MINUTES OF THE

REGULAR HYBRID MEETING OF THE
BUDGET AND FINANCE COMMITTEE

OF THE JOINT BOARD OF DIRECTORS OF

CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE
AND
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

October 15, 2026

A Regular Hybrid Meeting of the Budget and Finance Committee of the Joint Board of Directors of Connecticut Municipal Electric Energy Cooperative ("CMEEC") and Connecticut Transmission Municipal Electric Energy Cooperative ("CTMEEC") was held in person at 30 Stott Avenue, Norwich, CT and via Zoom on Thursday, October 15, 2026 at 1:00 p.m.

The meeting was legally noticed in compliance with the Connecticut General Statutes and all proceedings and actions hereafter occurred during the publicly open portions of the meeting.

The following Committee Members participated via Zoom unless otherwise noted:

Bozrah Light & Power: William Ballinger
East Norwalk, Third Taxing District: Kevin Barber
East Norwalk Municipal Representative: Peter Johnson
Groton Utilities: Ronald Gaudet (in person)
Groton Municipal Representative: Mark Oefinger
Norwich Public Utilities: Jeffrey Brining
Norwich Municipal Representative: David Eggleston
South Norwalk Electric & Water: David Westmoreland
South Norwalk Municipal Representative: Dawn DelGreco

The following Non-Voting Board Members participated via Zoom:

Jewett City Department of Public Utilities: Elier Alvarado, Louis Demicco
Jewett City Municipal Representative: George Kennedy
South Norwalk Electric & Water: Alan Huth

The following CMEEC staff participated in person unless otherwise noted:

Shadaya Bransford, Treasury & Risk Assurance Analyst
Christopher Collins, Payroll & Accounts Payable Accountant
Michael Cyr, Director of Portfolio Management
Anthony DePaolis, Billing Accountant
Candice DiVita, Director of Finance & Accounting
Lauren Gaudet, Engagement Strategist

The following CMEEC staff participated in person unless otherwise noted (Cont'd):

Richard Gaudet, Lead Energy Markets Data Scientist
Meredith Hernandez, Energy Markets & Operations Analyst
Margaret Job, Human Resources Manager & Paralegal
Amber Martin Stone, Esquire, General Counsel
Chantal Maxwell, Administrative & Facilities Specialist (via Zoom)
Patricia Meek, Senior F&A Advisor
Dave Meisinger, CEO
Richa Patel, Load Forecasting & Operations Analyst (via Zoom)
Andrea Rosen, Senior Accountant
Menglu Tang, Senior Energy Portfolio Manager
Heidi Winnick, Director of Treasury & Risk Assurance
Fusheng Yang, Senior Energy Markets Data Scientist (via Zoom)

Others who participated via Zoom:

David Silverstone, Esquire, Municipal Electric Consumer Advocate (left at 1:46 p.m.)

Ms. Gaudet recorded.

Committee Chair Ronald Gaudet called the meeting to order at 1:01 p.m.

Specific Agenda Item

A Public Comment Period

No public comment was made.

B Roll Call

Ms. Gaudet conducted a roll call to identify the voting persons at the meeting and confirmed a quorum of the Committee was present.

C Approve the Minutes of the October 1, 2026 Regular Hybrid Meeting of the Budget & Finance Committee

A motion was made by Committee Member Johnson, seconded by Committee Member Oefinger to approve the minutes of the October 1, 2026 Regular Hybrid Meeting of the Budget & Finance Committee.

Motion passed unanimously.

D Review Summary of Proposed 2027 CMEEC Budget for Electric Products, Project Statements, and CMEEC Margin

Ms. DiVita explained that a summary of the Proposed 2027 CMEEC Budget for Electric Products, Project Statements, and CMEEC Margin would be discussed in public session, while a detailed examination of the Proposed Budget would be held in executive session.

Ms. DiVita then walked the Committee through the summary. She reported that the Proposed 2027 Budget includes a 19% increase in Electric Products, a 9% increase in Transmission Costs, a 41% reduction in the combined project net benefit, and a 43% reduction in CMEEC Margin relative to the Approved 2026 Budget. She then presented the key drivers behind each of these changes.

E Possible Vote to Enter Executive Session Pursuant to C.G.S. §§ 1-210(b)(5)(A) and/or 1-210(b)(5)(B) to Review Details of:

- **Proposed 2027 Budget for Electric Products**
- **Proposed 2027 CMEEC Project Statements**
- **Proposed 2027 Budget for CMEEC Margin**

Mr. Meisinger identified all Board members present, CMEEC staff in attendance, and Mr. Silverstone, pursuant and subject to his non-disclosure agreement, as the parties who would remain for the proposed executive session discussion.

At this time, Committee Chair Gaudet entertained a motion to enter executive session.

A motion was made by Committee Member Ballinger, seconded by Committee Member DelGreco to enter executive session. Committee Member Oefinger voted Nay and Committee Member DelGreco abstained.

Motion passed.

The basis for entering executive session is to review and discuss the confidential details of the Proposed 2027 CMEEC Budget for Electric Products, Project Statements, and CMEEC Margin pursuant to Connecticut General Statutes sections 1-210(b)(5)(A) and/or 1-210(b)(5)(B).

All Board members present, CMEEC staff in attendance, and Mr. Silverstone (pursuant and subject to his non-disclosure agreement) remained.

The Committee entered executive session at 1:10 p.m. with instructions to return to public session upon completion of discussion in executive session.

The Committee re-entered public session at 1:37 p.m. No formal actions were taken in executive session.

Ms. DiVita explained that a final, high-level review of the Total Proposed 2027 CMEEC Budget, along with the annual review of the Key Performance Indicators (KPIs), is planned for the Committee's next regular meeting on November 5, 2026. She added that there will be a scheduled vote on the Total Proposed 2027 CMEEC Budget at the Annual Meeting of the Board of Directors scheduled for November 19, 2026, and that, according to the CMEEC Membership Agreements, the CMEEC Budget for the following year must be approved annually by December 1.

Committee Chair Gaudet noted that he won't be able to attend the Committee meeting scheduled for November 5, 2026.

F Discussion of Key Performance Indicators Included in the Long-Term Financial Forecast

Ms. Meek explained that the CMEEC Long-Term Financial Planning Policy states that the Committee will work with CMEEC staff to review annually the current list of KPIs included in Appendix A of the CMEEC Long-Term Financial Planning Policy for completeness and relevancy, review minimum, maximum, and target levels for each KPI, and add, remove, or modify KPIs as warranted. She reviewed the current financial stability and business performance metrics and rating agency indicators and noted CMEEC staff's recommendation to remove the Target Equity Level metric.

Ms. Meek provided background on the Target Equity Level metric, noting that it relates to equity concepts that were added to the CMEEC Membership Agreements on June 1, 2013. She reviewed the formula used to calculate the metric, the target level initially established, and the ability of the Member Delegation to approve the distribution of equity in excess of the target level, as provided for in the CMEEC Membership Agreements. She described what actually constitutes CMEEC equity and how it grows and explained that the pass-through structure under which CMEEC operates would require the collection and retention of additional fees to allow for a year-end excess equity distribution similar to those that occurred for fiscal years 2013 through 2022. Ms. Meek indicated that, based on staff analysis of how such equity distributions have eroded CMEEC's cash and equity positions, the Member Delegation has not voted to make equity distributions since fiscal year 2023. She added that the Ad Hoc Charter Review Committee began discussing references to equity in the CMEEC Membership Agreements during its deliberations in 2025 and tentatively agreed to replace such concepts after further consideration of appropriate alternatives.

For purposes of the Long-Term Financial Planning Policy, Ms. Meek proposed replacing the existing Target Equity Level metric and related concepts with a Liquidity metric calculated by Member, measured as the number of days of cash on hand that each Member has at CMEEC based on the amounts in its Rate Stabilization Fund and Municipal Competitive Trust, and also accounting for lines of credit maintained by CMEEC.

Discussion regarding the appropriate number of days of cash on hand to require, the necessary approvals for the proposed changes, and the next steps followed.

The Committee agreed to remove the Equity Level metric from the Long-Term Financial Planning Policy and to request that CMEEC staff proceed with calculating the proposed Liquidity metric for the Committee's further review and discussion at its next meeting.

G New Business

There was no new business.

H Adjourn

A motion was made by Committee Member Kevin Barber, seconded by Committee Member Oefinger to adjourn.

Motion passed unanimously.

The meeting was adjourned at 2:08 p.m.