

SUBJECT TO BOARD APPROVAL

MINUTES OF THE
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF

CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE

March 25, 2021

The Regular Meeting of the Board of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) was held on Thursday, March 25, 2021 telephonically and via Zoom at 10:00 a.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all proceedings and actions thereafter recorded occurred in the publicly open portions of the meeting.

The following Member Representatives / Alternate Member Representatives / Municipal Representatives participated telephonically or via Zoom:

Groton Utilities: Ronald Gaudet, Jeffrey Godley, Keith Hedrick
Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Christopher LaRose, Stewart Peil, Robert Staley
Norwich Municipal Representative: David Eggleston
Bozrah Light & Power: Scott Barber, Richard Tanger
South Norwalk Electric & Water: Alan Huth, David Westmoreland
East Norwalk Municipal Representative: Dawn DelGreco
Third Taxing District, South Norwalk: Kevin Barber, Michele Sweeney
South Norwalk Municipal Representative: Pete Johnson
Jewett City Department of Public Utilities: Louis Demicco, Richard Throwe
Jewett City Municipal Representative: George Kennedy

The following CMEEC Staff participated telephonically or via Zoom:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
Bella Chernovitsky, CMEEC Director of Business Intelligence
Michael Cyr, CMEEC Director of Portfolio Management
Patricia Meek, CMEEC Director of Finance & Accounting
Joanne Menard, CMEEC Controller
Michael Rall, CMEEC Director of Asset Management
Gabriel Stern, CMEEC Director of Technical Services
Scott Whittier, CMEEC Director of Enabling Services
Heidi Winnick, CMEEC Financial & Treasury Analyst
Margaret Job, CMEEC Executive Assistant / Paralegal
Ellen Kachmar, CMEEC Office and Facilities Manager

Others participating telephonically or via Zoom:

David Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Chair Kevin Barber called the meeting to order at 10:00 a.m. He stated for the record that today's meeting is being held telephonically and via Zoom. Chair Barber requested all participants mute their devices unless speaking to eliminate confusion and background noise. He requested those present state their name and where they are from when speaking for clarity of the record.

Specific Agenda Items

A Public Comment Period

No public comment was made.

B Conduct Roll Call / Voting Roster

Ms. Job conducted roll call with each member responding individually as their names were called. Following roll call, Ms. Job identified the voting persons at today's meeting. Chair Barber confirmed a quorum was present.

C Approve the Minutes of the Special March 3, 2021 Board of Directors' Meeting.

A motion was made by Municipal Representative Mark Oefinger, seconded by Member Representative Jeffrey Godley to approve the Minutes of the Special March 3, 2021 Board of Directors' Meeting, with Member Representative David Westmoreland abstaining.

Motion passed.

21-03-05

D February 2021 Objective Summary

Mr. Meisinger briefly highlighted the Regional Competitiveness and Customer Fulfillment metrics stating that Regional Competitiveness realized a good month coming in at 3% higher than budget reflecting higher load and low-cost hedges along with little exposure to the spot market pricing volatility. Year-end projection is at 29% versus a target of 31% which brings CMEEC closer to the target projection than last month. He stated this was mostly due to the same factors as well as some offset due to the unbudgeted transmission true up from 2020 and higher projected forward energy and gas prices.

Customer Fulfillment All-In TMR View came in at \$86/MWh versus a target of \$90/MWh. Mr. Meisinger explained this was mostly due to strong project portfolio management and project performance. He added that the year-end projection for this metric was slightly off target but improved over last month.

E February 2021 Project Portfolio Performance

Mr. Rall explained the project portfolio realized a strong month coming in at 14% above budget, excluding Fuel Cell project. He added that the project portfolio came in at 13% above budget year-to-date and year-end is close to budget. Mr. Rall then discussed the factors contributing to these results, including savings on fuel supply costs.

F February 2021 Energy Market Update

Mr. Cyr provided a high-level review of the Energy Market Analysis for February highlighting that actual loads were 73,672/ MWh which was 6,753/MWh higher than budget. Actual Energy Cost was \$43.00/MWh which was \$0.35/MWh lower than budget. Weighted Average Energy Cost at LMPs were \$73.35/MWh and Actual Average Daily Hub Day Ahead LMPs were \$73.12/MWh, ranging from \$27.84/MWh to \$113.71MWh.

Mr. Cyr explained mitigating actions taken in February and walked the Board through the other materials included in the Board package.

**G Audit Committee Report
Possible Vote to Approve Charter
Possible Vote to Approve CMEEC Audited Financials**

Member Representative Stewart Peil, Audit Committee Chair, walked the Board through the revisions made to the Audit Committee Charter provided to the Board in advance of today's meeting. He added that at its meeting in March, the Committee had voted to recommend the revised Charter to the Board for approval and adoption.

Chair Barber entertained a motion to approve and adopt the Revised Audit Committee Charter.

A motion was made by Member Representative Ronald Gaudet, seconded by Municipal Representative Pete Johnson to approve and adopt the Revised Audit Committee Charter.

Motion passed unanimously.

21-03-06

Member Representative Peil explained that this Committee held two meetings in March at which Vanessa Rossitto and Matthew Coit of CliftonLarsonAllen LLP presented the CMEEC Audited Financial Statements and Report for year ending December 2020, which include a comparison to year ended 2019. He stated that the Committee and David Silverstone, Esquire, Municipal Electric Consumer Advocate, were provided the opportunity to ask questions and received answers to their satisfaction.

Ms. Menard added that the auditors provided an unmodified opinion and that there were no deficiencies or material weaknesses found with respect to internal controls.

Discussion followed.

Chair Barber entertained a motion to approve the CMEEC Audited Financials.

A motion was made by Municipal Representative Johnson, seconded by Municipal Representative David Eggleston to Approve the 2020 CliftonLarsonAllen, LLP Audited Financial Statements and Report on the Audit of the CMEEC Financial Statements for the years ended December 2019 and December 2020.

Motion passed unanimously.

21-03-07

H Compensation Committee Report

Possible Vote to Approve CEO Compensation Adjustment for 2020 Performance

Member Representative Alan Huth, Compensation Committee Chair, explained that the Committee met in a Special Meeting on March 5, 2021 to discuss and possibly recommend for approval an adjustment to the CEO base salary and determine a percentage for an incentive bonus. He added that the Committee voted to recommend an increase to the CEO base salary by five percent (5%), retroactive to January 1, 2021, and a one-time incentive bonus of ten percent (10%) of base salary. He further added that the Committee conducted market analysis research to aid in determining an appropriate base salary adjustment, and that the Committee based its bonus recommendation on performance. He stated that this was done to satisfy the requirements of the CEO 's employment agreement that provided that Mr. Meisinger would be eligible for an annual incentive bonus in the range of zero (0%) and twenty (20%) percent of base salary.

Mr. Huth explained that the Compensation Committee is treating this year's method of adjustment of base salary and bonus for the CEO as a one-time practice because in the future, the Compensation Committee will be considering CEO compensation in connection with an incentive program vetted by the Compensation Committee.

Chair Barber entertained a motion to approve the CEO base salary adjustment of five percent (5%) and a one-time incentive bonus of ten percent (10%) of base salary as recommended by the Compensation Committee.

A motion was made by Municipal Representative Eggleston, seconded by Member Representative Godley to approve the CEO base salary adjustment of five percent (5%) retroactive to January 1, 2021, and a one-time incentive bonus of ten percent (10%) of base salary.

Motion passed unanimously.

21-03-08

I Legislative and Governmental Affairs Committee Report

Member Representative Louis Demicco, Legislative and Governmental Affairs Committee Chair, explained that the Committee met on March 11, 2021. They reviewed the talking points for the APPA Legislative Rally. He added that Tim Shea of Brown Rudnick reported on Connecticut legislation affecting CMEEC and that Ms. Kipnis reported on Federal legislation affecting CMEEC. The Committee also discussed the

NEPPA Board of Directors position vacancy that is earmarked for a representative from Connecticut.

Mr. Whittier then provided an overview of the APPA Legislative Rally held virtually on March 1 and 2, 2021 identifying participants from the CMEEC delegation as well as the offices of the congressional representatives with which the CMEEC delegation met. He stated that the meetings went well.

Ms. Kipnis provided an update on SB 952 stating that Mr. Meisinger and Chair Barber's testimony on this bill a few weeks ago helped persuade the Energy & Technology Committee to remove text from the original bill, with some language related to MEU reporting requirements of their progress of carbon reduction remaining in the bill. Discussion followed.

Mr. Meisinger added that the Final version of the DEEP IRP was due to be released on March 12, 2021 but it has not yet been published.

**J Risk Management Committee
Possible Vote to Approve Charter**

Mr. Whittier explained that the Committee met on March 4, 2021 to review revisions to its charter. The Committee also conducted new Committee Member On-boarding and appointed Member Representative Robert Staley as Chair.

Mr. Whittier walked the Board through the revised Charter.

Chair Barber entertained a motion to approve and adopt the Revised Risk Management Committee Charter.

A motion was made by Member Representative Gaudet, seconded by Municipal Representative Johnson to approve and adopt the Revised Risk Management Committee Charter.

Motion passed unanimously.

21-03-09

**K Strategic Planning Committee Report
Possible Vote to Approve Charter**

Municipal Representative Mark Oefinger, Strategic Planning Committee Chair, explained that this Committee met on March 4, 2021 at which he accepted the Committee's nomination re-appointing him as Chair. He stated the Committee also approved its minutes from the meeting held on October 14, 2020 and reviewed the Committee Charter. He noted the only change was to add the on-boarding language to this Charter as has been added to each of the Committee Charters. He reported that the Committee reviewed the public version of the Strategic Plan and that Mr. Meisinger walked the Committee through the Gantt Chart that records the progress towards meeting the Strategic Planning goals. Discussion followed.

Chair Barber entertained a motion to approve and adopt the Strategic Planning Committee Charter.

A motion was made by Member Representative Gaudet, seconded by Municipal Representative George Kennedy to approve and adopt the Strategic Planning Committee Charter.

Motion passed unanimously.

21-03-10

Mr. Meisinger next walked the Board through the public version of the CMEEC Strategic Plan document provided to the Board in advance of today's meeting. He explained that the document itself is reflective of work that staff has done in furtherance of goals under our Communications/Image strategic priority under the Strategic Plan. He added that the document was developed entirely in-house. He stated that the document will be shared publicly on the CMEEC website and rolled out with the CMEEC Annual Report which will be discussed later on today's agenda. Mr. Meisinger explained that the Strategic Plan document in their packets today is essentially final subject to any comments or suggestions from the Board adding that it is desired that the document be finalized next week and uploaded to the CMEEC website.

Discussion followed related to content.

**L NYPA Niagara Contract Renewal Authorization
Possible Vote to Ratify and Approve the Agreement and Authorize Execution by
CMEEC CEO**

Mr. Stern walked the Board through the slide deck presentation provided to the Board in advance of today's meeting. Upon completion of his presentation, the Board and Mr. Silverstone were given the opportunity to ask questions.

Ms. Kipnis then walked the Board through the Resolution noting that it provides a history of the project and provides authorization to the CMEEC CEO to execute the Agreement extending CMEEC's participation in this project through 2032, with any changes deemed appropriate. She explained that additional revisions may be made to the Agreement since it needs to be vetted through the NYPA Board of Directors and then to the Governor of New York. The Resolution provides the CMEEC CEO authority to execute the Agreement with revisions.

Discussion followed.

Chair Barber entertained a motion to Ratify and Approve the Agreement and to Authorize Execution by CMEEC CEO.

A motion was made by Municipal Representative Oefinger, seconded by Member Representative Richard Tanger to ratify and approve the Agreement as provided to the Board at this meeting and authorizes the Chief Executive Officer of CMEEC to execute and deliver the Agreement with such changes as the Chief Executive Officer shall deem necessary and appropriate.

Motion passed unanimously.

21-03-11

M NEPPA Board Seat Nominations

Ms. Kipnis walked the board through the one-page fact sheet developed as an overview of the NEPPA Board. She stated that she is looking for possible nominations to fill the NEPPA Board seat that will become vacant this June, reminding the Board that the initial term of this position will be one year with a three-year term likely to follow.

Lengthy discussion followed in connection with possible nominations to fill the vacancy. Ms. Kipnis reminded the Board that nominations are due to the NEPAA Board by April 1, 2021.

**N Possible Executive Session Pursuant to C.G.S. Section 1-200(6)(B) and 1-210(b)(4)
Possible Vote on FCE Settlement**

Chair Barber inquired who will remain for the Executive Session discussion. Ms. Kipnis identified herself, Mr. Meisinger, Mr. Stern, Mr. Rall and Ms. Job.

Mr. Silverstone stated that if the discussion related to the Subase Project he would like to participate as he has in previous executive session discussions and under the same terms.

Ms. Kipnis reminded the Board that Mr. Silverstone was allowed to participate previously under his agreement that he would not challenge the confidentiality of the materials presented in Executive Session and that he would keep all information learned in Executive Session confidential. Further, that should he receive any inquiry about any Executive Session in which he participates, that he will bring that to the attention of CMEEC. With this caveat, the Board expressed no objections allowing Mr. Silverstone to participate in Executive Session under the stated terms.

Chair Barber entertained a motion to enter Executive Session.

A motion was made by Municipal Representative Kennedy, seconded by Municipal Representative Johnson to enter Executive Session.

Motion passed unanimously.

21-03-12

The basis for entering Executive Session is pursuant to Connecticut General Statutes Sections 1-200(6)(B) and 1-210(b)(4). Members of the Board, Messrs. Meisinger, Rall, Stern, Silverstone and Ms. Kipnis and Ms. Job remained.

The Board entered Executive Session at 11:30 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 12:23 p.m.

O 2020 CMEEC Annual Report

Mr. Meisinger provided a brief history of the Annual Report stating that CMEEC had last published one two years ago, and that before that it had been several years. He added that the creation of an Annual Report is also tied to the Communications/Image strategic priority under the Strategic Plan. He explained that the Annual Report will be uploaded to the CMEEC website and distributed to stakeholders and the general public.

Discussion followed related to content and methods for circulation of the final report.

P MEU Roundtable

Mr. Meisinger explained that the CMEEC Board and Committees continue to meet via Zoom adding that the Legislative and Governmental Affairs Committee meeting on April 8, 2021 is the only Committee meeting currently scheduled to be held in April. He explained that the Compensation Committee meeting scheduled to be held on April 8, 2021 has been canceled and will be rescheduled to a later date.

Mr. Meisinger explained that the Connecticut Department of Housing reached out to Mr. Shea related to the UniteCT program to allocate federal dollars for rent and utility bill payment assistance to certain Connecticut residents. CMEEC is facilitating a discussion with the Department of Housing on which some of the MEU's will participate. He added that the program is on a first come first served basis and CMEEC's goal is to facilitate the program with the MEUs.

The General Managers were provided the opportunity to update the Board on Covid activities at their utilities.

Q New Business

Mr. Meisinger added to the earlier brief discussion on the Data Center legislation that passed recently. He stated that staff has worked with some of the MEU's most affected by this new legislation on the development of a term sheet for the data center developers.

He also thanked Ms. Menard, internal staff and the Audit Committee for the smooth and successful process related to the recent audit of the 2020 financials.

R Adjournment

There being no further business to come before the Board, Chair Barber entertained a motion to adjourn.

A motion was made by Member Representative Godley, seconded by Municipal Representative Eggleston to adjourn.

Motion passed unanimously.

21-03-13

The meeting was adjourned at 12:47 p.m.