

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY
BOARD OF DIRECTORS MEETING
MMWEC ADMINISTRATIVE OFFICES
LUDLOW, MA
AND
MMWEC VIA ZOOM
REGULAR SESSION
March 29, 2023
MINUTES

A. PROCEDURE

1. Call to Order

Chairman Flynn called the meeting to order at 10:09 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; Town of Ludlow Representative James Gennette; Director Jonathan Blair; Director John Driscoll; CEO and Secretary Ronald C. DeCurzio; President Peter Dion; Executive Director, Special Projects 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 Operations Manager; Jonathan Fitch, West Boylston Manager; James Lisowski, Chicopee Manager; Sean Fitzgerald, South Hadley Manager; Brooke Czasnowski, Ashburnham Manager; Joe Anastasi, Peabody Manager.

Others:

Director of Engineering and Generation Assets Brian Quinn; Director of Financial Reporting and Corporate Technology Carol Martucci; Director of Energy Markets Justin Connell; Director of Business Support and Administrative Services Eric Womack; Sustainable Energy Policy & Program Sr. Manager Zoe Eckert; Budget Manager Kelly Joyce; Budget Analyst Debra Riley; Administrative Services Coordinator Heather Santaniello.

2. Approval of Agenda

Chairman Flynn asked to revise the agenda by adding a new executive session topic: 2023 organizational objectives. A motion was made by Mr. Kelly, seconded by Ms. Rondeau, and it was unanimously voted to approve the agenda as presented and revised.

B. CURRENT AGENDA

1. Member and Participant Comments

There were no member or participant comments.

2. Activities Report

Mr. DeCurzio and Mr. Ide reported.

MMWEC continues to challenge the implementation of the Mystic RMR (Docket No. ER 18-1639, EL 23-4) and continues to provide a check on transmission rates by participating in ongoing dockets and litigation related to lowering the transmission tariff rate of return (Docket No. EL 11-66, 13-33, 14-86, 16-64, RM 20-10). MMWEC also participates in proceedings that directly impact its generating assets (Docket No. EL 22-42, 23-16). Charges fluctuate based on when Mystic burns. MMWEC is forced to get rid of excess liquid natural gas (LNG) when there is no burn and recently sold a tanker of LNG at a loss.

The NextEra contract is being split into two pieces, but the contract terms will remain the same.

3. MMWEC Financial Statements with Supplementary Information for the Years Ended December 31, 2022 and 2021 With Independent Auditors' Report Thereon (Vote)

Ms. Martucci reported. The financial statements have already been reviewed by the Audit Committee. They are still in draft form, but no changes are expected.

It was moved by Mr. Kelly, seconded by Mr. Blair, and unanimously:

(23-13) VOTED: the Board of Directors has reviewed and, as recommended by the Audit Committee and staff, hereby accepts the Massachusetts Municipal Wholesale Electric Company Financial Statements with Supplementary Information for the years ended December 31, 2022 and 2021 and the Independent Auditors' (Baker Tilly's) report on the December 31, 2022 and 2021 financial statements.

4. Management Letter issued Subsequent to the 2022 Annual Audit (Vote)

Ms. Martucci and Mr. Kelly presented and reviewed the Baker Tilly Management Letter with the Board.

It was moved by Mr. Sollecito, seconded by Ms. Rondeau, and unanimously:

(23-14) VOTED: the Board of Directors has reviewed and, as recommended by the Audit Committee and staff, hereby accepts the 2022 management letter by Baker Tilly US, LLP subsequent to their audit of MMWEC's 2022 financial statements.

5. Project Budgets (Summary Report) (Votes)

Ms. Joyce presented. There has been an overall increase of \$4 million in general projects. For Seabrook, there has been an increase in capital expenditures, but in 2024, capital expenditures will decrease. Millstone will see a reduction in capital expenditures. Stonybrook is projected a higher transmission expense due to plant outages for work. Insurance costs are also increasing for Stonybrook.

i. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-15) VOTED: that the Board of Directors accepts the recommendation of staff and hereby approves the Nuclear Mix No. 1 Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$6,531,038 as submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

ii. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-16) VOTED: that the Board of Directors accepts the recommendation of staff and hereby approves the Nuclear Project No. 3 Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$11,895,875, submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

iii. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-17) VOTED: that the Board of Directors accepts the recommendation of staff and hereby approves the Nuclear Project No. 4 Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$13,976,256, as submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

iv. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-18) VOTED: that the Board of Directors accepts the recommendation of staff and hereby approves the Nuclear Project No. 5 Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$3,617,200, as submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

v. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-19) VOTED: that the Board of Directors accepts the recommendation of staff and hereby approves the Project No. 6 Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$19,417,404, as submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

vi. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-20) VOTED: that the Board of Directors accepts the recommendation of staff and hereby approves the Stony Brook Intermediate Project Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$18,842,531 as submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

vii. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-21) VOTED: that the Board of Directors accepts the recommendation of staff and hereby approves the Stony Brook Peaking Project Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$5,125,704, as submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

viii. It was moved by Mr. Lavelle, seconded by Mr. Blair, and unanimously:

(23-22) VOTED: that the Board of Directors accepts the recommendations of staff and hereby approves the Stony Brook Intermediate and Peaking Projects – Capital Additions Budget of \$319,500 as allocated between the Intermediate Project (\$278,840) and Peaking Project (\$40,660) for the contract year July 1, 2023 through June 30, 2024, as submitted to and made a part of the permanent records of this meeting; and

authorizes the Chief Executive Officer to carry out the programs and related expenditures as he deems necessary or advisable for the purpose of this vote.

6. Other Business

Mr. DeCurzio reminded all in attendance that the MMWEC Annual Conference will take place May 3rd and 4th in Devens.

C. EXECUTIVE SESSION

A motion was made by Mr. Sollecito, seconded by Mr. Blair, and upon a roll call vote, it was unanimously:

(VOTED 23-23): To enter Executive Session pursuant to St. 1975, c. 775, Section 19(a) for the purposes of (1) conducting strategy sessions in preparation for negotiations with nonunion personnel, and (2) 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 10:57 a.m.

The Board meeting reconvened Regular Session at 11:49 a.m.

The Board reconvened in open session after the conclusion of executive session. There was no further discussion in open session. A motion was made by Mr. Blair and seconded by Mr. Kelly and unanimously voted to adjourn the meeting at 11:50 a.m.

A TRUE RECORD

ATTEST: Ryan Barry
Ryan J. Barry, General Counsel to MMWEC