Approved 7/28/26

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.
Minutes of the Meeting of the Board of Directors
June 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 June 24, 2026, at the Cooperative's 287 Highland Street Office in Plymouth, NH.

Directors present were Alana Albee (Chair), Leo Dwyer Tom Mongeon, Jeff Morrill, Pat Barbour, William Darcy, Jerry Stringham, Peter Laufenberg, Laurel Boivin, Carl Knowlton, and John Goodrich.

Others present were Michael Jennings, President/CEO; Todd Fahey, Attorney; Kristen Taylor, Chief Financial Officer; Ben Doyle, Chief Administrative Officer; Josh Holbrook, Chief Broadband Officer; Josh Mazzei, Chief Operating Officer, and Maida Lessard, Executive Services Administrator (recording).

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

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

She asked for a motion to approve the consent agenda items.

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

VOTED That the Board of Directors approve the Board of Directors Meeting minutes of May 26, 2026 and expense reports as presented in the meeting packet.

Vote for the motion was unanimous.

Chair Albee asked for key takeaways from those Directors when expenses were related to training.

Mr. Darcy noted that his NRECA-related report appeared later on the agenda and indicated that he had sent information by email. Mr. Laufenberg discussed training on rate setting, which he attended in anticipation of potentially chairing Budget, Finance and Rates, and also referenced a data-driven cooperative session that he and Mr. Stringham attended. He noted the session did not focus directly on artificial intelligence but suggested there may be opportunities for the Board to use more data analytics, particularly around broadband. Chair Albee described a CFC economic forecasting session as disappointing and not significantly more substantive than general public economic commentary. Mr. Darcy raised a question about whether the training reports should continue to appear later in the agenda near the NRECA Report or move to immediately follow the related expense reports; Chair Albee indicated the latter approach was useful because the training information remained fresh.

Chair's Report

Chair Albee welcomed new directors Mr. Knowlton and Ms. Boivin, and thanked the Board for electing her Chair, and congratulated the other officers. She emphasized her desire for active Board engagement, including discussion of emerging or "burning" issues, and encouraged directors to raise topics with her between or during meetings. She requested that materials intended for the Board or Broadband meetings be submitted at least two days in advance so they can be included in the packet and reviewed by directors. She previewed upcoming topics for future Board discussion, including organizational structure, the balanced scorecard, facilities, battery storage, and related strategic matters. She also asked committee chairs to coordinate with Ms. Lessard within the next month to schedule committee meetings through year-end.

Board Committees

Chair Albee reported that she had discussed committee assignments with nearly all directors and that the proposed committee structure included several changes. The Funds Management Committee is expected to be discussed by the Executive Committee, with the current recommendation to merge it into the Audit Committee; and would require a policy change. The Budget, Finance and Rates Committee will operate with a co-chair arrangement, with Mr. Dwyer leading rates and Mr. Laufenberg leading budget and finance. The Engineering and Operations Committee will have a vice chair arrangement, with Tom as Chair and John as Vice Chair, to help prepare for future continuity. The NHEC Foundation chair had not yet been appointed, as the Foundation's annual meeting was scheduled to occur later in the month. Mr. Jennings noted that a meeting would be scheduled with Mr. Dwyer and Mr. Laufenberg to clarify the division of responsibilities, and that NHEC Foundation officer roles would be decided at the NHEC Foundation annual meeting.

Chair Albee asked for a motion to approve the director appointments as outlined in the resolution.

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

VOTED That the Board of Directors approves the appointment of the Directors as outlined in the Committee Report at the June 24, 2026 Board of Directors Meeting.

Such appointments will remain in effect until the next organizational meeting of the Board of Directors or until their successors are duly appointed.

Vote for the motion was unanimous.

Funds Management Committee

Mr. Laufenberg presented the Funds Management Committee minutes from May 27, 2026 and summarized the core decision from that committee meeting. He explained that funds moved from a prior retirement account had been invested with Homestead in a balanced allocation between equities and bonds, with an investment risk score of 50 on a 100-point scale. He noted that the expectation is that the funds will remain invested for the long term.

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

VOTED That the Board of Directors approve the Funds Management Committee minutes of May 27, 2026 as presented in the meeting packet.

Vote for the motion was unanimous.

Budget, Finance, and Rates Committee

Mr. Stringham reported that the Budget, Finance and Rates Committee met on June 15 and covered five substantial topics, three of which required Board action by resolution. In addition to the action items, the committee received informational presentations on the Moultonborough solar and battery storage project, including return-on-investment analysis and broader implications for distributed generation assets, and on preliminary 2027 budget objectives. He noted that both sessions reflected strong staff preparation and generated useful committee dialogue.

Mr. Stringham noted that the results of the May 2026 physical inventory count were presented and the adjustment reflected normal variances consistent with cooperative practice and had been reviewed and supported by the committee. The resolution authorized management to adjust physical inventory by $191,922.

He asked for a motion to approve the resolution.

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

VOTED That the Board of Directors authorizes management to adjust the physical inventory as a result of the May 2026 inventory in the amount of $191,922 as presented in the meeting packet.

Vote for the motion was unanimous.

Mr. Stringham summarized the presentation on current rate variance analysis. Power costs were running approximately 4% above forecast due to higher-than-expected load, ancillary costs, and interest charges, while regional access transmission costs were tracking approximately 2% above forecast. The committee supported updated charges effective August 1, 2026, and he asked for a motion to approve the resolution.

Upon motion of Mr. Laufenberg, seconded by Mr. Dwyer, 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 August 1, 2026 as recommended in the Co-op Power and Regional Access Rate Change Proposal presented to the Budget, Finance, and Rates Committee on June 15, 2026.

Vote for the motion was unanimous.

Mr. Jennings noted that Co-op Power was expected to remain the lowest of the four major utilities in the state, based on current indications from other utilities, and credited Ms. Taylor's team for its work managing the power portfolio. Mr. Dwyer asked whether the full Board would discuss solar rates; the response was that solar rates were not on that Board agenda but could be brought to the rates discussion.

Mr. Stringham reported that a presentation on the forward purchasing strategy for the Spring 2027 rate was given. The committee reviewed historical spot market prices compared to pre-purchase bilateral transaction costs, with the presentation highlighting volatility since fall 2024 and the value of NHEC's hedging discipline. The resolution authorized staff to pre-purchase approximately 67% of forecasted load through short-term contracts of approximately six months and conditionally authorized one long-term purchase agreement not to exceed five years or 6% of forecasted load after July 2026, if significant savings could be demonstrated. A typo in the resolution language was noted and he asked for a motion to approve it.

Upon motion of Mr. Goodrich, seconded by Mr. Darcy, 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 up to one-time long-term power purchase agreement, after July 2026, subject to the following conditions:
   - Term: The agreement shall not exceed five (5) years in duration.
   - Load Commitment: The purchased power shall not exceed 6% of the organization's forecasted load during the term of the agreement.
   - Long term purchase would be executed only if significant savings exist
2. The contract executed under this authorization shall be considered part of the 67% pre-purchased hedging threshold for the Spring 2027 rate period.
3. In addition, the Board authorizes staff to pre-purchase the remainder of the hedging requirement, approximately 67% coverage of forecasted load, through short-term contracts of approximately six (6) months in duration, consistent with the strategy presented at the June 15th, 2026 Budget, Finance & Rates Committee Meeting.

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

Discussion focused on NHEC's hedging strategy, exposure to the spot and day-ahead markets, and how NHEC's procurement flexibility differs from investor-owned utilities. Tradeoffs between lower long-term average spot-market costs and increased risk were discussed, particularly during winter months when both volume and price can rise sharply. Mr. Laufenberg and Mr. Jennings noted that NHEC is not regulated in the same way as investor-owned utilities with respect to procurement strategy and can use a range of tools, including longer-term contracts, when advantageous. Mr. Darcy also discussed examples of long-term contracts that produced savings and others that resulted in losses, including a prior $5 million write-off. The importance of operational efficiency and leadership in maintaining lower rates was also noted by Mr. Dwyer.

CEO Report

Mr. Jennings opened his report with a safety moment on heat stress, emphasizing hydration, light meals, avoidance of caffeinated and alcoholic beverages in extreme heat, and frequent short breaks in cool or shaded areas. He then discussed financial performance, noting that May revenue was largely on forecast and that year-to-date margins had been elevated due to extreme cold earlier in the year. He emphasized the weather-dependent nature of NHEC's revenues and operating expenses.

Mr. Jennings reported that NHEC received a $3.5 million FEMA award, reducing the outstanding FEMA receivable for storm damage reimbursement to approximately $4.1 million. Directors discussed the lengthy reimbursement timeline, with concerns raised that carrying receivables for several years is difficult, particularly for smaller utilities. Mr. Jennings noted that FEMA reimbursement is critically important because every dollar recovered helps avoid costs that would otherwise be charged to members.

He described New Hampshire Saves as the statewide energy efficiency program involving NHEC, the other major electric utilities, and the two major natural gas utilities. He explained that the forthcoming triennial plan is a three-year plan submitted to the PUC that outlines how program funds will be spent. Two key elements were highlighted: a request to rebate approximately $1.5 million of over-collected funds to members and a proposed pilot battery program. He explained that the battery pilot would be funded through the energy efficiency initiative, creating benefits for both participating members, who could receive monthly payments, and the broader membership, which could benefit through avoided capacity costs and rate impacts. It was clarified that NHEC has approximately 300 members with household batteries and that the initial target may be roughly 60 participants. A director requested more detail on member-facing program mechanics and allocation of funds across program categories, including residential, commercial, industrial, heat pumps, and water heater heat pumps.

Mr. Jennings noted that the government affairs report had expanded enough to warrant a separate page in the packet. He stated that the legislative year in Concord was nearing completion and that NHEC had monitored and engaged on a historically high number of bills. He reported that, by the end of the session, nothing had passed that would negatively impact NHEC's membership, which he characterized as a positive outcome reflecting significant team effort. Mr. Darcy added that the announced retirement of Michael Vose, longtime chair of the Science, Technology and Energy Committee, was an important development because of that committee's significance to energy and telecommunications policy and Mr. Vose's prior support for NHEC-related issues.

Mr. Jennings reported that a federal executive branch committee had issued a lengthy FEMA reform report. Staff will review the report and return to the Board with analysis of potential impacts to NHEC, distinguishing between recommendations that could be implemented administratively and those requiring legislative approval. Because FEMA reimbursements are financially significant to NHEC, he emphasized the need to understand the implications early and prepare for potential advocacy. The Board requested that the report be distributed and/or placed in OnBoard and that FEMA reform be discussed further at the July meeting.

He provided context on legislative discussions around advanced nuclear resources and small modular reactors, noting that the Governor has expressed interest in a more nuclear-focused future and that nuclear is viewed by some policymakers as a carbon-free baseload option. He noted that near-term feasibility remains limited, but load growth and generation interconnection challenges are driving interest in scalable future resources. Directors observed that legislative attitudes toward nuclear appear to have become more bipartisan, partly due to climate concerns and the need for baseload resources to complement intermittent power. Mr. Jennings also referenced a transmission return-on-equity matter that could result in several million dollars coming to NHEC once resolved in Washington, D.C.

He highlighted two industry articles: one regarding Northeast states' interest in offshore high-voltage DC transmission to support offshore wind and improve interregional transfer capability, and another regarding Google's funding of a 100 MW virtual power plant in PJM. He explained that virtual power plants and load curtailment resources are increasingly relevant as alternatives to new generation, particularly given long generation interconnection timelines. He noted that NHEC already participates in a similar concept by forecasting load reductions from energy efficiency programs and bidding them into the ISO New England capacity market.

NRECA Report

Mr. Darcy provided an NRECA report, focusing first on the federal FEMA reform report. He characterized several recommendations as unhelpful to cooperatives, including potential changes to disaster eligibility criteria, higher per-capita damage thresholds, and reduced federal cost share. He emphasized that shifting from actual damage assessments to objective measures such as wind speed could disadvantage localized storm impacts and that reducing FEMA reimbursement would likely increase local costs, utility costs, rates, and property taxes. He stated that NRECA is actively advocating in Washington and noted that pending House legislation, which received strong bipartisan committee support, does not appear to include the harmful provisions highlighted in the executive branch report. RUS funding appeared to have been preserved, which is helpful for electric and broadband projects.

Also discussed was the NRECA PAC participation, emphasizing the importance of director leadership and explaining that PAC support can assist with federal advocacy access. He also described a related grassroots advocacy function that can mobilize cooperative members on state-level issues. Bill distributed or referenced contribution forms and noted recommended monthly contribution levels.

NHEC Foundation

Mr. Jennings noted that Foundation elections would occur the following week and Chair Albee thanked Ms. Barbour and Ms. Boivin for stepping up as Board representatives.

Board Tracking Report

Mr. Dwyer asked if the solar/battery summary could be a semi-annual or annual update and put on this report. Chair Albee agreed and Mr. Jennings suggested putting it on the Schedule of Reports and Approvals and discussing it at the Budget, Finance, and Rates Committee meeting.

Mr. Goodrich reminded the Board about the Weidmann facility tour in St. Johnsbury, VT coming up and asked anyone interested to let him know.

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

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 legal, litigation, confidential broadband, and personnel matters.

Vote for the motion was unanimous.

The board went into executive session at 10:03 a.m.

The Board of Directors came out of executive session at 11:50 a.m. and the meeting was adjourned.

Jeff Morrill, Secretary

A TRUE COPY ATTEST:

Alana Albee, Chair of the Board