

CMEEC Board of Directors' Regular Meeting

May 28, 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 May 28, 2015 at AmericInn, 375 Voluntown, Road, Jewett City, Connecticut.

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 9:40 a.m. and determined that a quorum was present.

The following Member Representatives/Directors participated:

Jewett City – Louis Demicco, Kenneth Sullivan, Richard Throwe
Groton – Edward DeMuzzio, David Collard
Norwich – James Sullivan, Steven Sinko, John Bilda
East Norwalk – David Brown, James Smith
South Norwalk – Mark Harris, Paul Yatcko, Scott Whittier

The following individuals from CMEEC management and staff participated:

Drew Rankin, CMEEC, Chief Executive Officer
Justin Connell, CMEEC, Director, Portfolio Management
Michael Rall, CMEEC, Director, Asset Management

Mr. Rankin recorded.

Standard Action Items

(A) Approval of the Minutes of the CMEEC March 26, 2015 regular Board of Directors' Meeting

A motion was made by Director Harris, seconded by Director Demicco, to approve the Minutes of the March 26, 2015 regular CMEEC Board of Directors' Meeting.

Vote passed unanimously.

(15-05-01)

Specific Action Items

(B) 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.

(C) Electric Boat Wholesale Power "Special" Contract Resolution Vote

Mr. Rankin reported the current EB contracts for wholesale power will expire on 12/31/16. The special contract structure being negotiated enables EB to have a synthetic wholesale structure for specific load elements, so their wholesale cost is solely dependent on their load elements. The Risk Management Committee has reviewed the contract terms and recommends approving the resolution.

A motion was made by Director Demicco, seconded by Director Harris, authorization for CMEEC's CEO to finalize and execute the Groton Utilities and Electric Boat (EB) extension and new five (5) or ten (10) year contracts.

Vote passed unanimously.

(15-05-02)

(D) April Market Analysis Summer

Mr. Connell reported energy costs were 4.68% under budget in April, actual demand was 501 MW higher, and Unit Contingent resources were 2,799 MWh higher than budget. Natural gas transportation costs were much lower than expected and budgeted for the month.

(E) Proposed Changes to Future Board Meeting Agenda

Mr. Rankin described the evolution of Board meetings over the past 5 years from a more narrative structure to a more performance trending structure based on traditional commodity business models and nine objectives selected by the Board in 2011. Mr. Rankin then described key attributes and principles of the Next Generation Board Processes and Tool Set. The next generation of Board meetings will be Minutes approval, required specific actions, the objective summary, market analysis, CMEEC financials, and an insight session.

A motion was made by Director Demicco, seconded by Director Yatcko, to enter Executive Session and to return to regular session upon completion of the Executive Session topics.

Voted passed unanimously

(15-05-03)

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

Voted passed unanimously

(15-05-04).

There being no further matters to be discussed, the meeting was adjourned at 1:30 p.m.

Draft 1.0 [May 5, 2015]

Connecticut Municipal Electric Energy Cooperative

Board of Directors Meeting

Resolution 15-05-02

Authorization for Negotiation and Execution of a Renewed CMEEC-GU EB Special Contract

WHEREAS, there are (i) an existing agreement between the City of Groton, acting by and through its municipal electric utility, Groton Utilities (“GU”) and the Electric Boat Corporation (“EB”), dated January 26, 2009 (the “Existing GU-EB Special Contract”) with a term running to December 31, 2016, and (ii) an existing agreement by and between the Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and GU, dated July 5, 2011 (the “Existing CMEEC-GU EB Special Contract”) of the same term as the Existing GU-EB Special Contract, pursuant to which CMEEC supplies the Electric Products to GU which GU resells to EB pursuant to the Existing GU-EB Special Contract; and

WHEREAS, CMEEC desires to enter into an agreement with GU with respect to the supply by CMEEC to GU of Electric Products for resale by GU to EB under an agreement for an additional extended term, replacing the Existing CMEEC-GU EB Special Contract (such agreement referred to herein as the “Renewed CMEEC-GU EB Special Contract”) and pursuant to which CMEEC supplies to GU the Electric Products to be resold by GU to EB under a new agreement to be negotiated between GU and EB following the expiration of the term of the Existing GU-EB Special Contract) (such latter new agreement referred to here as the “Renewed GU-EB Special Contract”); and

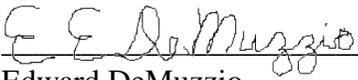
WHEREAS, GU contemplates initiating negotiations with EB of the Renewed GU-EB Special Contract; and

WHEREAS, CMEEC and GU desire to enter into the Renewed CMEEC-GU EB Special Contract to align the term and other terms and conditions of supply of Electric Products with the Renewed GU-EB Special Contract, in format substantially equivalent to the arrangements presently employed by CMEEC for special contract customers of the municipal electric utility (“MEU”) customers of CMEEC full requirements electric supply; and

NOW THEREFORE BE IT RESOLVED, that the CMEEC Board of Directors authorizes the Chief Executive Officer of CMEEC to negotiate, finalize and execute, on behalf of CMEEC, the Renewed CMEEC-GU EB Special Contract, containing terms which will be aligned with the terms of the Renewed GU-EB Special Contract and is generally consistent with CMEEC’s arrangements with other special contract customers of the MEU customers of CMEEC full

requirements supply and conforms to and constitutes a special contract pursuant to section 2.3 of the Replacement Power Sales Contract by and between CMEEC and GU.

May 28, 2015



Edward DeMuzzio
Secretary