that she has her text books from the classes if anyone would like to look at them. In response to a request to share the material from the Rules and Procedures for Effective Board Meetings course with the board, Ms. McElaney stated that she has the material in print form and will see if she can get an electronic copy to share.

## Chairman's Report

Chair Morrill presented the Chairman's Report, first discussing committee assignments, noting that he couldn't meet everyone's desires, but tried to accommodate as many as possible. He reviewed changes in committee assignments and mentioned that directors are welcome to have a voice and attend all committee meetings. He mentioned the policy for the Executive Committee, noting that the scope of the Committee is narrow and focused for emergencies when the board can't get together. He noted that he would like to have a strategy session around the Executive Committee and its roles and either reaffirm the existing duties or expand them.

Upon motion of Mr. Darcy, seconded by Ms. McElaney, it was

**VOTED:** That the Board of Directors approves the Chairman's committee designations.

Vote for the motion was nine in favor and one abstention, with Mr. Mongeon abstaining since he was not able to open the SharePoint link with committee assignments which he received by email this morning. The motion carries.

It was mentioned that if the Committee Structure Team has information on Executive Committee charters from their outreach to other co-ops it would be good to have that for the Executive Committee meeting. Mr. Mongeon indicated he made note of that.

Chair Morrill asked for any thoughts relative to the Annual Meeting. Thoughts were shared, including: a suggestion to hold some smaller meetings in various towns; a suggestion to hold board meetings in different district offices during the warmer weather months; ideas to increase enthusiasm and attendance, such as moving the meeting location around, partnering with another organization who is having a meeting, and providing give-a-ways; a comment that in talking with a lot of members from different towns it has been gratifying to hear the positive view they have of the Co-op; discussion regarding going on a road show to different towns to share the various things going on at NHEC; linking up with libraries and book clubs or hiker groups; having food and prizes at the meeting; giving thought to what the value proposition is for members to attend; also thinking about what the value is to the Co-op to have a robust turnout at the meeting; and linking in participation in the election. It was suggested this is an item for the Member Services Committee to discuss further. Chair Morrill asked that it be added to the Board Tracking Report for an update by year-end.

In response to a question regarding attendance numbers for Annual Meeting compared to previous years, Mr. Licata advised that he doesn't have the exact numbers at hand, but they were lower than previous years. He noted that it was more of a status quo meeting this year whereas the broadband ballot initiative had driven up attendance over the previous two years.

### Interim General Manager's Report

Mr. Licata presented the Interim General Manager's Report on behalf of Mr. Bakas. He first recognized John Ducsay, NHEC's Service Continuity Manager, for receiving the 2022 Mutual Aid Service Award from the Northeast Public Power Association (NEPPA), sharing some of his contributions. Mr. Jennings echoed his congratulations to Mr. Ducsay and shared additional contributions Mr. Ducsay has made. There was a round of applause for Mr. Ducsay.

Mr. Licata next drew attention to two resolutions included in the board packet, one for sponsorship of the Beneficial Electrification League (BEL), which he reviewed, and the second a resolution related to restatement of the NRECA Pension and 401(k) plans, noting that there is no change to the plan structure or benefits, but it is required that the plan be restated every five years and this would authorize Mr. Bakas, as the Interim General Manager, to sign that agreement.

Messrs. Licata and Kaminski addressed questions regarding the BEL and the cost of membership for other organizations to which NHEC belongs. There was discussion regarding the level of sponsorship for BEL. Mr. Darcy stated the GigaWatt level of membership was less expensive and had all the benefits of the higher TeraWatt level except for advisory council membership. Upon motion of Mr. Darcy, seconded by Mr. Dwyer, it was

**MOVED:** That the Board of Directors authorizes NHEC's sponsorship of the Beneficial Electrification League (BEL) at the "GigaWatt" level.

Following discussion, including input from management as to the benefits of having a seat on the advisory council, which comes with the "TeraWatt" sponsorship level, vote for the motion was three in favor (Directors Morrill, Darcy, and Dwyer), six opposed (Directors Viens, Davis, French, McElaney, Mongeon and Kedersha), and one abstention (Director Boisvert). The motion fails.

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

**VOTED:** That the Board of Directors authorizes NHEC's sponsorship of the Beneficial Electrification League (BEL) at the "TeraWatt" level.

Mr. Dwyer commented that he would like management to have a goal for the number of electric buses and in what timeframe.

Vote for the motion was unanimous.

Upon motion of Mrs. Davis, seconded by Mr. French, the following resolution was offered:

**WHEREAS**, New Hampshire Electric Cooperative, is a participating employer in the:

- Retirement Security (RS) Plan
  - 401(k) Pension (401(k)) Plan
- Plan(s): elect one or both, as applicable*

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**WHEREAS** the Board of Directors of New Hampshire Electric Cooperative is aware that the Plan(s) must periodically be amended to comply with new or changed regulations, rulings, legislation and plan operations, and that this restatement will be effective July 1, 2022.

**THEREFORE BE IT RESOLVED** that this Board authorizes the July 1, 2022 amendment, restatement and continuance of the Plan(s) to conform in its (their) entirety with all the provisions of the governing plan document(s) of the Plan(s), through the execution of the Adoption Agreement(s), which includes all of the provisions of the Cooperative's most recently executed Adoption Agreement(s) and any compliance clarifications needed to conform with plan operations; and

**BE IT FURTHER RESOLVED**, in the event that the timing of the restatement does not correspond with regularly scheduled meetings of the Board of Directors, the Board does hereby authorize and direct the cooperative's (or the participating employer's) authorized representative to execute all necessary documents and to take any and all further actions necessary to carry out the July 1, 2022 amendment and restatement of the Plan(s); and, NRECA is fully authorized to rely on this designation in processing the restatement of the Plan(s).

Vote for the motion was eight in favor and two abstentions (Directors Kedersha and Mongeon) who indicated they either had questions or didn't have enough information. The motion carries.

Mr. Licata asked if there were any questions related to the recent state announcement on assistance with electric bills in light of the large rate increases announced by Liberty and Eversource.

Addressing Mr. Mongeon's request to add an update on the outage that occurred yesterday to the agenda, Mr. Jennings reported that there was an outage at the Lincoln substation affecting approximately 2,000 members. The cause of the outage was a tie switch that failed and service was restored and all members were brought back on line. Mr. Mongeon mentioned that an email is typically sent when service has been restored, but nothing was sent. Mr. Jennings indicated he would look into why an email wasn't generated by the NISC system.

### **CEO Search Update**

CEO Search Committee Chair Davis noted that three CEO candidate interviews would be conducted over the next two days.

Mr. Dunagin addressed financial questions on the consolidated balance sheet included in the board packet, how long-term debt is paid down, and A & G expenses on the Form 7.

### **Broadband Update**

Messrs. Dwyer and Licata provided an update on the Acworth/Sandwich project, noting that in Acworth the first install was completed yesterday and a ceremony is being targeted for July 14. In Sandwich installations should start in a couple of weeks.

### **Board Committees**

#### ***Power Resources and Access Committee***

Power Resources and Access Committee Chair Darcy drew attention to the resolutions included in the board packet to reaffirm board policies. Upon motion of Mrs. Kedersha, seconded by Mr. French, it was

**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.

Vote for the motion was unanimous.

### **Corporate Services Committee**

Corporate Services Committee Chair French reported on the June 16<sup>th</sup> Committee meeting to discuss a shift in the rate change period from May/November to August/February for Co-op Power and the Regional Access Charge and to change rates effective August 1. He noted that the Corporate Services Committee unanimously recommended the resolution in the board packet. Upon motion of Mrs. Davis, seconded by Mr. Darcy, it was

**VOTED:** That the Board of Directors authorizes management to set the Co-op Power and Regional Access Charges on a bills-rendered basis effective August 1, 2022 as recommended in the August 1, 2022 Co-op Power and Regional Access Rate Change Proposal presented to the Corporate Services Committee on June 16, 2022.

Mr. Clark addressed a question on the rates of Eversource and Liberty Utilities, noting that the energy component is in excess of 22 cents for each of them.

Mr. Dwyer commented that he wants to make sure we are raising rates sufficiently enough to cover costs, noting that in the last period when we set rates we only recovered about 60% of the energy cost. Mr. French noted that is a good discussion for the Power Resources & Access (PR&A) Committee. He advised that what is being proposed today is consistent with our policy and if we want to change that policy discussion should start at the PR&A Committee.

Chair Morrill suggested adding an item to the Board Tracking Report for the PR&A Committee to revisit the policy at its September meeting.

Vote for the motion was nine in favor and one abstention (Director Mongeon). The motion carries.

It was mentioned that Eversource and Liberty both use 650 kWh for their bill comparison and it was asked if NHEC should move to this instead of using 500 kWh. It was noted that NHEC uses both 500 and 1,000 kWh and we can use whatever is most useful for the board.

Corporate Services Committee Chair French noted that the next Corporate Services Committee meeting is July 19<sup>th</sup> at 10:30 a.m.

### **Additional Committee Items**

Ms. McElaney noted that the next Member Services Committee meeting is July 19. She noted that there has been previous discussion regarding an environmental goal resolution and there will be time set aside at that meeting for a presentation. She asked that everyone get any questions they may have to her prior to the meeting and attend the meeting if they would like to discuss. She stated that the goal is to vote on the resolution at the August board meeting.

Mr. Dunagin provided an update on the Audit RFP, noting that we have had a favorable response and will have proposals by July 18 or 19 and presumably some finalists would present to the Audit Committee in August.

## **Board General Session**

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

Chair Morrill indicated that the Board Tracking Report has been updated and items discussed today will be added.

### ***Committee Meetings***

Following is a list of upcoming committee meetings:

- Executive Committee – July 15, 8:30 a.m.
- Member Services Committee – July 19, 8:30 a.m.
- Corporate Services Committee – July 19, 10:30 a.m.

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

NHEC Foundation Chair Davis noted that the next Foundation meeting is July 11, which will also be their annual meeting. She noted that we need to look at rebalancing the Foundation board as there are more NHEC board members than needed and less community members.

### ***Miscellaneous***

Mr. Kaminski addressed a question on Eversource's replacement of towers through several towns, noting that they have a structure replacement program and they are replacing old poles with mainly steel structures, which is better for reliability.

The meeting recessed at 9:48 a.m. and reconvened at 10:00 a.m.

## **Executive Session**

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

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

Vote for the motion was unanimous and the board moved into executive session at 10:00 a.m.

The board moved out of executive session at 11:02 a.m.

## **Adjournment**

Upon motion of Mrs. Kedersha, seconded by Mr. Darcy, it was unanimously voted to adjourn the meeting. Chair Morrill adjourned the meeting at 11:02 a.m.

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Brenda Boisvert, Secretary

A TRUE COPY ATTEST:

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Jeffrey Morrill, Chair of the Board