

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

BOARD OF DIRECTORS MEETING

MMWEC ADMINISTRATIVE OFFICES

LUDLOW, MA

AND

MMWEC VIA ZOOM

REGULAR SESSION

December 18, 2023

MINUTES

A. PROCEDURE

1. Call to Order

Chairman Flynn called the meeting to order at 1:02 p.m. and, following a roll call, stated that a quorum was present.

Those present:

Directors and Officers:

Chairman Michael Flynn; Director, Christopher Roy; Director, Kevin Kelly; Director, James Lavelle; Director, Tara Rondeau; Ludlow Town Representative, James Gennette; Director, Charmaine White (joined late); CEO and Secretary Ronald C. DeCurzio; Assistant Secretary and Director of Communications and External Affairs Kate Roy; President Peter Dion*; General Counsel Ryan Barry

Members:

Panos Tokadjian, Hull Operations Manager*; Brooke Czasnowski, Ashburnham General Manager*; Matthew Stelmach, Sterling General Manager*; Joseph Kowalik, Marblehead General Manager*; Jonathan Fitch, West Boylston General Manager*; Sean Fitzgerald, South Hadley General Manager*; Dylan Lewellyn, Ipswich Interim General Manager*; Dan Faille, Chicopee Electric Light*

Others:

Executive Director, Special Projects, Matthew Ide; Director, Engineering & Generation Assets, Jason Viadero; Director, Energy Markets Justin Connell; Director, Financial Reporting and Corporate Technology Carol Martucci; Budget Manager Kelly Joyce; Sustainable Energy Policy and Program Senior Manager Zoe Eckert; Manager, Commodities Dean Clark; Administrative Services Coordinator Heather Santaniello; Nicholas Scobbo, Ferriter & Scobbo*; Dennis Murphy, President, Ventry Associates; Anthony Abdelahad, Senior Vice President & General Counsel, Ventry Associates*

*Attended via ZOOM

2. Approval of Agenda

Mr. Flynn proposed modifying the posted agenda by moving item B.7 to executive session. A motion was made by Mr. Kelly, seconded by Ms. Rondeau, and it was unanimously voted to accept the agenda as presented and modified.

B. CURRENT AGENDA

1. Member and Participant Comments

There were no member or participant comments.

2. Legislative Update - Ventry

Mr. Murphy and Mr. Abdelahad presented and summarized the general legislative environment and the actions that Ventry Associates has taken on MMWEC's behalf in the past year. Mr. Murphy reported that 2023 was one of the least productive legislative sessions in decades. This is owing partly to dysfunction between the Senate and the House.

Ventry tracked 198 bills on behalf of MMWEC, submitted 11 monthly tracking reports, and drafted testimony in opposition to two bills: SB2146/HB3806 and S2168. Ventry also met with key stakeholders in the legislature and the executive branch.

3. 2015A/Northeast Reliability Center Fuel Term Loan (Vote)

Mr. DeCurzio presented and summarized the need for the vote. Reference was made to the memorandum from Attorney Scobbo included in the Board materials for the meeting.

A motion was made by Mr. Kelly, seconded by Mr. Lavelle, and it was unanimously approved voted as follows:

WHEREAS, in accordance with St. 1975, c, 775, §§ 5(p), 9, 11, and 17 and as authorized by Order of the Department of Public Utilities ("DPU") in Re: MMWEC, DPU 21-29, August 12, 2021, the Massachusetts Municipal Wholesale Electric Company ("MMWEC") is authorized to issue bonds, notes and other forms of indebtedness in various modes and at fixed or variable interest rates, including refunding bonds, in total aggregate amount not to exceed \$170,000,000 for the purpose of funding Project 2015A, of which \$85,000,000 is the "Initial Issuance" and \$85,000,000 is the "Refunding Bonds";

WHEREAS, on November 8, 2021, the MMWEC Board of Directors adopted Supplemental Resolution No. 21-61A, which, among other things, authorized the issuance of a Series of Bonds designated "MMWEC 2021 Series A Revenue Bonds (Project 2015A Issue)", (the "Series 2021A Bonds") in the total aggregate amount not to exceed \$85,000,000 for purposes of financing the "Cost of Acquisition and Construction" as defined in Project 2015A Power Sales Agreement;

WHEREAS, on December 1, 2021, the Series 2021A Bonds were issued in the principal amount of \$60,850,000, which leaves \$24,150,000 in unused authorization for the Initial Issuance under the DPU Order (\$85,000,000 - \$60,850,000);

WHEREAS, Supplemental Resolution No. 21-61A allows for additional series of bonds to be issued as part of the Project 2015A Issue;

WHEREAS, in accordance with Article V of MMWEC's General Bond Resolution, Resolution No. 01-64, such additional series of bonds shall rank pari passu with other Bonds of the Project 2015A Issue, including the Series 2021A Bonds;

WHEREAS, MMWEC's Chief Executive Officer has determined that it is prudent and in the best interests of MMWEC to utilize a portion of the remaining Initial Issuance authorization by entering into an agreement with JP Morgan Chase Bank, N.A. ("Bank") to establish a term loan for the purpose of financing the purchase of fuel for Project 2015A.

NOW, THEREFORE, it is voted that the MMWEC Board of Directors hereby:

- Vote 23-62 Adopts Resolution No. 23-62A (attached hereto as an Appendix), A SUPPLEMENTAL RESOLUTION SUPPLEMENTING AND AMENDING THE AMENDED & RESTATED GENERAL BOND RESOLUTION AND PROVIDING FOR THE ISSUANCE OF BONDS, NOTES AND OTHER EVIDENCES OF INDEBTEDNESS, AS WELL AS THE SECURITY AND SOURCES OF PAYMENT TO FINANCE FUEL PURCHASES FOR A CAPACITY RESOURCE (KNOWN AS PROJECT 2015A) AND PAY COST OF ISSUANCE IN THE TOTAL AGGREGATE AMOUNT NOT TO EXCEED FIVE MILLION DOLLARS ("Supplemental Resolution"), in substantially the form of the Supplemental Resolution presented to this meeting and made a part of the records of this meeting, with such changes, additions or deletions as the Chief Executive Officer, with the advice of the Treasurer, counsel to MMWEC or Bond Counsel, shall determine as being necessary or desirable, all without the need for further action or approval by the MMWEC Board of Directors.
- Vote 23-63 Authorizes the Chief Executive Officer, with the advice of the Treasurer or MMWEC's financial advisor, or counsel to MMWEC, to execute, deliver, and cause MMWEC to perform all of its obligations under the Term Loan Agreement between MMWEC and the Bank for a term loan in the total amount of \$5,000,000.00, substantially in the form of the Term Loan Agreement attached as Exhibit A to the Supplemental Resolution (the "Loan Agreement"), with such changes and modifications to the Loan Agreement as the Chief Executive Officer, with the advice of counsel to MMWEC, may deem necessary or desirable, all without the need for further action or approval by the MMWEC Board of Directors.
- Vote 23-64 Authorizes the Chief Executive Officer, with the advice of the Treasurer or MMWEC's financial advisor, or counsel to MMWEC, to cause the Bond designated "2023 Series A Revenue Note (Project 2015A Issue)(Federally Taxable)" (the "Series 2023A Term Note") substantially in the form of the Series 2023A Term Note attached as Exhibit B to the Supplemental Resolution, to be issued by MMWEC as set forth in the Supplemental Resolution and to fund any and all accounts as required by the Supplemental Resolution.
- Vote 23-65 Authorizes the Chief Executive Officer, with the advice of the Treasurer or MMWEC's financial advisor, to execute, deliver, and cause MMWEC to perform all of its obligations under the Series 2023A Term Note in substantially the form of the Series 2023A Term Note attached as Exhibit B to the Supplemental Resolution, with such changes and modifications to the Series 2023A Term Note

as the Chief Executive Officer, with the advice of counsel to MMWEC, may deem necessary or desirable, all without the need for further action or approval by the MMWEC Board of Directors.

- Vote 23-66 Authorizes the Chief Executive Officer or Treasurer or their respective designees to undertake all actions necessary or appropriate with the Bond Fund Trustee, including, without limitation, providing certifications to and requesting certifications from the Bond Fund Trustee, all as are required by the Loan Agreement.
- Vote 23-67 Authorizes investment of the funds created under the Supplemental Resolution and other funds derived from Project 2015A in accordance with MMWEC's established investment policy.
- Vote 23-68 Approves and authorizes the Chief Executive Officer or Treasurer or their respective designees to cause the payment of all the costs, fees and expenses associated with the Loan Agreement and the Series 2023A Term Note from the proceeds of the Loan Agreement and Series 2023A Term Note.
- Vote 23-69 Designates Ronald C. DeCurzio, Chief Executive Officer, and Matthew J. Ide, Treasurer, as Authorized Officers of MMWEC for the purposes of taking all actions necessary or desirable to accomplish the Loan Agreement and the Series 2023A Term Note, including without limitation, executing and delivering the Loan Agreement and the Series 2023A Term Note and such other documents and contracts, and providing such certifications and representations, as deemed necessary or desirable, with the advice of MMWEC's financial advisor, counsel to MMWEC or Bond Counsel, all without the need for further action or approval by the MMWEC Board of Directors.
- Vote 23-70 Ratifies and confirms all previous actions taken by the Chief Executive Officer, the Treasurer, other officers of MMWEC, and counsel to MMWEC for the purposes stated in Vote 23-62 through Vote 23-72.
- Vote 23-71 Approves and authorizes the Authorized Officers, or their designees, with the advice of MMWEC's staff, MMWEC's financial advisor, counsel to MMWEC, or Bond Counsel, to execute, make or accept such further documents and certificates, and take any and all such further actions as may be reasonably required to carry out, give effect to and consummate the transactions contemplated by Vote 23-62 through Vote 23-72, the General Bond Resolution and the Supplemental Resolution and hereby authorizes all of the Authorized Officers' designees and all of the officers of MMWEC to carry out or cause to be carried out all obligations of MMWEC under the General Bond Resolution and Supplemental Resolution, and to perform such other actions as they, in consultation with MMWEC's financial advisor, or counsel to MMWEC, or Bond Counsel, shall consider necessary or advisable to accomplish the issuance, sale, and delivery of the Loan Agreement and the Series 2023A Term Note, and the disbursement of the proceeds thereof, in accordance with the General Bond Resolution and the Supplemental Resolution.
- Vote 23-72 The Board of Directors hereby indemnifies all MMWEC officers and directors and counsel to MMWEC in accordance with and pursuant to Article VII of the MMWEC By-laws for all actions taken in connection with the transactions contemplated by Vote 23-62 through Vote 23-72, the Supplemental Resolution, Loan Agreement and Series 2023A Term Note.

4. Activities Report

Mr. DeCurzio highlighted portions of the Activities Report presented to the Board, including the following.

For the month of November 2023, Seabrook operated at or near full power. There are no current operational issues at Seabrook. As previously reported, the next scheduled refueling outage for Seabrook occurs in October of 2024 which is currently planned for 33 days.

2023 contributions to Seabrook's external decommissioning fund have been suspended per order of the NDFC due to the fund's value materially in excess of the forecasted decommissioning costs.

Millstone Unit 3's refueling outage began on October 19, 2023, and Unit 3 was back online and running at 100% power as of December 13, 2023. As previously reported, the estimated cost of this upcoming refueling outage is projected to be \$52 million.

The Fall 2023 outage for Stony Brook began on September 30 and was completed on October 18. Several inspections and repairs were made. Intermediate units 1A, 1B, and 1C as well as peaking unit 2B were back online on October 18. Nearly 100 maintenance, repair, inspection, and preventative tasks were performed. From the beginning of September 2023 through the end of October 2023, both the intermediate and peaking units were called upon multiple times to provide reserves during tight system conditions.

MMWEC is currently working with market project developers and operators to identify potential offtake opportunities from existing and prospective projects. With the advancement of the IRA, potential expansions of existing products may become viable subject to further and ongoing due diligence.

5. Financial Statements (Unaudited) Dated September 30, 2023 (Votes)

Ms. Martucci presented the unaudited financial statements. Following her presentation, a motion was made by Ms. Rondeau, seconded by Mr. Kelly, and unanimously

(23-73) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Consolidated Balance Sheet as of September 30, 2023 and the Administrative and General Statement of Revenues & Expenses for the Nine Months Ended September 30, 2023, as submitted to and made a part of the permanent records of this meeting.

(23-74) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Review of Actual Power Costs and Statement of Revenues & Expenses for the Three Months Ended September 30, 2023, for Nuclear Mix No. 1 as submitted to and made a part of the permanent records of this meeting.

(23-75) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Review of Actual Power Costs and Statement of Revenues & Expenses for the Three Months Ended September 30, 2023, for the Nuclear Project No. 3, as submitted to and made a part of the permanent records of this meeting.

(23-76) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Review of Actual Power Costs and Statement of Revenues & Expenses for the Three Months Ended September 30, 2023, for the Nuclear Project No. 4, as submitted to and made a part of the permanent records of this meeting.

(23-77) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Review of Actual Power Costs and Statement of Revenues & Expenses for the Three Months Ended September 30, 2023, for the Nuclear Project No. 5, as submitted to and made a part of the permanent records of this meeting.

(23-78) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Review of Actual Power Costs and Statement of Revenues & Expenses for the Three Months Ended September 30, 2023, for the Project No. 6, as submitted to and made a part of the permanent records of this meeting.

(23-79) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Review of Actual Power Costs and Statement of Revenues & Expenses for the Three Months Ended September 30, 2023, for the Stony Brook Peaking Project as submitted to and made a part of the permanent records of this meeting.

(23-80) VOTED: that the Board of Directors accepts the recommendation of the Treasurer and Director of Financial Reporting & Corporate Technology and hereby accepts the Review of Actual Power Costs and Statement of Revenues & Expenses for the Three Months Ended September 30, 2023, for the Stony Brook Intermediate Project, as submitted to and made a part of the permanent records of this meeting.

6. Revised Annual Budget of Monthly Power Costs for the Contract Year July 1, 2023 through June 30, 2024 – Stony Brook Peaking Project (Vote)

Ms. Martucci explained that the approved 2023/24 budget for the Stony Brook Peaking Project is being revised for the January through June 2024 period to begin replenishing the Operations Reserve, which will be used during the fourth quarter of 2023 to pay for unplanned generator rotor replacements on both Peaking Units 2A and 2B. During September, Peaking Unit 2A experienced a ground fault following a fast start dispatch and audit run. A month later, Peaking Unit 2B also experienced a ground fault following a fast start dispatch. Generator testing indicated that grounds existed within both generator rotors and that they should not be placed back in service until the rotors were repaired or replaced. Funds from the Operations Reserve will be utilized to pay

for these repairs, which are currently estimated at \$1.8 million, and replenished over a 24-month period beginning January 2024.

Following Ms. Martucci's explanation, a motion was made by Mr. Roy, seconded by Mr. Kelly, and it was unanimously

(VOTED 23-81): that the Board of Directors accepts the recommendation of staff and hereby approves the Stony Brook Peaking Project - Revised Annual Budget of Monthly Power Costs for the contract year July 1, 2023 through June 30, 2024 in the amount of \$5,427,564, 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.

7. Public Power Transmission Ownership Initiative (Moved to Executive Session)

8. Clean Heat Standard

In November 2023, MassDEP released the draft Clean Heat Standard program framework. It includes standards for full electrification projects and annual emissions reduction targets for clean heat. The full electrification standard will be phased in over time. MMWEC continues to review the framework.

C. EXECUTIVE SESSION

A motion was made by Mr. Kelly, seconded by Mr. Roy, and upon a roll call vote, it was unanimously

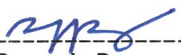
(VOTED 23-82): To enter Executive Session pursuant to St. 1975, c. 775, Section 19(a) for the purpose of discussing trade secrets or commercial or financial information the disclosure of which would adversely affect MMWEC's ability to conduct business in relation to other suppliers of electric power and energy and that upon termination of the Executive Session, the Board Meeting will be reconvened in Regular Session.

The Board entered Executive Session and later reconvened in Regular Session.

There being no further business to conduct, a motion was made by Mr. Lavelle, seconded by Mr. Kelly, and it was unanimously voted to adjourn the meeting.

A TRUE RECORD

ATTEST:



Ryan J. Barry, General Counsel to MMWEC