

Approved 10/27/26

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.
Minutes of the Meeting of the Board of Directors
September 29, 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 September 29, 2026, at the Cooperative's 287 Highland Street Office in Plymouth, NH.

Directors present were Alana Albee (Chair), Leo Dwyer, Tom Mongeon, Jeff Morrill (Teams), Pat Barbour, William Darcy, Jerry Stringham, Peter Laufenberg, Carl Knowlton, Laurel Boivin, 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, CMEO NHEC & GM NHB; Josh Mazzei, Chief Operating Officer, Brittany L'Heureux, Director of Information Technology; Gilbert Sutcliffe, NHEC Member; Amy Lewis, NRECA PAC & Political Engagement Director; Hannah Cooper, NRECA Grassroots Advocacy Director; 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. Darcy, seconded by Mr. Mongeon, it was

VOTED That the Board of Directors approve the Board of Directors Meeting minutes of August 25, 2026, and expense reports as presented in the meeting packet.

Vote for the motion was unanimous. (Ms. Boivin abstained as she was absent from that meeting.)

Member Comments

Ms. Lewis, NRECA PAC and Political Engagement Director, shared a presentation that outlined NRECA's government-relations structure: legislative affairs, regulatory affairs, and political programs. She described Voices for Cooperative Power, Co-ops Vote, grass tops engagement, and America's Electric Cooperatives PAC as complementary tools for influencing public policy and supporting candidates who understand cooperative priorities.

She emphasized that director and CEO participation signals leadership commitment. She reported that the PAC has more than 25,000 supporters, is bipartisan, and relies on broad participation and relatively modest average contributions to build a unified cooperative voice.

Ms. Cooper, NRECA Grassroots Advocacy Director, explained that Voices for Cooperative Power educates and mobilizes consumer-members to contact officials on issues affecting cooperatives. She cited state-level examples involving agricultural energy credits and wildfire mitigation/liability, emphasizing that campaigns are customized with statewide associations and provided without direct cost when aligned with NRECA policy.

Mr. Darcy highlighted that an established New Hampshire advocate network could be activated for legislative or regulatory campaigns. Ms. Cooper confirmed that NRECA can provide campaign design, messaging, and engagement tactics.

Ms. Lewis added that PAC support is determined race by race; incumbents are commonly supported, but open-seat or non-incumbent candidates may be considered based on local cooperative recommendations. She also directed directors to cooperative.com for contribution records and NRECA policy information.

Mr. Sutcliffe, an NHEC member and local contractor, addressed the Board in reference to NHEC's terms and conditions and how a multi-unit residential property is classified. He stated that a multi-unit residential property that is served by one meter is currently classified as commercial, potentially preventing residents from receiving full residential heat-pump rebates and complicating solar economics for accessory dwelling units.

Mr. Mazzei explained that individual metering serves a consumer-protection purpose by connecting membership and payment responsibility to the actual electricity user. He noted that one master-meter disconnection could affect several families uninvolved in an owner's nonpayment and that separate accounts may also support access to energy-efficiency and assistance programs.

Mr. Mongeon asked if terminology or policy language should be revised to preserve consumer protections while addressing the member's concern.

Mr. Jennings agreed that he and Mr. Mazzei will examine whether program rules provide flexibility and noted that group net metering may be an option in some circumstances. They will continue discussions with Mr. Sutcliffe and review the energy-efficiency and policy implications.

Chair's Report

Chair Albee noted that October and November will be especially active because of budget developments and related decisions. She also referenced a meeting with U.S. Department of Energy Secretary Wright, upcoming confidential matters for executive session, the herbicide opt-out vote, and a future special Engineering and Operations Committee discussion on shoreline setbacks.

Chair Albee reported that the Director Compensation Committee had recommendations ready for Board action and stated that Vice Chair Darcy would serve in charge during her overseas absence through October 15.

Attorney Fahey summarized training recommendations for Board Policy B3. He advocated substantive, recurring training tied to fiduciary duties, leadership responsibilities, and organizational culture rather than a check-the-box approach. He recommended appropriate subject-matter expertise, contextual examples, attendance/completion documentation, and potentially recorded modules to control cost while preserving accessibility.

Attorney Fahey, Mr. Darcy, and appropriate staff will revise the Board Policy B-3 language, route it through the Executive Committee, and return it to the Board for approval, with implementation and monitoring anticipated to begin in 2027.

Board Committees

Director Compensation Committee

Mr. Stringham reported that the Director Compensation Committee met on September 21, 2026, and reviewed NRECA compensation data, and reached consensus on three resolutions.

He drew attention to the Director Compensation Review resolution and asked for a motion to approve.

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

VOTED That the Board of Directors hereby approves a review of directors' compensation every three years, as recommended at the September 21, 2026, Director Compensation Committee meeting. This update will be documented within the relevant NHEC Board Policy.

Vote for the motion was unanimous.

Mr. Stringham then drew attention to the Reconstituted Director Compensation Committee resolution and asked for a motion to approve.

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

VOTED That the Board of Directors approves the reconstitution of the Director Compensation Committee, comprising of volunteers who are non-officer Directors of the NHEC Board of Directors, for the primary purpose of considering supplemental compensation for Board Officers, as recommended at the September 21, 2026, Director Compensation Committee meeting.

Vote for the motion was unanimous.

Mr. Darcy suggested that the committee be allowed to consider everything related to director compensation not just board officers as outlined in the next resolution.

Mr. Stringham brought forward the last resolution for Director Compensation Changes to be in effect January 1, 2027, and asked for a motion to approve.

Chair Albee asked for a motion to approve the resolution.

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

VOTED That the Board of Directors approves the following changes to director compensation, effective January 1, 2027, as recommended by the Director Compensation Committee at its September 21, 2026, meeting:

- Directors who attend committees as non-voting members receive \$150 for attendance.
- Standard monthly retainer for directors increases from \$900 to \$1,000, noting that the retainer has not changed since 2022.
- Authorize the Board Chair, at the Chair's discretion, to determine payments to a director when an emergency or unavoidable conflict unexpectedly prevents attendance.
- Directors serving on the NHEC Foundation receive the standard committee meeting rate of \$250 per meeting.
- Authorize the Board Chair, at the Chair's discretion, to reduce the standard \$450 payment for a special meeting when the meeting is brief or requires limited preparation.

Mr. Darcy brought forward a motion to amend the resolution noting that the last bullet on the resolution proposes a provision for allowing the Chair to reduce payment for a brief special meetings duplicated Board Policy B-6 and suggested to remove it. He also suggested to replace the verbiage in the beginning with "The Board of Directors recommends that the reconstituted Director Compensation Committee consider the following recommendations effective January 1, 2027."

Mr. Goodrich seconded the amended motion.

Mr. Stringham commented that the committee agreed to specific recommendations that were in line with what other cooperatives were doing.

Mr. Laufenberg noted that the main reason for the reconstituted committee was specifically for the officers due to a conflict of interest in them voting on their own compensation. The committee has discussed and agreed on the changes already and does not need to be revisited.

Mr. Mongeon agrees there is no need for an amendment.

The vote for the amended motion was 2 in favor, 9 against (Chair Albee, Mr. Dwyer Mr. Mongeon, Mr. Morrill, Ms. Barbour, Ms. Boivin, Mr. Stringham, Mr. Laufenberg, and Mr. Knowlton). The amended motion did not pass.

Ms. Albee clarified that the NHEC board members on the Foundation would get paid by NHEC and if the Foundation decided to compensate the members that volunteer, it would be paid by the Foundation.

Mr. Darcy made a friendly amendment to the original resolution to eliminate the fifth bullet as it is a duplication of an existing policy.

Mr. Laufenberg commented he feels directors should be paid a flat fee monthly instead of by attendance at meetings.

Chair Albee moved the resolution with the friendly amendment and the motion passes unanimously.

Chair Albee appointed Mr. Mongeon, Ms. Barbour, Mr. Knowlton, Mr. Goodrich, and Mr. Dwyer to the newly reconstituted committee and noted they will select a chairperson.

Supplemental E&O Committee

Mr. Mongeon summarized the September 18 supplemental Engineering and Operations Committee meeting, which focused on expanding the existing herbicide opt-out period from one year to five years and improving member communications.

Mr. Darcy asked whether management procedures would permit owners to opt back in and notify successor property owners. Mr. Jennings indicated that opt-back-in requests would be respected but acknowledged that tracking ownership changes across local records may be operationally difficult.

Mr. Goodrich cautioned that the policy could shift vegetation-management costs from opt-out properties to the broader membership and stated that the discussion had not established a link between NHEC herbicide use and cyanobacteria concerns. He urged the Board not to communicate in a manner that implies NHEC's current practices are scientifically unsound.

Mr. Laufenberg questioned whether the Board should establish a five-year term before confirming the feasibility of property-based tracking and new-owner notification. Mr. Jennings described the five-year period as a practical, relatively low-burden improvement while management evaluates a permanent property-based system.

Mr. Mongeon stated that issues raised during the first committee discussion would continue in the second session and suggested that new-member communications could include information about the opt-out program.

Chair Albee clarified that the immediate decision concerned only the duration and communication of the existing opt-out mechanism, not the broader shoreline or scientific debate.

Chair Albee asked for a motion to approve the herbicide opt-out program and enhanced member communication resolution.

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

VOTED WHEREAS, New Hampshire Electric Cooperative ("NHEC") maintains electric distribution rights-of-way to provide safe and reliable electric service and manages vegetation in those rights-of-way in accordance with applicable law; and

WHEREAS, NHEC recognizes that some members prefer not to have herbicides applied on their property and has historically provided an annual opt-out process; and

WHEREAS, the Board desires to improve communication, transparency, and engagement regarding vegetation management activities and herbicide use while maintaining safe and reliable electric service;

NOW, THEREFORE, BE IT RESOLVED, that NHEC shall implement, effective immediately, a five-year herbicide opt-out process for property owners affected by NHEC electric distribution rights-of-way, such that any opt-out election made after adoption of this resolution shall remain in effect for a period of five years, subject to procedures established by management;

BE IT FURTHER RESOLVED, that management shall evaluate alternatives for establishing a permanent property-based herbicide opt-out program and shall assess practical mechanisms for maintaining accurate opt-out records and identifying changes in property ownership, and shall report its findings and recommendations to the Board;

BE IT FURTHER RESOLVED, that management shall review and enhance NHEC's communication and member engagement practices related to vegetation management activities and herbicide use, including consideration of communication methods designed to reach both digital and non-digital audiences, advance notification procedures, stakeholder engagement opportunities, and methods for evaluating the effectiveness of such communications;

BE IT FURTHER RESOLVED, that management shall develop and implement a plan to strengthen engagement with lake associations, watershed organizations, municipalities, and other interested stakeholder groups regarding NHEC's vegetation management program and herbicide practices, including consideration of advance notifications for planned vegetation management activities where appropriate;

BE IT FURTHER RESOLVED, that management shall periodically report to the Board regarding implementation of the five-year opt-out program, communication and stakeholder engagement efforts, participation levels, and any recommendations for further improvement.

The vote for the motion was 10 in favor, 1 opposed (Mr. Goodrich)

Budget, Finance and Rates Committee

Mr. Laufenberg reported that the committee has begun preliminary work on the budget noting that the Engineering and Operations Committee will review the capital construction budget in October. The Budget, Finance, and Rates Committee will meet twice in October and receive the final budget presentation in November before being presented to the Board for action. He further noted that he will be the budget point person while Mr. Dwyer will be the rate point person.

President/CEO Report

Mr. Jennings provided a safety briefing on the use of lithium-ion batteries and emphasized the importance of using the correct charging equipment and replacing any damaged cords. Improper charging, damaged batteries or cords, and excessive heat can trigger a thermal runaway risk, resulting in an intense fire that spread rapidly.

He reported that the co-op power under-collection declined from approximately \$12.5 million to \$8.2 million and the transmission under-collection declined from approximately \$1.8 million to near zero. Approval of a 2% Class III renewable energy certificate requirement, versus the 5% budget assumption, is expected to save approximately \$370,000.

Mr. Jennings stated that 90-day arrearages remain elevated, primarily in residential accounts. Mr. Knowlton asked if it is possible to break apart the population by rate class to see any trends. Ms. Taylor stated this is due to higher winter bills and seasonal disconnection protections and a more detailed accounts receivable report by rate class, assistance status, geography, and write-off trends will be presented at the Budget, Finance, and Rates Committee next month. Mr. Knowlton asked if other cooperatives are having similar experiences and is there any benchmarking on this. Mr. Jennings replied this is new territory for us and he is unsure if other cooperatives are having similar experiences. Chair Albee asked to what extent Project Care is assisting with this. Mr. Knowlton asked if disconnections are also increasing. Mr. Jennings replied he will look at the statistics, but he assumes they would be as well. Ms. Boivin asked how this compares to typical disconnections and what board members can do to advocate more for our members regarding transmission costs. Mr. Jennings stated the more we can manage our load, the more we can save costs as they are allocated based on peak load.

He also reported NHEC is monitoring a dispute involving the city of Epping and Community Power Coalition of New Hampshire.

Mr. Mongeon asked about the AI Council being rolled out and stated that insufficient or inappropriate use of artificial intelligence could present strategic and risk-governance concerns

and encouraged the Board to explore oversights. Mr. Jennings stated there is an internal AI policy and offered to share it with the Board for consideration.

Mr. Darcy commented on Mr. Jennings having discussions with Base Power that has home batteries that are interconnected, which can help the homeowner as well as our system during high peaks. Mr. Dwyer asked whose capital it is, Base Power or the members. Mr. Jennings stated it is Base Powers capital as the member pays a monthly fee to them. He added it is a low-risk proposition to us and would be a similar model to the MOBO battery but at a distributed scale. Mr. Dwyer encouraged NHEC to look at programs that give 100% of the benefit to the member who invests the money.

Director Conference/Training Presentation

Mr. Laufenberg summarized his attendance at two conferences he attended at the NRECA Region 1 & 4 Conference. The first conference was research on communicating affordability and cost and how effective messaging begins with empathy, accepts responsibility for actions within the cooperative's control, and focuses on solutions rather than assigning blame. He highlighted low national awareness among consumers that they belong to a cooperative. He also reviewed increasing capital pressures: borrowing costs, equipment demand, tariffs, supply constraints, and a reported 101% increase in certain grid-equipment costs since 2019.

Mr. Darcy summarized the governance training he attended emphasizing that conventional strategic planning may be too static in uncertain conditions. Boards should spend more time examining future risks and changes, and cooperatives with competitive businesses such as broadband must strengthen market-oriented and innovative capabilities.

He described a Michigan cooperative that used electric-system fiber as a foundation for broadband expansion, illustrating the potential strategic value of extending existing NHEC fiber assets. He also highlighted outage-mapping tools, drone use, NRECA cybersecurity grants and resources, pension prepayment opportunities, 401(k) administration changes involving Voya, and NRECA's commercial-property modernization.

NHEC Foundation Report

Mr. Laufenberg reported there was nothing new to report but noted that a strategic meeting is anticipated later in the year.

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. Darcy, seconded by Mr. Laufenberg, 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 10:43 a.m.

All non NHEC attendees left the meeting.

The Board of Directors came out of executive session at 12:01 p.m. to discuss a disclosure and resolution of a potential conflict of interest involving a director and a GZA GeoEnvironmental (GZA) employee.

Attorney Fahey identified Ms. Boivin as disclosing a potential conflict of interest under Board Policy B-11 because her husband works for GZA, an organization with which NHEC conducts a significant amount of business. His proposed resolution was that the matter could be appropriately managed through disclosure and recusal safeguards, supporting public confidence and avoiding any appearance of impropriety. These safeguards would require the director to recuse herself from Board discussions concerning GZA, refrain from discussing GZA-related matters with NHEC staff, and excuse herself from meetings in which GZA is discussed by the Board or senior leadership to avoid any possible conflict of interest.

Mr. Darcy asked if the current NHEC budget lists contractors as separate line items in a manner that would require Ms. Boivin to recuse herself from overall budget votes. Mr. Jennings confirmed they are not listed as separate line items and would not be an issue.

Ms. Boivin publicly accepted the resolution and stated that she recognizes the potential conflict. She further explained that she and her husband have agreed not to discuss NHEC Board-level business at home.

The Board of Directors approved the resolution unanimously by show of hands and Chair Albee declared the resolution passed.

Chair Albee asked for a motion to go back into executive session for the purposes of discussion of legal, litigation, confidential broadband, and personnel matters.

Upon motion of Mr. Dwyer, seconded by Mr. Knowlton, 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.

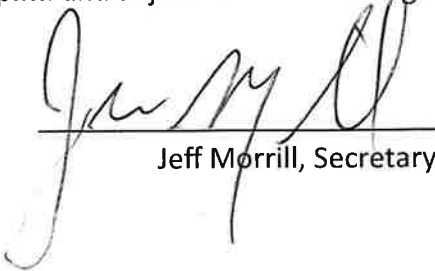
Vote for the motion was unanimous.

The board went back into executive session at 12:05 p.m.

The Board of Directors came out of executive session at 12:10 p.m. and adjourned the meeting.

A TRUE COPY ATTEST:


Alana Albee, Chair of the Board


Jeff Morrill, Secretary