

CMEEC Board of Directors' Regular Meeting

February 26, 2015

MINUTES

The Board of Directors (referred to hereafter as the “Board” or the “BOD”) of the Connecticut Municipal Electric Energy Cooperative (“CMEEC”) conducted a regular meeting of the Board on February 26, 2015 at CMEEC’s offices, 30 Stott Avenue, Norwich, CT.

The meeting was legally noticed in compliance with Connecticut State law and all proceedings and actions hereinafter recorded occurred during the publicly open portions of the meeting.

Chairman J. Sullivan called the meeting to order at 9:30 a.m. and determined that a quorum was present.

The following Member Representatives/Directors participated:

Jewett City – Louis Demicco, Kenneth Sullivan
Groton – Edward DeMuzzio, David Collard
Norwich – James Sullivan, Steven Sinko
East Norwalk – James Smith
South Norwalk – Mark Harris, Paul Yatcko (by phone), Scott Whittier

The following individuals from CMEEC management and staff participated:

Drew Rankin, CMEEC, Chief Executive Officer
Edward Pryor, CMEEC, Chief Financial Officer
Justin Connell, CMEEC, Director, Portfolio Management
Brian Forshaw, CMEEC, Chief Regulatory and Risk Officer
Michael Rall, CMEEC, Director, Asset Management
Gabriel Stern, CMEEC, Director, Technical Services
Philip Sussler, CMEEC, General Counsel
Ellen Kachmar, CMEEC, Office and Facility Manager

The following individuals were also present:

Tom Bachey, Groton Utilities, Interim Director of Utilities

Ms. Kachmar recorded.

Mr. Rankin introduced Tom Bache, the Interim Director for Groton Utilities, who is overseeing the utility until a replacement for the vacant Director position is filled. Mr. Rankin noted he has had the pleasure of knowing and working in the past with Mr. Bache at large electric utility companies, such as Cinergy and Duke Energy, and has known him for the past 35 years.

Chairman Sullivan requested CMEEC notify the Board of meeting locations for upcoming Board meetings as the locations will vary throughout the year.

Standard Action Items

(A) Approval of the Minutes of the CMEEC January 22, 2015 regular Board of Directors' Meeting

A motion was made by Director Collard, seconded by Director Smith, to approve the Minutes of the January 22, 2015 regular CMEEC Board of Directors' Meeting.

Vote passed unanimously.

(15-02-01)

Specific Action Items

(B) Resolution Approving Board Committee Changes

Mr. Rankin reported the Joint CMEEC and CTMEEC Governance Committee had convened to discuss 2015 committee vacancies resulting from John Hiscock's retirement from South Norwalk Electric and Water (SNEW), and Paul Yatcko's change in employment from Groton Utilities to SNEW. The Governance Committee recommended Mr. Yatcko join the Joint Compensation and Policy Committee, where Mr. Hiscock served, remain Chairman of the Joint Risk Management Committee, and vacate his position on the Governance Committee. Mr. Harris, a Board Director from SNEW, will occupy Mr. Hiscock's place on the Budget and Finance Committee. Other vacant positions created because of Mr. Hiscock's retirement will be by Board appointment at a later date.

A motion was made by Director Sinko, seconded by Director Demicco, to approve Resolution 15-02-02, Approving Board Committee Changes as described above.

Vote passed unanimously.

(15-02-02)

(C) Objective Summary Review.

Mr. Rankin provided a discussion of the summary dashboard report on CMEEC operations and metrics included in the package of materials previously distributed to the Board in advance of the meeting. Each Objective and associated metric was summarized, with miscellaneous questions asked and answers provided regarding budget versus actual performance.

Director DeMuzzio requested enhanced explanation of the new data tables accompanying the Objective Summary. Chairman Sullivan suggested the Budget and Finance Committee meet to discuss which performance metrics the group would like to see as a Board and as customers.

Chairman Sullivan announced Director Bilda is currently serving as acting City Manager of the City of Norwich, on an interim basis for the next 4 to 6 months. During this period, Director Sinko will be assuming Director Bilda's responsibilities on the Board until Director Bilda's return.

(D) January Market Analysis

Mr. Connell reported January energy costs were under budget by 5.75%. He noted that actual demand was above budget, and unit contingent resources were below budget. Mr. Connell described a unit contingent resource insurance plan that CMEEC engaged in and how it affected the January energy costs.

(E) Forward Capacity Market Auction 9 Results Summary

Mr. Forshaw reported on the results of the recently conducted ISO-New England Forward Capacity Market Auction for the commitment period 2018 / 2019. Mr. Forshaw noted that the final clearing prices were lower than expected, but that the overall annual cost to load in New England increased from \$3 billion in the previous auction, to \$4 billion in this one, and that this was the first auction to use a system-wide demand curve to set the price.

Mr. Forshaw reminded the Board that a small group from the Municipal Electric Utilities ("MEUs") would be attending the APPA Legislative Rally in early March, and he would provide the presentation materials to be utilized to the Board.

(F) TTD Retail Border Customer Issue Summary

Director Smith described a declaratory ruling proceeding currently pending before the Public Utilities Regulatory Authority ("PURA") initiated by a customer whose property straddles the service area border between TTD and the neighboring investor owned electric utility. Director Smith provided the presentation to update the other Directors concerning the particular circumstances under review in the PURA proceeding and its possible generic implications and for purposes of raising awareness among the Directors regarding the general legal context relating to border customers in Connecticut.

Motion to enter into Executive Session for the purpose of discussing the status of three potential projects, with the direction to the Chair to direct that the meeting enter back into public session upon completion of the discussion.

A motion was made by Director Demicco, seconded by Director Harris, to go into executive session.

Vote passed unanimously.

(15-02-03)

The basis for going into executive session was Conn. Gen. Stat. Section 1-200(6)(E) (entailing discussion of any matter which would result in the disclosure of public records or information contained therein described in sub-sections (b)(1), (5) and (7) of section 1-210).

The meeting went into executive session at 11:13 a.m. Present during the executive session were the Directors and Alternates, and Messrs. Rankin, Sussler, Connell, and Rall.

The meeting came out of executive session at 12:22 p.m.

A motion was made to adjourn the meeting by Director L. Demicco, seconded by Director Harris.

Voted passed unanimously

(15-02-04).

There being no further matters to be discussed, the meeting was adjourned at 12:22 p.m.

Resolution

Appointment of Committee Members

Connecticut Municipal Electric Energy Cooperative

Board of Directors Meeting

Resolution 15-02-02

RESOLUTION FOR APPOINTMENT OF BOARD OF DIRECTOR COMMITTEE MEMBERS

WHEREAS, at its prior meetings, the Board of Directors of CMEEC (the “BOD”) had (i) appointed by resolution persons to serve on the various Committees of the BOD during 2015, and (ii) in anticipation of the pending retirement of John Hiscock as General Manager of South Norwalk Electric and Water (“SNEW”), had, in such resolutions, indicated that, upon Mr. Hiscock’s retirement, the Committee positions to which he was appointed would be filled by a new designee from SNEW.

WHEREAS, in addition, Mr. Paul Yatcko, who also serves on several of the Board Committees, pursuant to appointment by the prior resolutions, has now been appointed as the General Manager of SNEW, replacing Mr. Hiscock, and leaving his former position as General Manager of Groton Utilities (“GU”), in which former capacity Mr. Yatcko also served on certain of the BOD Committees.

WHEREAS, in order to fill the positions of the BOD Committees, occasioned by the retirement of Mr. Hiscock, the new position of Mr. Yatcko and SNEW’s designation of Mr. Yatcko as a representative of SNEW serving on the CMEEC BOD in replacement of Mr. Hiscock, the Governance Committee of the BOD recommends to the BOD that the BOD Committee positions, resulting from these changes in personnel, be modified as provided in Attachment A

NOW THEREFORE BE IT RESOLVED BY THE BOARD AS FOLLOWS:

The BOD does hereby confirm and otherwise approve and appoint the slate of BOD Committee Members, for service during the balance of 2015 or until otherwise replaced by the BOD as provided in Attachment A.

February 26, 2015


Edward DeMuzzio
Secretary

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| CMEEC Board of Directors Chairperson |
| James Sullivan |

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| CTMEEC Chairman of the Board |
| Paul Yatcko |

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| CMEEC Vice-Chairperson |
| Kenneth Sullivan |

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| CTMEEC Vice-Chairperson |
| John Bilda |

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| CMEEC Secretary |
| Edward DeMuzzio |

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| CMEEC Assistant Secretary |
| Philip Sussler |

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| CTMEEC Secretary |
| Louis Demicco |

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| CTMEEC Assistant Secretary |
| Philip Sussler |

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| CMEEC Treasurer |
| James Smith |

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| CMEEC Assistant Treasurer |
| Edward Pryor |

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| CTMEEC Treasurer |
| Scott Whittier |

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| CTMEEC Assistant Treasurer |
| Edward Pryor |

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| CMEEC Chief Executive Officer |
| Drew Rankin |

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| CTMEEC Chief Executive Officer |
| Drew Rankin |

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| CMEEC Chief Financial Officer |
| Edward Pryor |

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| CTMEEC Chief Financial Officer |
| Edward Pryor |

| Joint Audit Committee | |
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| Board Members | CMEEC Coordinator |
| Chairperson David Collard | Edward Pryor |
| Mark Harris | |
| Kenneth Sullivan | |
| James Smith | |
| Stephen Sinko | |

| Joint Budget and Finance Committee | |
|---|---------------------|
| Board Members | CMEEC Coordinator |
| Chairperson James Smith | Edward Pryor |
| Mark Harris | |
| Kenneth Sullivan | |
| Ed DeMuzzio | |
| Jim Sullivan | |

| Joint Compensation and Policy Committee | |
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| Board Members | CMEEC Coordinator |
| Chairperson John Bilda | Drew Rankin |
| Edward DeMuzzio | |
| Paul Yatcko | |
| James Smith | |

| Joint Governance Committee | |
|---|--------------------|
| Board Members | CMEEC Coordinator |
| Chairperson Scott Whittier | Drew Rankin |
| Richard Throwe | |
| Stephen Sinko | |
| <i>Open - Suggest Filled by GU Member</i> | |

| Joint Risk Management Committee | |
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| Board Members | CMEEC Coordinator |
| Chairperson Paul Yatcko | Brian Forshaw |
| Edward DeMuzzio | |
| John Bilda | |
| <i>Open - Suggest TTD or JCDFU or both</i> | |

| Joint Legislative Committee | |
|--|----------------------|
| Board Members | CMEEC Coordinator |
| Chairperson James Sullivan | Brian Forshaw |
| David Brown | |
| Louis Demicco | |
| David Collard | |
| <i>Open</i> | |