

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

BOARD OF DIRECTORS MEETING

MMWEC ADMINISTRATIVE OFFICES
LUDLOW, MA

AND

MMWEC VIA ZOOM

REGULAR SESSION
February 22, 2023

MINUTES

A. PROCEDURE

1. Call to Order

Chairman Flynn called the meeting to order at 10:02 a.m. and, following a roll call, stated that a quorum was present.

Those present:

Directors and Officers:

Chairman Michael Flynn; Director Tara Rondeau; Director Joseph Sollecito; Director James Lavelle; Director Christopher Roy; Director Kevin Kelly; Director James Gennette; CEO and Secretary Ronald C. DeCurzio; President Peter Dion; Executive Director, Energy & Financial Markets and Treasurer Matthew J. Ide; Assistant Treasurer and Treasury and Financial Markets Manager Maria McCarthy; Assistant Secretary and Director of Communications and External Affairs Kate Roy; General Counsel Ryan Barry

Members:

Joe Kowalik, Marblehead Manager; Panos Tokadjian, Hull Manager; Jonathan Fitch, West Boylston Manager; James Lisowski, Chicopee Manager; Mark Barakian, Boylston Manager; Sean McKeon, Princeton Manager

Others:

Director of Engineering and Generation Assets Brian Quinn; Engineering Supervisor Jason Viadero; Director of Financial Reporting and Corporate Technology Carol Martucci; Director of Business Support and Administrative Services Eric Womack;; Administrative Services Coordinator Heather Santaniello; Director of Energy Markets Justin Connell; outside counsel Nicholas Scobbo; outside counsel Sherry Vaughn.

2. Approval of Agenda

Chairman Flynn asked for approval of the agenda. A motion was made by Ms. Rondeau, seconded by Mr. Kelly and it was unanimously voted to accept the agenda as presented.

B. CURRENT AGENDA

1. Member and Participant Comments

There were no member or participant comments.

2. Approval of Regular Session Meeting Minutes

Mr. Flynn presented the draft regular session minutes of the following meetings of the Board: March 30, 2022; May 5, 2022; August 11, 2022; and October 12, 2022. It was moved by Mr. Sollecito, seconded by Ms. Rondeau, and unanimously voted to approve the minutes of said meetings as presented.

3. Project 2020A Common Facilities (Vote)

Mr. Quinn and Mr. Viadero presented. Project 2020A ties into the electrical grid using certain equipment at the Stony Brook Energy Center (SBEC). If Project 2020A could not use such equipment to tie into the electrical grid, it would have had to create its own interconnection infrastructure at significant cost to Project 2020A participants. Pursuant to the "Transmission Agreement – MMWEC Phase 1 Units" dated October 1, 1977 and amended February 21, 1978 (the "Transmission Agreement"), MMWEC has the authority and responsibility to allocate the costs of owning, operating, and maintaining commonly used equipment at SBEC among users, including later-added participants like Project 2020A. MMWEC must now allocate part of the cost of owning, operating, and maintaining commonly used equipment at SBEC to Project 2020A and amend the Transmission Agreement accordingly.

MMWEC considered several options for allocating costs among participants and concluded that the most equitable method of apportionment is by MW capacity. This

method is consistent with the methods used for Seabrook, Millstone, Berkshire Wind, and other projects. Allocating costs by actual MWh would be inequitable because it would result in Project 2020A contributing a *de minimus* share of costs while receiving a significant benefit. Furthermore, the allocation would change from year to year based on actual generation, which would pose administrative issues.

Mr. Sollecito asked whether the MW capacity allocation method would be reasonable and acceptable if the various projects involved has unrelated developers. Mr. Viadero stated that it would, based on precedent for other projects with multiple, unrelated participants.

Mr. Kowalik asked whether this allocation method is consistent with the Project 2020A budget as presented. Mr. Viadero stated that it was, and that it still represented a savings to Project 2020A. The Project 2020A budget has a \$150,000 line item for interconnection. The costs paid by Project 2020A under the proposed allocation method is only slightly above that, and significantly less than what it would have cost to create independent interconnection infrastructure.

Mr. Roy asked if there is a threshold for amending the Transmission Agreement when a new project is added. Mr. Scobbo stated that there is no threshold.

There being no further discussion, a motion was made by Mr. Sollecito, seconded by Ms. Rondeau, and it was unanimously

(23-10) VOTED: THAT WHEREAS, in accordance with St. 1975, c, 775, Section 5(p), the Massachusetts Municipal Wholesale Electric Company ("MMWEC") is in the process of constructing a solar generation facility known as Project 2020A that will provide a renewable, non-carbon emitting energy resource for the MMWEC member Project Participants in Project 2020A;

WHEREAS, Project 2020A will be located at MMWEC's Stony Brook Energy Center and shall use the transmission facilities currently in place and used for the generating units known as "Stony Brook Intermediate" and "Stony Brook Peaking" (the "Transmission Facilities");

WHEREAS, Stony Brook Intermediate and Stony Brook Peaking are subject to the Transmission Agreement MMWEC Phase I Units, which was entered into as of the first day of October 1977 by and among MMWEC, Green Mountain Power Corporation ("GMPC"), a Vermont corporation, and the Village of Lyndonville

Electric Department, a Vermont municipal electric system (“LED”) (the “Transmission Agreement”);

WHEREAS, amendments to the Transmission Agreement are required in order for Project 2020A to use the Transmission Facilities;

WHEREAS, Section 11 of the Transmission Agreement allows MMWEC to unilaterally amend the Transmission Agreement because MMWEC owns more than 75% of Stony Brook Intermediate and owns 100% of both the Stony Brook Peaking and Project 2020A; and

WHEREAS, MMWEC’s Chief Executive Officer and MMWEC Staff have determined that it is prudent and in the best interest of MMWEC to amend the Transmission Agreement to allow Project 2020A to use the Transmission Facilities.

WHEREFORE, it is voted that the Board of Directors accepts the recommendation of MMWEC’s Chief Executive Officer and MMWEC Staff and hereby votes to:

- a) approve the use of the Transmission Facilities by Project 2020A;
- b) authorize the Chief Executive Officer with the advice of MMWEC’s counsel, to: (1) execute the First Amendment to the Transmission Agreement substantially in the form of the First Amendment to the Transmission Agreement attached to this vote, presented at this meeting, and made a part of the records of this meeting, and (2) make such amendments, additions, or deletions to the First Amendment to the Transmission Agreement, as are deemed necessary or appropriate, all without the need for further action or approval by the MMWEC Board of Directors;
- c) authorize and direct the Chief Executive Officer and his designees to carry out, or cause to be carried out, all obligations of MMWEC under the First Amendment to the Transmission Agreement and to perform and undertake such other actions as they, in consultation with MMWEC’s counsel, shall consider necessary or advisable to accomplish the purposes of this Vote;
- d) approve and authorize MMWEC’s Chief Executive Officer and his designees, with the advice of MMWEC’s counsel, to execute, deliver or accept such additional documents, and take any and all

further actions as may be reasonably required to carry out, give effect to and consummate the transactions contemplated by this Vote;

e) authorize and direct MMWEC's Chief Executive Officer and his designees to carry out or cause to be carried out all obligations of MMWEC for the use of the Transmission Facilities by Project 2020A and to perform and undertake such other actions as they, in consultation with MMWEC's counsel, shall consider necessary or advisable to accomplish the purposes of and to carry out the intent of this Vote;

f) indemnify all MMWEC officers and directors and MMWEC's counsel in accordance with and pursuant to Article VII of the MMWEC By-laws for all actions taken in connection with the First Amendment to the Transmission Agreement; and

g) ratify and confirm all previous actions taken by MMWEC's Chief Executive Officer, MMWEC Staff, and MMWEC's counsel for the purposes of the First Amendment to the Transmission Agreement.

C. EXECUTIVE SESSION

A motion was made by Mr. Kelly, seconded by Ms. Rondeau, that the Board enter into executive session for the purpose of discussing trade secrets or commercial or financial information the disclosure of which would adversely affect MMWEC's ability to conduct business in relation to other suppliers of electric power and energy, under St. 1975, c.775 Section 19(a), and to reconvene the meeting in Open Session upon termination of the Executive Session for the purpose of adjournment. The vote was taken by roll call and was unanimously in favor.

It was:

(VOTED 23-11): To enter Executive Session pursuant to St. 1975, c. 775 Section 19(a) for the purpose of discussing trade secrets or commercial or financial information the disclosure of which would adversely affect MMWEC's ability to conduct business in relation to other suppliers of electric power and energy and that upon termination of the Executive Session, the Board Meeting will be reconvened in Regular Session to adjourn the meeting.

The Board entered Executive Session at 10:34 a.m.

The Board meeting reconvened Regular Session at 10:59 a.m.

The Board reconvened in open session after the conclusion of executive session.

D. SPECIAL PROJECT 2023A

A motion was made by Mr. Kelly, seconded by Mr. Sollecito, and it was unanimously

(23-12) VOTED: THAT WHEREAS, the Massachusetts climate law (Acts of 2021 Ch. 8, An Act Creating a Next Generation Roadmap for Massachusetts Climate Policy) sets requirements for municipal light plants with respect to carbon-free energy and establishes non-carbon emitting power portfolio standards which meet certain levels culminating with a net-zero carbon emission position in 2050;

WHEREAS, MMWEC's Members will require carbon-free energy to meet the requirements of the Massachusetts climate law; and

WHEREAS, MMWEC's staff, after consideration and analyses recommends that the MMWEC Board of Directors creates a Special Project for purposes of solicitation, structuring, and executing contracts for the procurement and sale to Members carbon-free energy and nuclear-based emissions free energy certificates meeting the requirements set forth in Rule 2.3 in the NEPOOL GIS Operating Rules derived from the Seabrook Nuclear Power Station;

NOW HEREOFRE it is voted that:

(a) The Board of Directors accepts the recommendation of MMWEC staff and hereby establishes Special Project 2023A for the purpose of entering into a product supply agreement with NextEra Marketing, LLC to meet the non-carbon emitting requirements of the MMWEC Members; and

(b) The Board of Directors hereby authorizes the Chief Executive Officer or his designee, with the advice of counsel, to prepare and distribute to the MMWEC Members the Participant Acknowledgment, a waiver, and any other legal documents necessary for participation in Special Project 2023A; and

(c) The Chief Executive Officer or his designee is hereby authorized to make such recommendations to MMWEC Members for participation in Special Project 2023A as he deems advisable; and

(d) The Board of Directors hereby approves the Power Purchase Agreement ("PPA") between MMWEC and its Members, substantially in

the form of the PPA presented to the Board at this meeting and made a part of the record of this meeting; and

(e) The Board of Directors hereby approves the Carbon-Free Energy and EFEC Product Supply Agreement (“Product Supply Agreement”) between MMWEC and NextEra Marketing, LLC, substantially in the form of the Product Supply Agreement presented to the Board at this meeting and made a part of the record of this meeting; and

(f) The Chief Executive Officer or his designee, with the advice of counsel, is hereby authorized and directed to use his discretion to create, draft, review, revise, negotiate and approve such other legal documents and have written legal opinions issued as necessary to be utilized in the development of Special Project 2023A, without the need for further approval from or act by this Board; and

(g) The Chief Executive Officer or his designee, with the advice of counsel, is hereby authorized and directed to use his discretion to make any changes, additions, edits or deletions to the form of the Product Supply Agreement and/or the form PPAs for MMWEC Members as he deems necessary; and

(h) The Board of Directors hereby declares participation in Special Project 2023A by MMWEC Members to be voluntary and in compliance with the MMWEC Service Agreement and By-laws; and

(i) The Board of Directors hereby determines that all, a portion or none of the funds paid into the Special Project Fund pursuant to a Participation Acknowledgement by a Special Project Participant shall be refunded to such Special Project Participant, if the Special Project Participant determines not to execute a PPA and there are a sufficient number of Special Project 2023A Participants who do execute PPAs; and

(j) The Board of Directors hereby ratifies and confirms any actions previously taken by the Chief Executive Officer, counsel to MMWEC, and/or MMWEC Staff which are consistent with the purposes of the vote; and

(k) The Board of Directors hereby authorizes the Chief Executive Officer to execute and deliver the Product Supply Agreement, PPAs, and/or any other documents, contracts or agreements with such changes and amendments thereto as the Chief Executive Officer with advice of

counsel, may deem necessary or appropriate, without need of further approval by or action from this Board; and


(l) The Board of Directors authorizes the Chief Executive Officer or his designee to take such other actions, with advice of counsel, as he deems necessary to carry out the intent of this vote; and

(m) The Board of Directors acknowledges the determination of the Chief Executive Officer that the Product Supply Agreement is a trade secret or commercial or financial information in accordance with St. 1975, c.775, §19(a), and that disclosure of the same would adversely affect MMWEC's ability to conduct business in relation to other suppliers of electric power and energy.

There was no further discussion. A motion was made by Mr. Sollecito and seconded by Ms. Rondeau and Chairman Flynn declared the Regular Session of the Board of Directors' Meeting adjourned at 11:02 a.m.

A TRUE RECORD

ATTEST:



Ryan J. Barry, General Counsel to MMWEC