

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Meeting of the Board of Directors August 26, 2025

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 August 26, 2025, at the Cooperative's 287 Highland Street Office in Plymouth, NH.

Directors present were William Darcy (Chair), Leo Dwyer, Harry Viens, Alana Albee, Thomas Mongeon, Pat Barbour, Robert MacLeod, Jerry Stringham, Peter Laufenberg, Jeffrey Morrill, and John Goodrich.

Others present were Michael Jennings, President/CEO; Todd Fahey, Attorney; Kristen Taylor, Chief Financial Officer; Jeremy Clark, Financial Planning Analysis Rates Mgr.; Madeline McElaney, NRECA Director for New Hampshire; Maida Lessard, Executive Services Administrator (recording), and NHEC Member, John Dzaugis.

Chair Darcy called the meeting to order at 9:00 a.m.

Chair Darcy made a change to the agenda to include a resolution that was discussed but not adopted at the June Board Meeting, giving staff authority to make internal bilateral trade purchases up to 67% for the spring rate period. It was suggested to amend the resolution to add "and real time market" to the last sentence.

He asked for a motion to approve the resolution as amended.

Upon motion of Mr. Goodrich, seconded by Mr. Laufenberg, it was

VOTED That the Board of Directors authorizes staff to make IBT purchases to hedge up to 67% of the forecast Co-op Power load for the spring rate period (February 2026 through July 2026), with the remaining 33% of forecast load to be served by the ISO-NE day-ahead and real time market.

Vote for the motion was unanimous.

Chair Darcy then drew attention to the consent agenda which included the minutes from the July 29, 2025, Board of Directors Meeting, and director expenses, and asked for a motion to approve.

Upon motion of Mr. Laufenberg, seconded by Mr. Viens, it was

VOTED That the Board of Directors approved the consent agenda items as presented in the board packet.

Vote for the motion was unanimous.

Chairman's Report

Chair Darcy, noted that there has been great progress in the last year and a nice transition, culminating with the appointment of Mr. Jennings as CEO.

He noted he attended the electric cooperative broadband association and NE Public Power Association meetings and will be reporting on it later in the meeting.

Board Committees

Executive Committee

Chair Darcy noted the next meeting is September 11, 2025, and then drew attention to the minutes of the July 9, 2025 Executive Committee Meeting and asked for a motion to approve.

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

VOTED That the NHEC Board of Directors approves the July 9, 2025 Executive Committee Meeting minutes.

Vote for the motion was unanimous.

Audit Committee

Ms. Barbour reported the committee met August 12, 2025, and discussed two items. One was the extension of the contract for our external auditor for the next two years and asked for a motion to approve it.

Upon motion of Mr. Mongeon, seconded by Ms. Albee, it was

VOTED That the NHEC Board of Directors approves the proposal from McNair, McLemore, Middlebrooks & Co. as presented at the Audit Committee meeting on August 12, 2025.

Vote for the motion was unanimous.

Ms. Barbour pointed out the next item that needs board approval is the appointment of Berry Dunn to perform internal audits and report to the Audit Committee as we have not found an employee to fill the position internally.

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

VOTED That the Board of Directors approves staff's recommendation of Option 3: Internal Audit Support Services as described in the August 7, 2025 letter from Berry Dunn as presented at the Audit Committee on August 12, 2025.

Vote for the motion was unanimous.

Member Comments

NHEC member John Dzaugis was in attendance and shared his concerns regarding the processing time and lack of follow up to have a time-of-use meter installed for his electric vehicle. He also commented he would like to see NHEC sell whole house batteries as almost everything in his home is going electric.

Mr. Jennings offered his apologies for the lack of follow up from NHEC staff on his current situation. He will follow up and get that addressed and follow up with him directly.

Mr. Dzaugis commented it might be a process issue where NHEC asks for the electrical diagram to be submitted before going to the next step of the process which an electrician can do.

Mr. Jennings replied he will look into the process to make sure those types of barriers are reduced as much as possible. He also commented there are a lot of different time of use program examples around the country to choose from, many of which we don't have available. We have done some experimental time-of-use programs that we found were more costly for us than the benefit they provided for members. We try to balance that and determine when we do time-of-use programs and how many members are going to enroll and of those are they going to pay enough to maintain that rate.

President/CEO Report

Mr. Jennings drew attention to his CEO Report in the meeting packet and started with a safety moment on the importance of driving safely and offered some tips and suggestions.

He reported that financial results are tracking close to projections, and an additional item was included in this month's packet, a retrospective analysis of past under-collection for both Co-op Power and regional access costs. The retrospective analysis shows significant improvement compared to prior years when under-collection was more severe. The document was added to help newer board members understand historical context and strategic shifts.

He provided a status update on FEMA claims that are still pending. There are no new developments since the last report and response times from them have slowed considerably due to staffing shortages and turnover. Historically, FEMA claims have taken approximately three years to process; current delays may extend that timeline.

He discussed the progress on the strategic planning and Enterprise Risk Management (ERM) refresh and noted out of the two previously presented options the board opted to proceed with CFC as they have experience with other cooperatives as well. CFC requires that ERM work be conducted with staff only and not with the board. He offered a date in early December and a pre-session brainstorming meeting with the board to gather input on perceived risks will be scheduled before this. This will be in alignment to completing this goal by the end of the year. The staff will work with CFC to incorporate board input into the ERM framework and the finalized ERM plan will be reviewed with the board to ensure alignment with strategic planning.

Mr. Mongeon suggested since it was an important topic to push it into the beginning of next year and requested a primer for the board of how the process will work. He also suggested to look at the key assumptions relative to the strategic plan before it expires and see if any of them have changed and warrant a refresh on an annual basis.

Mr. Jennings emphasized the need for a strategic planning refresh due to significant changes in the grant landscape since the original plan was developed.

Chair Darcy asked for clarification on the December meeting with CFC and the purpose of the meeting.

Mr. Jennings replied it would be the exercise with the board and CFC for strategic planning purposes. Prior to this meeting, the conversations and legwork for ERM would be completed and then CFC would come in on one of those dates and facilitate an all-day session with staff and the board to refresh the strategic plan. He will move forward and try to get this scheduled with CFC on one of those dates between December 2, 2025 and December 4, 2025.

Mr. Mongeon suggested to have this in the timeline so the board can see what the structure is and what they will be doing.

Mr. Jennings noted significant improvements in the reliability metrics on the dashboard as the start of the year performance was below goal due to major storms that did not meet exclusionary criteria. As the year progressed and our goal increased, performance improved and now meets monthly goals for SAIDI, SAIFI, and CAIDI.

Mr. Laufenberg asked if the TIER has shifted due to the rolling average.

Ms. Taylor replied that is correct.

Mr. Mongeon asked if there is a package that could be bought separately for blind spot detectors for the fleet vehicles as some older vehicles may lack this feature.

Mr. Jennings commented that backup cameras have been installed in some of the vehicles, but he is not sure about blind spot detectors, but he will look into that further.

Ms. Taylor noted the updates in the Signatory Review Resolution included the removal of the prior Controller and added Ms. Stella as the new one, Ms. Doan was removed due to retirement, and the language was updated to align with the board policies.

Chair Darcy asked for a motion to approve the resolution.

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

VOTED That the Board of Directors approves the NHEC Signatory Authority List with the recommended changes as presented at the August 26, 2025 Meeting of the NHEC Board of Directors.

Vote for the motion was unanimous.

Chair Darcy introduced the FAS 106 Post Retirement Trust Resolution as a statement of intent to revise legacy documents dated back to 1996 and potentially terminate the trust. Some alternatives to termination were discussed, including removing Edward Jones and updating the trust. He asked for a motion to approve the resolution.

Upon motion of Mr. MacLeod, seconded by Mr. Goodrich, it was

VOTED That the Board of Directors authorizes the necessary actions by the Trustees, CEO and Board Chair to terminate or amend the Irrevocable Trust Agreement of the New Hampshire Electric Cooperative Retiree Welfare Benefit Plan (Trust) and amend the New Hampshire Electric Cooperative Retiree Welfare Benefit Plan (Plan), the purpose of which is to make administration of the funds to pay Plan obligations more efficient and less costly, and to free up assets unnecessary to fulfill the obligations of the Plan. Upon the termination of the Trust, the Board Chair shall appoint an Employee Retirement Health Benefits Fund Administration Committee (Committee) to manage the dedicated investment account funded by the assets formerly in the Trust and to authorize the withdrawal of funds from the account to pay health benefit costs in accordance with the Plan. The General Counsel, CEO, and Board Chair will, at the next monthly meeting, propose to the Board amendments to the Trust and Plan necessary to implement the purposes stated in this resolution. General Counsel may seek input from ERISA counsel for advice on this process.

Vote for the motion was unanimous.

Mr. Dwyer asked who the beneficiaries of the trust are.

Chair Darcy commented the beneficiaries are the employees that are retired, but in some ways it is the corporation because it offsets funds that NHEC would otherwise have to raise.

Ms. Barbour asked if it still makes sense to try to terminate the trust or should we get rid of Edward Jones and update the trust.

Chair Darcy responded he believes it still makes sense to terminate the trust and there are steps we can take before we do this. He stated he wants to refer this to the Executive Committee on September 11, 2025 for a more detailed conversation.

Mr. Jennings drew attention to the distribution financials in the board packet and offered to answer any questions.

NRECA Report

Ms. McElaney noted that NRECA Regional Meeting for Region 1 is next week that she and Chair Darcy will be attending. There is also a link in her report to the 2024 financial statements via Cooperative.com per Mr. Mongeon's request.

She highlighted the bipartisan FEMA Act of 2025 in her report which proposes reimbursements within 120 days of a qualified event, reconstruction funding reviews to be completed within 90 days, and disbursement within 30 days. It would also designate FEMA as an independent cabinet level agency reporting to the president.

Mr. Laufenberg asked how many times the Board of Directors for NRECA meet.

Ms. McElaney responded that there are six in-person meetings and a two-day virtual meeting in September. Depending on committee assignments, they may meet more frequently.

Conference Presentation

Chair Darcy shared insights from his recent Northeast Public Power Association and NRECA Legal Conferences he attended.

- Offshore wind projections have dropped significantly.
- Three new gas pipelines are under consideration.
- Renewable and rooftop solar incentives are ending in 2030.
- Reliability assessments show New England as stable, though concerns remain.
- Storage technology and nuclear projects were discussed.
- Presentations on decarbonization and cold-weather heat pumps raised questions about affordability and effectiveness.
- PUC authority over cooperatives reaffirmed in recent cases and Arizona PUC treatment of fixed monthly rates was noted.

- Easement language critical in herbicide use disputes.
- Executive orders and EPA reforms may impact renewable energy development.
- Firearms In and Adjacent to the Workplace

Mr. Dwyer asked what the basis of their information on load forecasts.

Mr. Jennings replied it is from the CELT study, where they take inputs from all the utilities, specifically looking at projected load growth electrification. Most of it is due to EVs and heat pumps and you see a really significant peak change from summer to winter in the CELT forecast where the region becomes very heavily winter peaking in the future, whereas right now we're summer peaking in ISONE.

Chair Darcy noted the board will receive training on how to deal with firearms or an active shooter situation.

NHEC Foundation Report

Mr. Viens reported the foundation held a planning session on August 15, 2025 to assess its current status and future direction. The last formal performance review was conducted in 2016, making this a timely reassessment.

He noted that the annual revenue from the Round Up program is approximately \$250,000. As of 2025, 42,000 members are enrolled in Round Up YTD, generating \$30,000–\$40,000 per month, depending on the month. Revenue is steadily declining, though not rapidly and the challenge has become where does the additional revenue come from. There has been an increased demand for grants with requests now commonly in the \$7,500–\$10,000 range, compared to historical averages of \$2,500–\$5,000. As the foundation must be self-sustaining, the revenue received must come from the Round Up program. The board packets are excessively long, which has prompted a need to simplify. The grant application process is being reviewed for modernization, including a move to online interactive applications.

Mr. Viens is going to interview other cooperative foundations to learn best practices, speak with members who have opted in or out of Round Up to understand their motivations, review demographic data to assess shifts in member engagement, explore low-cost communication improvements beyond the current monthly newsletter, and develop better metrics to measure success and conversion rates. He would like to get some input from the full board in future sessions on how to move forward.

Chair Darcy noted Mr. Laufenberg suggested the foundation hire a part-time employee to take over some administrative tasks or have semiannual rather than quarterly grants that could help reduce paperwork.

Mr. Jennings agreed the foundation needs to be self-sustaining and over the course of the years, the foundation has nothing substantial they can point to in order to show what the foundation

did. If we are going to ask for donations, we need to be able to show people what considerable impact we made with the money.

Mr. Laufenberg commented that there are twenty plus categories of giving that the foundation will give money to, this needs to be streamlined to three to five categories that are very focused. He also mentioned the decline in people enrolled in the Round Up program started in 2020 during Covid and perhaps people have not consciously opted out, but there has been a change in properties and people have moved into the area and not being told about the Round Up program when they sign up for service.

Mr. Mongeon noted he has reached out to the NH Charitable Foundation and pulled together some information. He commented we are starting to learn more about the governance structure that he mentioned in the last board meeting.

Mr. Viens commented if we use the NH Charitable Foundation, our options are limited and not monetarily feasible. The original point of the foundation was to have a one-to-one relationship with the grantees.

Chair Darcy pointed out that a Budget, Finance, and Rates Committee Meeting will need to be scheduled in September per Mr. Stringham.

He then asked for a motion to go into executive session.

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

VOTED That the Board of Directors go into executive session for the purposes of discussion of confidential, legal, litigation, and personnel matters.

Vote for the motion was unanimous.

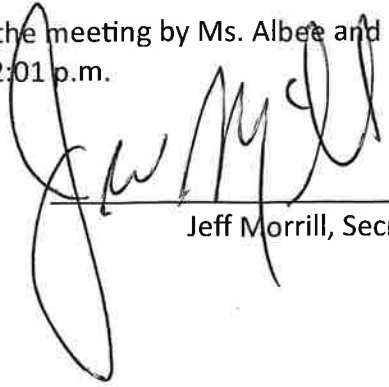
The Board of Directors went into executive session after a brief break at 10:46 a.m.

Mr. Clark, Ms. McElaney and Mr. Dzaurgis left the meeting.

The Board of Directors came out of executive session at 11:59 a.m.

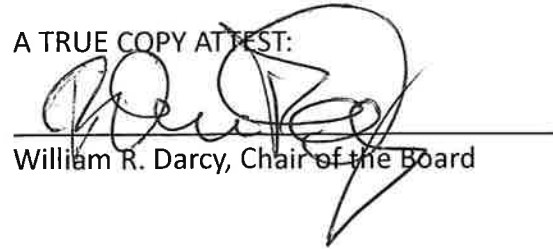
Approved 9/30/25

A motion was made to close the public session and adjourn the meeting by Ms. Albee and seconded by Mr. Mongeon, and unanimously approved at 12:01 p.m.

A handwritten signature in black ink, appearing to read "Jeff Morrill", written over a horizontal line.

Jeff Morrill, Secretary

A TRUE COPY ATTEST:

A handwritten signature in black ink, appearing to read "William R. Darcy", written over a horizontal line.

William R. Darcy, Chair of the Board