

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Special Board Meeting

June 24, 2020

A Special Meeting of the New Hampshire Electric Cooperative, Inc. (NHEC) Board of Directors, with all directors having received notice and all in attendance and participating, was held June 24, 2020. In light of the COVID-19 pandemic and in response to Governor Sununu's Executive Order 2020-04, the meeting was conducted remotely via Zoom videoconferencing.

Directors present were Thomas Mongeon, Alana Albee, Brenda Boisvert, William Darcy, Sharon Davis, Leo Dwyer, Edward French, Carolyn Kedersha, Madeline McElaney, Jeffrey Morrill, and Daniel Senie. Others present were Steve Camerino, President/CEO; Jim Bakas, VP of Operations and Engineering; Brian Callnan, VP of Power Resources and Access; Mark Dean, Attorney; Drew Dunagin, VP of Financial Services/CFO; Steve Kaminski, Power Planning and Policy Advisor; Mike Licata, VP of Member Services/Public Affairs; Pam Ouellette, VP of Human Resources and Organizational Development; Craig Snow, VP of Energy Solutions/Facilities; Geoff Ziminsky, VP of Technology and Business Services/CIO; Cooperative members Richard Knox and Jim Norman; and Sharon Yeaton, Executive Services Administrator (recording).

Chair Mongeon called the meeting to order at 1:31 p.m. and welcome members who joined. He noted that after a review of the objectives for the meeting, the board would move into executive session briefly to discuss what can be covered in public session versus executive session. He next reviewed the objectives for the meeting and asked for any questions on the agenda; none were noted.

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

VOTED: That the Board of Directors move into executive session for the purpose of consultation with legal counsel.

Vote for the motion was unanimous and the Board moved into executive session at 1:33 p.m. Messrs. Knox and Norman left the meeting at this time.

The board moved out of executive session at 1:41 p.m. and Messrs. Knox and Norman rejoined the meeting.

Overview of NRTC Feasibility

Mr. Dwyer discussed a presentation to the Broadband Ad Hoc Committee earlier today from NRTC on a broadband feasibility analysis they did for NHEC, noting that it looked favorable.

Mr. Camerino explained that this is the first readout on a feasibility analysis and it is the beginning of a process where we can use the model to change some of the assumptions and look at different options. He discussed the additional work needed to get to a project plan, and noted that the timing to complete that work is consistent with the timing required in the Rural Digital Opportunity Fund (RDOF) auction.

Chair Mongeon commented that NRTC did indicate they would not be comfortable moving forward in the decision making process based on the model as it is today, but with grant money funding it would reduce the risk.

Mr. Morrill remarked that the model and its flexibility is a tool for us to use to manage things going forward with whatever approach we determine and we can adjust the model to have a working tool to forecast and help us.

Mr. Camerino confirmed that the use of NRTC's model does not preempt us from any partners we may choose, and added that even going through the RDOF process does not preempt us from partnering with someone in the end.

Background – Recent Board Decisions and Opportunities

Chair Mongeon provided background on NHEC's actions related to broadband, discussing board direction from previous meetings for staff to facilitate and support broadband development within our service territory, the decision not to finance, own, or operate a fiber network, and the formation of the Broadband Ad Hoc Committee in April. He also discussed recent opportunities, including potential funding through the Coronavirus Aid, Relief, and Economic Security Act (CARES).

Current Situation, Issues/Opportunities

Chair Mongeon noted that the Broadband Ad Hoc Committee has been operating for about two months. He mentioned that Messrs. Morrill and Dwyer have developed a proposal and he strongly supports the board considering their proposal, which will be discussed today. He noted that the board's job is to listen and consider the options and vote for what it feels is best for the members and for the Co-op.

Messrs. Dwyer and Morrill discussed the proposal to launch an independent company to help facilitate the broadband initiative and be able to tap into federal and state funding. Questions were addressed throughout the discussion. There was discussion on the potential for grant funding from the CARES Act, as well as the RDOF. Mr. Morrill reviewed the proposal document, sharing his screen. He discussed the proposed use of the \$1 million seed capital from NHEC during the first 100 days, the proposed make-up of the team to lead the effort, and the steps to be taken during the first 100 days. Throughout the presentation, there was discussion on the team, legal structure, NHEC seed money and potential external funding, and the need for dedicated leadership. It was noted that the request of the board today is to form an NHEC board committee and not create a new entity; additional work would be done by the committee and brought back to the board for approval.

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

VOTED: That the Board of Directors authorizes the formation of a committee made up of five NHEC directors, who in working in partnership with NHEC's CEO and team, will determine the best way to move forward with the creation of a separate broadband entity with the appropriate checks and balances and with a focus on the timeline

outlined in the plan. The committee will then present its proposal to the NHEC board for approval. NHEC's CEO shall be a full participant, in an ex officio role, as a member of the committee and any new organization that is formed. The Board of Directors further authorizes the expenditure of up to \$1 million, not to exceed \$200,000 in the first month, to advance this initiative.

Vote for the motion was unanimous.

There was next discussion on issuing a press release to announce the board's actions. It was agreed that a press release would be issued tomorrow. Mr. Knox offered to contribute a quote to the press release and will coordinate with NHEC staff.

Chair Mongeon next recognized Messrs. Knox and Norman who expressed appreciation for NHEC's efforts. Mr. Norman also offered a suggestion to give high priority to considering wireless possibilities and also cautioned NHEC to be prepared, given the availability of state funding, for the likelihood of multiple requests for pole attachments that it will need to deal with.

Following up on Mr. Norman's comments on pole attachments, Mr. Camerino noted that he wants to make sure the board has an understanding that to the extent there is a rush to build out by anyone in our service territory we will become inundated with pole attachment requests.

Application for CARES Funds

Mr. Dwyer discussed the tight timeline for both submitting an RFP for the CARES funds, as well as the date services needs to be provided to the end user. He noted that the first step will be for the committee to determine how much capacity there is to perform the necessary work to have service available in the required timeframe so we can determine if we can put together a responsive proposal.

In response to Chair Mongeon's inquiry on next steps and who the point person will be, Mr. Dwyer indicated he nominates Mr. Morrill to be the Chairman and he will work closely with him to develop a daily work plan to meet the RFP submission deadline. Mr. Morrill agreed to be the chairman and indicated that the committee would need to meet tomorrow. Mr. Dwyer requested administrative support for the committee, which was agreed to. Attorney Dean noted that the creation of this new committee of the board is subject to all the noticing requirements of other board committees.

A meeting of the Broadband Committee was scheduled for 10:00 a.m. on June 25th. Mrs. Yeaton will notice the meeting.

RDOF Consortium

Mr. Morrill indicated that the new committee needs to do more work on this item.

Other Considerations

No other considerations were noted.

Adjournment

Chair Mongeon adjourned the meeting at 3:42 p.m.

Brenda Boisvert, Secretary

A TRUE COPY ATTEST:

Thomas Mongeon, Chair of the Board