

Approved 1/27/26

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Minutes of the Meeting of the Board of Directors/NHBB LLC Committee Meeting

December 22, 2025

Pursuant to proper notice duly provided to all Directors, the regular meeting of the Directors of the New Hampshire Electric Cooperative, Inc. (NHEC) and NHBB LLC Manager's Committee Meeting was held December 22, 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 (via Teams), Pat Barbour, Robert MacLeod, Jerry Stringham, Peter Laufenberg, Jeffrey Morrill (via Teams), and John Goodrich.

Others present were Michael Jennings, President/CEO; Todd Fahey, Attorney; Kristen Taylor, Chief Financial Officer; Josh Mazzei, Chief Operating Officer; Josh Holbrook, Chief Broadband Officer; Maria Stella, Controller; Madeline McElaney, NRECA Director for New Hampshire; Maida Lessard, Executive Services Administrator (recording).

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

Chair Darcy asked for any changes to the agenda and there were none.

He asked for a motion to approve the consent agenda items with an amendment to the November 25, 2025 Board Meeting minutes correcting the year he quoted in his chair report on inflation from 2000 to the year 2020.

Upon motion of Ms. Barbour, seconded by Mr. Laufenberg, it was

VOTED That the Board of Directors approved the consent agenda items as amended.

Vote for the motion was unanimous.

Chairman's Report

Chair Darcy drew attention to Mr. Jennings's FEMA legislation and council reports that is headed by the Secretary of Defense and the Secretary of Homeland Security. NRECA assured him they would be consistent with the legislation they supported. There were some last-minute changes introduced, including Homeland Security's preference to retain its location in the Department rather than reporting to the President. He noted there may be challenges reconciling congressional and administration priorities.

Two permitting reform acts passed the U.S. House; the Speed Act passed with bipartisan support, in part due to the bills favorable impact on renewable project interconnection timelines, the other was a change to the Clean Water Act that had less bipartisan support.

He noted that the April Board meeting will be re-scheduled due to conflicts he and Mr. Jennings have.

Chair Darcy noted no proposals were offered to change the bylaws but suggested any items for potential discussion should be brought to the January 6th Special Board meeting.

Board Committees

Executive Committee

The Executive Committee recommended adoption of modifications to the Board Policy B-5, General Counsel to clarify counsel's role and involvement in finance and communication regarding NHEC matters. He asked for a motion to approve the changes to Board Policy B-5.

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

VOTED That the Board of Directors approve the suggested revisions to Board Policy B-5, General Counsel as presented in the meeting packet.

Vote for the motion was unanimous.

Budget, Finance, and Rates Committee

Mr. Stringham drew attention to the two resolutions in the meeting packet.

He asked for approval of the resolution of updated rates effective February 1, 2026, reflecting lower projected rates compared to Eversource and Liberty utilities.

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

VOTED That the Board of Directors authorizes staff to set the Co-op Power and Regional Access Charges on a bills-rendered basis effective February 1, 2026 as recommended in the February 1, 2026 Co-op Power and Regional Access Rate

Change Proposal presented to the Budget, Finance, and Rates Committee on December 12, 2025.

Vote for the motion was unanimous.

Next, he asked for approval of the resolution on the fall energy purchase plan recommending to expand the long-term hedging due to high near-term market prices not to exceed five years.

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

VOTED WHEREAS, the organization seeks to secure reliable and cost-effective power supply to meet forecasted load requirements; and

WHEREAS, the long-term price forecast is more favorable than near-term pricing, making a multi-year agreement advantageous; and

WHEREAS, it is prudent to establish clear criteria to ensure financial and operational risk is minimized;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Staff is authorized to negotiate and execute a one-time long-term power purchase agreement subject to the following conditions:
 - Term: The agreement shall not exceed five (5) years in duration.
 - Load Commitment: The purchased power shall not exceed 7.5% of the organization's forecasted load during the term of the agreement.
 - Price Cap: The cost of purchased power shall not exceed \$70 per megawatt-hour (MWh).
2. This authorization applies only to a single transaction meeting these criteria and does not constitute ongoing authority for future purchases. Staff shall report the detail of this executed agreement to the Board upon completion.
3. The contract executed under this authorization shall be considered part of the 67% pre-purchased hedging threshold for the Fall 2026 rate period.

4. In addition, the Board authorizes staff to pre-purchase the remainder of the hedging requirement, up to 67% coverage of forecasted load, through short-term contracts of approximately six (6) months in duration, consistent with the strategy presented at the December 12, 2025 Budget, Finance & Rates Committee Meeting.

Vote for the motion was 10 in favor, 1 abstention (Mr. Dwyer).

There was discussion about market volatility, long-term uncertainty and legislative proposals to extend investor-owned utilities' contracting ability beyond 6 months.

CEO Report

Mr. Jennings shared a safety moment on holiday fire safety and the importance of watering your Christmas tree often to prevent it from drying out.

FEMA Update: Media reports and a postponed FEMA committee vote were noted; a prior rumor suggested cooperatives could lose eligibility toward disaster thresholds. The report was shortened (from ~100 pages to ~20 pages); leadership continues to monitor and advocate. Outreach to the federal delegation to support and co-sign the FEMA legislation was encouraged and state-level outreach continues.

Year-in-Review Highlights: 7 rate changes implemented; 3,000 work orders closed (~\$50M in capital); 1,500 member jobs completed; 60,000 inbound calls and 18,000 outbound calls handled; 33,000 member emails and 3,500 SmartHub inquiries processed; 350 miles of line cleared; 5,000 IT tickets resolved; 80 safety Hazard IDs submitted; 2 substations reconstructed; 26 new SCADA devices installed; 3 miles of direct-buried cable replaced; new member website and bill print launched; new employee intranet launched; over \$3M in energy efficiency incentives paid (many to income-qualified members); won an NRECA Spotlight on Excellence Award; digital interconnection process revamped; microwave and LMR systems upgraded; 50 positions filled; all policies rewritten; and benefits open enrollment moved to digital.

Mr. MacLeod suggested a letter of recognition from the board Chair to staff acknowledging these accomplishments might be appropriate.

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

VOTED That the Board Chair send a letter of appreciation to staff acknowledging the 2025 accomplishments that Mr. Jennings highlighted.

Vote for the motion was unanimous.

Chair Darcy noted also in Mr. Jennings's CEO Report was the YTD margin of approximately \$9.4 million which shows the wisdom of the Board's recent budget decisions upgrading our revenue projections, made an adjustment to employee numbers, all for the good of our members and to have a balanced financial system.

He also commented he appreciates and encourages Mr. Jennings's support and meeting with the leaders in Concord.

He noted a clarification to the FAS 106 Trust minutes stating that the trustees voted for repayment of the funds not to exceed the value of the trust. The value of the trust was irrelevant to the vote as it was to refund all the prior payments that NHEC made that would otherwise be taken from the fund. A Funds Management Committee will be appointed soon.

Mr. Dwyer asked if this would impact the margin.

Chair Darcy replied that it should not.

Mr. Jennings drew attention to the Training Grant Resolution in the meeting packet that authorizes the CEO to execute the annual state training grant application and related documents as required.

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

VOTED That the Board of Directors approves Mr. Jennings, President/CEO who is duly authorized to enter into contracts or agreements on behalf of N.H. Electric Cooperative, Inc. with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any documents which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

Vote for the motion was unanimous.

Ms. Barbour asked how much money we normally receive from the grant.

Mr. Jennings replied approximately \$80,000 a year.

Mr. Laufenberg asked if NHEC has a history of having a relationship with the congressional delegation such as inviting them to the Co-op and providing tours.

Mr. Jennings replied we did recently reach out to them and invite all of them to the cooperative, but we have not heard back from them.

Mr. Laufenberg suggested continuing engagement to educate policymakers on the cooperative model and avoid prescriptive mandates that limit member-focused decision making. He encourages the Co-op to invite sitting members and candidates to visit and prepare a standard program for visits. Participation in the legislative rally and DC meetings was discussed.

Mr. Stringham asked for an update on the meetings with Sherm Packard and those at the statehouse.

Mr. Jennings noted he was surprised how little people actually know about the cooperative and don't know what sets us apart from the other utilities. He is working on educating them about the cooperative and to also talk about why the cooperative should not be included in the legislative bills directed at the investor owned utilities so we can continue to make decisions in the best interest of the members.

NRECA Report

Ms. McElaney reported on the NRECA report for December 2025.

- Lobbying and Advocacy Effectiveness: NRECA ranked a top performer in DC advocacy for the third consecutive year, per Penta Research.
- PAC & International: Encouraged participation in the NRECA PAC (average donation \$65) and donations to NRECA International as it diversifies funding beyond USAID and a tax write off.
- Strategic Priorities and Initiatives: Annual review of strategic priorities continues; slides shared in her report.
- Data Requests: In January, co-ops will be asked to upload Form 7 to better align national advocacy with system needs (Mr. Jennings and team).
- Events: Safety Leadership Summit (April) added a new executive track; new regional summits will strengthen collaboration between national defense partners on electricity and broadband.
- Audit & Budget Oversight: CliftonLarsonAllen was selected as external auditor for 2026–2030; single audit received an unmodified (clean) opinion; committee reviewed and recommended budgets to the board for approval (CEO & Board, Finance, General Counsel, HR, IT, Membership & Business, Homestead & Broadband).

Chair Darcy asked if the Administrative Committee made any changes to the budget that the staff had proposed.

Ms. McElaney replied they did not make any changes.

Chair Darcy also noted that NRECA will also be requesting a response to an extensive survey of utility poles to document practices of the cooperatives in relation to the BEAD grant approvals.

NHEC Foundation Report

Mr. Viens reported on the NHEC Foundation Committee from the December 15, 2025 meeting.

- Implementation of Board direction continues; financial accounts are being consolidated.
- Round Up Program: Staff is developing a demographic profile of current participants and conducting focus groups (participants and non-participants). Target: late February

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completion; aim to implement updated grant-giving process in Q1, pending Board approval.

- New staff liaison (Ms. Albee) to join in the upcoming meetings.

Chair Darcy noted that the Executive Committee, Strategic Planning Steering Committee and the Funds Management Committee meetings will be scheduled for next month.

The Funds Management Committee will be a standing committee and will be discussed at the next Executive Committee to revise the appropriate board policy.

He asked for a motion to go into executive session to discuss legal litigation, confidential broadband, and personnel matters.

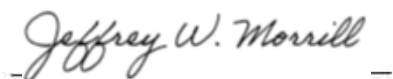
Upon motion of Mr. Laufenberg, seconded by Mr. Stringham, it was

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


Vote for the motion was unanimous.

The board went into executive session at 9:48 a.m.

The Board of Directors came out of executive session at 12:20 p.m. and the meeting was adjourned.


Jeff Morrill, Secretary

A TRUE COPY ATTEST.


William R. Darcy, Chair of the Board