

MINUTES OF THE
REGULAR MEETING OF THE

JOINT RISK MANAGEMENT COMMITTEE
OF THE
BOARDS OF DIRECTORS OF
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE
AND
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

March 4, 2021

A Regular Meeting of the Joint Risk Management Committee of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” and “Transco”) met via Zoom and telephonically on Thursday, March 4, 2021 at 10:00 a.m.

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

The following Committee Members participated via Zoom and telephonically:

Bozrah Light & Power: Richard Tanger
Groton Utilities: Ronald Gaudet
Jewett City Department of Public Utilities: Louis Demicco, Kenneth Sullivan
Norwich Public Utilities: Christopher LaRose, Robert Staley
South Norwalk Electric & Water: Alan Huth
TTD, East Norwalk: Kevin Barber
East Norwalk Municipal Representative: Pete Johnson

The following Non-Voting Members participated via Zoom and telephonically:

Groton Municipal Representative: Mark Oefinger

The following CMEEC Staff participated via Zoom and telephonically:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
Patricia Meek, CMEEC Director of Finance & Accounting
Michael Rall, CMEEC Director of Asset Management
Scott Whittier, CMEEC Director of Enabling Services
Margaret Job, CMEEC Executive Assistant / Paralegal

Others participating via Zoom and telephonically:

David Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Interim Committee Chair Kenneth Sullivan called the meeting to order at 10:00 a.m. noting for the record that today's meeting is being held via Zoom and telephonically. Interim Committee Chair Sullivan explained the conduct of today's meeting stating participants should keep their devices on mute unless speaking to eliminate background noise and to state their names when speaking for clarity of the record.

Specific Agenda Item

A Public Comment

No public comment was made.

B Roll Call

Ms. Job conducted roll call with each participant responding individually as their names were called. Interim Committee Chair Sullivan confirmed a quorum was present.

C Conduct New Committee Member Onboarding

Mr. Whittier walked the Committee through the New Committee Member Onboarding packet of materials provided to this Committee in advance of today's meeting. He highlighted the Risk Management Committee Charter in the packet of materials stating that Charter is also on today's agenda for amendment to include a new section reflecting new committee member onboarding. Mr. Whittier provided an overview of this Committee's minutes of its 2020 meetings and walked the Committee through its meeting schedule for 2021. The Committee was given the opportunity to ask questions.

D Selection of Joint Risk Management Committee Chair

Interim Committee Chair Sullivan requested to be removed from consideration for appointment to serve as Chair of this Committee and opened the floor for nominations.

Committee Member Ronald Gaudet made a **Motion** to **appoint Committee Member Robert Staley** as Chair of the Risk Management Committee, which was **Seconded** by Committee Member Pete Johnson.

Motion passed unanimously.

Committee Member Staley requested his incumbency as Committee Chair begin at the next Committee meeting scheduled for May 6, 2021 and also briefed the Committee on how his expertise will benefit the Committee. The Committee agreed that Interim Committee Chair Sullivan would chair today's meeting.

E Approve Minutes of the October 23, 2020 Regular Meeting of the Joint Risk Management Committee

A motion was made by Committee Member Ronald Gaudet, seconded by Committee Member Staley to Approve the Minutes of the October 23, 2020 Regular Meeting of the Joint Management Committee, with Committee Member Richard Tanger abstaining.

Motion passed.

F Review of Joint Risk Management Committee Charter

Ms. Kipnis walked the Committee through the redline of the proposed language that adds an onboarding process for new Committee members. She explained that the new language codifies the responsibility to onboard new members of the Committee.

Interim Committee Chair Sullivan entertained a motion to adopt the amended Charter as presented at today's meeting.

A motion was made by Committee Member Johnson, seconded by Committee Member Gaudet to Adopt the Risk Management Committee Charter as amended and presented to the Committee today.

Motion passed unanimously.

G Discussion: 2021 Joint Risk Management Committee Self-Evaluation and Establishment of Joint Risk Management Committee Goals for 2021

Mr. Whittier briefly reviewed the results of the Committee's self-evaluation it completed at the end of last year. He walked the Committee through the goals created as a result of that self-evaluation. Lengthy discussion followed in connection with the development of goals for the Committee for 2021.

The Committee agreed it would task itself with the following goals, all of which will be further developed as part of the Committee's work on the Growth section of the Strategic Plan that was approved by the board in October 2020:

- Review project performance on a staggered two-year basis [or sooner if there is significant deviation in proforma and actual]. Mr. Rall to provide a schedule to the Committee.
- Establish risk mitigation/due diligence methods for new and existing projects
- Re-establish monthly Board reporting comparing proforma and actual, with a five-year look-back and a five-year projection.

H Discussion: Strategic Planning Initiatives Assigned to this Committee

Mr. Meisinger explained that as staff works through the Strategic Planning goals and subgoals, especially as they relate to the Growth section of the Strategic Plan, these will have to be incorporated into the Enterprise Risk Management Policy. This means that when the ERMP is revised, the Committee will have to review the Policy.

Mr. Meisinger explained that the work conducted under the Strategic Plan in the formalization of a comprehensive vetting and the due diligence process of projects will be applied to both new and existing projects.

I Possible Executive Session Pursuant to C.G.S. Section 1-200(6)(D): Pierce Project

J Possible Executive Session Pursuant to C.G.S. Section 1-200(6)(B) and 1-210(b)(4): Update on Tesla Project

Ms. Kipnis explained that David Silverstone, Municipal Electric Consumer Advocate, has agreed that if he is allowed to participate in the Executive Sessions at this meeting, he would do so under the same terms and conditions as those agreed to for his participation during executive session discussion at the CMEEC Board meeting on February 25, 2021. She summarized these as his agreement to keep all information learned in Executive Session confidential and should he receive any inquiry about the discussion in Executive Session today, he will bring that to CMEEC first to resolve. Mr. Meisinger added that a Non-Disclosure Agreement will be pursued for any future meetings at which Mr. Silverstone is invited to attend an executive session. There were no objections by the Committee or Mr. Silverstone.

Ms. Kipnis suggested entering Executive Session once to discuss both Agenda Items I and J so that both discussions could take place without having to leave and re-enter Executive Session.

Interim Committee Chair Kevin Sullivan entertained a motion to enter Executive Session to discuss Agenda Items I and J.

A motion was made by Committee Member Pete Johnson, seconded by Committee Member Robert Staley to enter Executive Session.

Motion passed unanimously.

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

The Board entered Executive Session at 11:17 a.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Board re-entered Public Session at 12:30 p.m.

The Committee agreed that Mr. Kipnis will proceed with the strategy discussed in Executive Session in connection with negotiations related to a possible claim against Tesla.

K New Business

There was no new business to discuss.

L Adjournment

There being no new business to come before this Committee, Interim Committee Chair Sullivan entertained a motion to adjourn.

A motion was made by Committee Member Staley, seconded by Committee Member Kevin Barber to adjourn.

Motion passed unanimously.

The meeting was adjourned at 12:30 p.m.