

Approved 3/31/26

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.
Minutes of the Meeting of the Board of Directors

February 24, 2026

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 February 24, 2026, 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 (Teams), Robert MacLeod, Jerry Stringham, Jeffrey Morrill, Pat Barbour (Teams) and John Goodrich.

Absent: Peter Laufenberg

Others present were Michael Jennings, President/CEO; Todd Fahey, Attorney; Kristen Taylor, Chief Financial Officer; Jeremy Clark, Financial Planning, Analysis, and Rates Manager; and 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.

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

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

Vote for the motion was unanimous.

Chairman's Report

Chair Darcy provided an overview of significant regional and national energy developments, noting their relevance to reliability, affordability, and long-term planning.

- Developments within PJM, including a signed statement of principles involving governors and the federal administration aimed at ensuring revenue certainty for new generation only.

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- Emphasis on the importance of dispatchable baseload generation, particularly in light of growing data center demand and the predominance of solar projects in interconnection queues.
- Discussion of data center policy considerations, including interruptible requirements or proportional participation in new capacity contracts.
- Observations that several northeastern states are reassessing prior commitments related to net-zero targets due to affordability concerns.
- Update on broadband activities, including participation in NTIA listening sessions and ongoing advocacy for prioritizing reliability and resiliency in federally funded broadband projects.
- Report on lobbying efforts with the federal delegation, including scheduled meetings with Senator Shaheen and Representative Pappas.
- He noted potential opportunities under the recently released Republican Farm Bill draft, including possible middle mile broadband funding.

Board Committees

Executive Committee

Chair Darcy drew attention to the Executive Committee Meeting minutes of January 15, 2026 and asked for a motion to approve.

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

VOTED That the Board of Directors approve the January 15, 2026 Executive Committee Meeting minutes as presented in the meeting packet.

Vote for the motion was unanimous.

Chair Darcy noted a forthcoming meeting will be scheduled and the Committee will review policies and possible other items.

Strategic Planning Steering Committee

Chair Darcy reported that consensus has been reached on the electric side of the strategic plan and Mr. Jennings will be drafting an amendment reflecting that consensus.

The Broadband related strategic planning discussions will continue in upcoming meetings and will be addressed in executive session.

Funds Management Committee

Chair Darcy provided an update in the absence of the committee chair.

The Committee continues to work on revising investment and allocation policies, and he noted that the prior plan was outdated and not operationally aligned. Significant revisions are being made to streamline processes and remove provisions that were never implemented and a tentative approval has been reached on fund allocation and investment policy, with criteria for the use of funds to be developed by Mr. Jennings.

The Committee will reconvene on March 5 and bring a full recommendation package to the board at the next meeting.

Other Committees

Mr. Mongeon noted the E&O Committee has a meeting scheduled on Tuesday, April 7th from 11:00 a.m. to 2:30 p.m.

Member Comments

There were no member comments.

CEO Report

Safety Moment

Mr. Jennings emphasized the importance of near miss and incident reporting as leading indicators for safety improvement.

He gave an example of lessons learned from a fatal lineworker incident elsewhere, leading NHEC to implement personal voltage detection devices for lineworkers and field staff as additional safety precautions.

Power Supply Cost Update

Mr. Jennings reported an estimated \$12.75 million undercollection, driven by significantly higher energy and ancillary market costs. These costs were attributed primarily to fuel price increases rather than supply shortages and opportunities for short-term corrective action are limited. Longterm rate recovery will follow NHEC's traditional staggered approach, spreading recovery across future rate periods. He noted that investor-owned utilities are likely to experience severe rate impacts as well due to different recovery approaches.

Mr. Dwyer asked if we could have reacted sooner.

Mr. Jennings replied that the challenge is the high load months and high cost and because we bill in arrears, it takes an extra month to set rates.

Mr. MacLeod asked what this means long-term for our rates.

Mr. Jennings explained that traditionally we would take half of what was under collected into the next rate period to collect. We try not to recover all of it in the next immediate rate period but instead stagger it over 12 months unlike investor-owned utilities.

Government Affairs Update

He drew attention to House Bill 1748, which proposed a statewide energy efficiency agency and nuclear funding mechanisms, which has been referred to study and is not advancing.

Mr. Mongeon asked if the statewide agency referenced was the Vermont Energy Efficiency Corporation (VEIC).

Mr. Jennings replied there are a number of states that have their own agency as opposed to deferring to the utilities. He noted that typically an investor-owned utility has reverse incentives from wanting to run an energy efficiency program so they would get revenue on top of what they're required to spend on it as an incentive.

Mr. Goodrich commented that he had experience with that and he found the big companies were paying everybody for weatherization and the agency administering it grew by millions.

Accounts Receivable Update

Accounts receivable balances are currently at the lowest balance in approximately 20 years, despite the high energy costs. It was noted that seasonal protections, regulatory constraints on winter disconnections, and municipal assistance programs as contributing factors. The situation will continue to be monitored as higher bills are realized.

Mr. MacLeod asked if when there was a high energy costs previously, was it higher.

Mr. Jennings replied they do tend to correlate a bit but there are more economic factors that drive the accounts receivable than just energy costs.

Directors and Officers (D&O) Insurance

Ms. Taylor drew attention to the summary in the meeting packet and noted our broker recommends renewing our coverage at \$15 million this year as this provides adequate coverage for NHEC and is comparable to others in our peer group. The net premium increase minus a continuity credit is \$1,300.

Chair Darcy asked what our retention is as mentioned in the policy.

Mr. Jennings replied that the retention is our deductible that we pay out of pocket.

Mr. Goodrich asked if NHEC has ever had to use this insurance.

Ms. Taylor replied we have not.

Mr. Mongeon asked if any electric cooperative had to file a claim against their D&O insurance and if so, what was it for.

Mr. Jennings replied they probably have but they probably wouldn't be open to talking about it.

Chair Darcy asked for a motion to approve the renewal of the D&O Insurance.

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

VOTED That the Board of Directors authorizes management to renew the Board of Director's D&O Insurance with Aegis for \$15,000,000 coverage effective March 1, 2026.

Vote for the motion was unanimous.

NRECA Report

Chair Darcy reported concerns regarding the NTIA BEAD grant conditions related to pole attachment regulations during the recent webinar he attended and noted potential conflicts with statutory exemptions by the FCC for cooperatives. He noted New Hampshire's existing state rules mitigate any immediate risk, but we will continue monitoring developments.

Director Conference Presentation

Mr. Mongeon summarized the recent NRECA courses he attended, highlighting:

- Best practices in employment law and consistency in policy enforcement.
- Accountability frameworks and performance clarity.
- Communication strategies emphasizing clarity and inquiry before judgment.
- Emotional intelligence models and systems-based approaches to behavioral issues.

Mr. Jennings noted positive trends in recent employee survey results related to accountability and clarity of expectations.

NHEC Foundation

Mr. Viens reported that the Foundation has seen a gradual decline in participation and contributions with limited member awareness and little to no engagement. Plans to refocus the Foundation's strategy were discussed and include:

- Reducing giving categories from 23 to 6.
- Increasing grant size and visibility.

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- Moving to two annual grant cycles.
- Streamlining and digitizing the application process.
- Launching the revised model at the June 2026 Annual Meeting.

Mr. Mongeon asked if similar Co-ops were looked at to see what they are doing and what works. Did we look at how the Foundation is aligned with the overall NHEC mission and vision for the electric business and the broadband business or if it is aligned with the seven principles of the cooperative.

Mr. Viens suggested looking at the Foundation documents online to get a better understanding and we did not reach out to other Co-op Foundations.

Mr. Goodrich asked if the roundup option was going to continue to be offered.

Mr. Viens replied that it will continue and he is hopeful it becomes more successful with more publicity and visibility.

Mr. Jennings noted that we can do a better job promoting it to members and discussing why they should contribute.

Chair Darcy noted that the first item on the Board Tracking Report can be taken off and a meeting will be scheduled for the Strategic Planning Steering Committee next month.

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

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

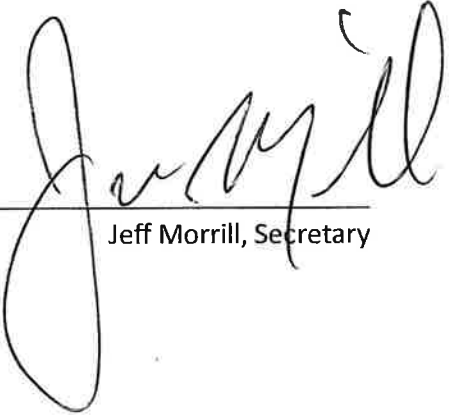
VOTED That the Board of Directors go into executive session for the purposes of discussion of legal, litigation, confidential broadband, and personnel matters.

Vote for the motion was unanimous.

The board went into executive session at 9:54 a.m.

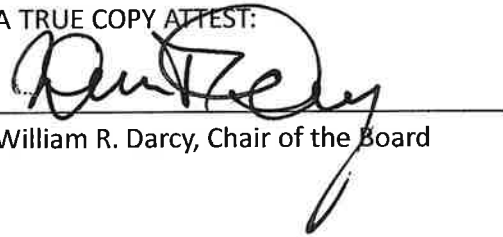
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The Board of Directors came out of executive session at 11:11 a.m. and the meeting was adjourned.



Jeff Morrill, Secretary

A TRUE COPY ATTEST:



William R. Darcy, Chair of the Board