

MASSACHUSETTS MUNICIPAL WHOLESALE ELECTRIC COMPANY

BOARD OF DIRECTORS' MEETING

MMWEC
LUDLOW, MA
(VIA TELEPHONE CONFERENCE)

REGULAR SESSION
MAY 28, 2020

10:00 AM

MINUTES

A. PROCEDURE

1. Chairman Flynn called the meeting to order at 10:00 a.m. stating that a quorum was present.

Those present via telephone conference:

Directors and Officers:

Chairman Michael Flynn; President Peter Dion; Directors Charmaine White, Joseph Sollecito, Michael Hale, Charles Orphanos, John Driscoll, James Lavelle, Kevin Kelly; General Counsel Peter Barry; CEO and Secretary Ronald C. DeCurzio; Executive Director, Energy & Financial Markets and Treasurer, Matthew J. Ide; Assistant Secretary Nancy A Brown

Others:

Belmont Manager, Christopher Roy; Hull Manager, Panos Tokadjian; Paxton Manager, Tara Rondeau; Holden Manager, Jane Parenteau; West Boylston Manager, Jonathan Fitch; Ipswich Manager, Jonathan Blair

MMWEC Staff:

Director, Financial Reporting & Corporate Technology, Carol Martucci; Director, Engineering & Generation Assets, Brian Quinn; Budget Manager, Kelly Joyce; Director, Communications and External Affairs, Kate Roy; Director, Business Support and Administrative Services, Eric Womack; Sr. Project Manager Regulatory Services Brian Thomson; Analyst Alex Chaplin; Chief Emerging Technologies Engineer, Jason Viadero

2. Approval of Agenda

Two items were proposed to be added to the agenda: 1) Update on Special Project 2015A in Executive Session and, 2) Nominations and Board Seat in Regular Session

A motion was made by Mr. Driscoll, seconded by Mr. Sollecito.

It was unanimously voted to accept the agenda as amended.

3. Approval of April 24, 2020 Regular Session Minutes

A motion was made by Mr. Hale, seconded by Mr. Lavelle.

The April 24, 2020 Regular Session Minutes were unanimously approved as presented.

B. CURRENT AGENDA

1. Member/Participant Comments

There were no comments.

2. Activities Report

Mr. DeCurzio opened the discussion asking if there were any questions on the current Activities Report. There were none. Mr. Quinn provided an update on the Seabrook outage. The work was completed 5 days early and the focus now is on refueling. Seabrook returned to full power at the end of April.

Mr. DeCurzio stated that the COVID-19 effect on the market looks alarming, especially for the Seabrook and Millstone decommissioning funds. However, funding requirements are expected to be greatly reduced to reflect extensions to the operating lives of the facilities.

The MMWEC reopening plan was sent out to Members. Additional information may be requested through Mr. DeCurzio.

3. Financial Statements

Ms. Martucci presented the Financial Statements. She summarized the contracts shown on the balance sheet (page 2). Ms. Martucci noted that the Administrative and General budget (shown on p. 3) compares budget to actual costs for the first 3 months of 2020. Most cost centers show underruns with the exception of customer services. Most underruns are timing-related and will be brought back in line (open positions, optional grant revenues, etc.). "Other legal" is over budget due to Special Project 2015A.

Stony Brook did not run and currently has underruns in maintenance and overruns in capital expenditures. Millstone is currently running 5% over budget, primarily because of increased owner costs. Also, a five-day unscheduled outage involved unbudgeted expenses. There will be a true-up from reserves at year-end if Millstone is still over

budget as expected. Seabrook's outage was expected and by year-end should be on budget. Wyman, although MMWEC's share was sold, must stay on the books for 30 months. Entries are limited to administrative activities for audit cost. Finally, Ms. Martucci summarized the first quarter revenue and expense report for all Projects (p. 8).

There was no further discussion on the financial statements as presented.

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

- (VOTED 20-15): 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 March 31, 2020 and the Administrative and General Statement of Revenues & Expenses for the Three Months Ended March 31, 2020, as submitted to and made a part of the permanent records of this meeting.
- (VOTED 20-16): 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 Nine Months Ended March 31, 2020, for Nuclear Mix No. 1 as submitted to and made a part of the permanent records of this meeting.
- (VOTED 20-17): 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 Nine Months Ended March 31, 2020, for the Nuclear Project No. 3, as submitted to and made a part of the permanent records of this meeting.
- (VOTED 20-18): 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 Nine Months Ended March 31, 2020, for the Nuclear Project No. 4, as submitted to and made a part of the permanent records of this meeting.
- (VOTED 20-19): 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 Nine Months Ended March 31, 2020, for the Nuclear Project No. 5, as submitted to and made a part of the permanent records of this meeting.

(VOTED 20-20):

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 Nine Months Ended March 31, 2020, for the Stony Brook Peaking Project as submitted to and made a part of the permanent records of this meeting.

(VOTED 20-21):

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 Nine Months Ended March 31, 2020, for the Stony Brook Intermediate Project, as submitted to and made a part of the permanent records of this meeting.

(VOTED 20-22):

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 Nine Months Ended March 31, 2020, for the Wyman Unit No. 4 Project, as submitted to and made a part of the permanent records of this meeting.

All votes were by roll call set forth below:

Driscoll	“aye”
Sollecito	“aye”
Hale	“aye”
Kelly	“aye”
Orphanos	“aye”
Lavelle	“aye”
White	“aye”

Mr. Flynn stated that Mr. Dion will present the Nominating Committee report at the next Board meeting. Mr. DeCurzio stated that a ROC meeting also will be scheduled prior to the next Board meeting.

C. EXECUTIVE SESSION

A motion was made by Mr. Hale, seconded by Mr. Sollecito, that the MMWEC Board meeting enter Executive Session for the purpose of discussing strategy with respect to discussing 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. Based on roll call vote as follows:

Driscoll	"aye"
Sollecito	"aye"
Hale	"aye"
Kelly	"aye"
Orphanos	"aye"
Lavelle	"aye"
White	"aye"

It was:

(VOTED 20-23):

To enter Executive Session pursuant to St. 1975, c. 775 Section 19(a) for the purpose of discussing strategy and competitively sensitive commercial and financial information that would adversely affect its ability to conduct its business 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 10:30 a.m.

The Board meeting reconvened Regular Session at 11:25 a.m.

All business having been concluded, it was moved by Mr. Sollecito, seconded by Mr. Lavelle, and it was unanimously voted to adjourn the Board of Directors' meeting.

Chairman Flynn declared the Regular Session of the Board of Directors' Meeting adjourned at 11:25 a.m.

A TRUE RECORD

ATTEST:


Peter H. Barry, General Counsel to MMWEC