Connecticut Municipal
cmeec
Electric Energy Cooperative

2024 ANNUAL REPORT



A Path Forward



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Vision & Mission

Our *Vision*: Our Inspiration to Dream

To be a **leading energy solutions partner**, adding **economic value** and **environmental sustainability** to the communities we serve.

Our *Mission*: Our Inspiration to Act

To provide **reliable**, **sustainable** and **cost-effective energy solutions** to meet the evolving needs of our members and stakeholders through **joint action**, **public power advocacy** and **leveraging benefits of scale**.

Origins & Overview

Connecticut Municipal Electric Energy Cooperative (CMEEC), a municipal joint action agency, was established by municipal electric utilities (MEUs) pursuant to state enabling legislation passed in 1975 which founded our operating principles and bylaws, resulting in a long-standing commitment to serve our member communities in Connecticut and other customers in the region.

The members of CMEEC today include the MEUs that serve the Town of Bozrah (BL&P), Cities of Groton (GU) and Norwich (NPU), the Borough of Jewett City (JCDPU), and the Second (SNEW) and Third (TTD) Taxing Districts of Norwalk. CMEEC is the exclusive wholesale power requirements supplier to its members and to the Mohegan Tribe through the Mohegan Tribal Utility Authority (MTUA).

CMEEC is subject to the direct local control and governance of its MEUs, whose local utility commissions and communities appoint the members of our Joint Board of Directors. This local control provides a high level of governance transparency, accountability, and responsiveness, as well as community-tailored policies, programs and practices. Each MEU owns and operates an electric distribution system providing power to residential, commercial, industrial and other customers within their service areas. Their objective is to supply reliable and sustainable power at a reasonable cost.

For more information about CMEEC, please visit: https://cmeec.com/about/history/

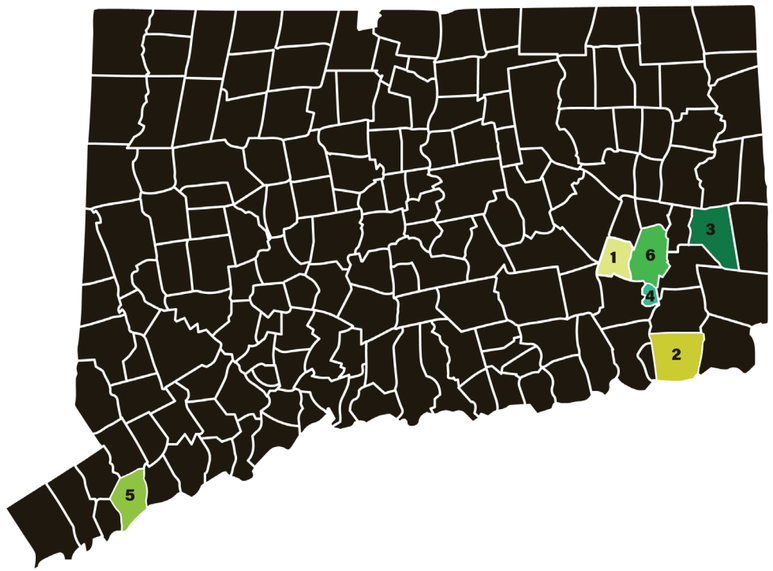




Members & Customers

CMEEC is the exclusive wholesale power requirements supplier to its members and to the Mohegan Tribe through the Mohegan Tribal Utility Authority (MTUA). The service territories of CMEEC members and MTUA are illustrated and summarized below.

Please be aware that service territories may vary slightly from the city limits depicted on the map.



1 **Bozrah Light & Power Company (BL&P)** serves a population of approximately 2,800 in an area encompassing Bozrah and portions of Montville and Lebanon.

2 **Groton Utilities (GU)** serves a population of approximately 37,000 in a service territory which encompasses the City and parts of the Town of Groton.

3 **Jewett City Department of Public Utilities (JCDPU)** serves a population of about 4,700.

4 **Mohegan Tribal Utility Authority (MTUA)**, a wholesale requirements customer of CMEEC, serves a residential population of approximately 2,200 as well as the Mohegan Sun Casino.

5a **South Norwalk Electric & Water (SNEW)** serves a population of about 12,500 in a 2.0 square mile service territory within the City of Norwalk (approximate urban population of 86,000).

5b The **Third Taxing District (TTD)** of the City of Norwalk, also known as East Norwalk, serves a population of about 8,500 in a 4.0 square mile service territory within the City of Norwalk.

6 **Norwich Public Utilities (NPU)** serves a population of approximately 41,000.

Watts New: A Message from the CEO

We are rightfully proud of the financial results and performance metrics reported in these pages. But sometimes, the real story lies behind the numbers. To succeed in our continuously evolving industry requires that we identify and respond to change at all times. This is why CMEEC's primary "value add" is our people, and they are the focus of this year's Annual Report.

CMEEC's staff is, in a word, resilient. Our singular focus is to deliver on our formal mission "to provide reliable, sustainable and cost-effective energy solutions to meet the evolving needs of our members and stakeholders through joint action, public power advocacy and leveraging benefits of scale."

In order for our staff to "act jointly" in furtherance of this mission, we are always mindful of the need to attract, develop and retain the human resources needed to optimize our value proposition. We also know from lived experience that accomplishing our mission requires each of us to demonstrate CMEEC's Core Values (Be Accountable, Collaborate, Pursue Excellence, Be Adaptable, and Be Curious) every day, while encouraging, recognizing and acknowledging when our colleagues do the same.

We avoid setting goals that resemble "perfection" or "no mistakes," instead favoring a culture of seeking out and sorting through information and data to make prudent decisions, along with a mantra to constantly reevaluate, adapt and evolve while getting a little bit smarter each day.

This is why a buzz of excitement permeates our office each morning, the scent of freshly-brewed coffee offering the metaphoric fragrance of rubber meeting the road as we once again embark together upon the execution of our directives, strategies and initiatives. Each of us having a voice and doing our part.

To put this all in perspective, we surveyed our staff to better understand – in their own words – what it means to work for CMEEC and in the public power sector. The formal feedback from that survey can be seen in our "Staff Showcase" on pages 6-9, while the true results are demonstrated by the success stories reflected throughout these pages.

So as we approach our 50th Anniversary, this year's Annual Report is dedicated to the CMEEC staff who will carry us into a future whose uncertainty and unpredictability will be met head-on by our passionate willingness and desire to work together in a way that embodies the spirit of "joint action" and builds upon our long track record of stakeholder satisfaction.



Dave Meisinger
Chief Executive Officer

Staff Showcase

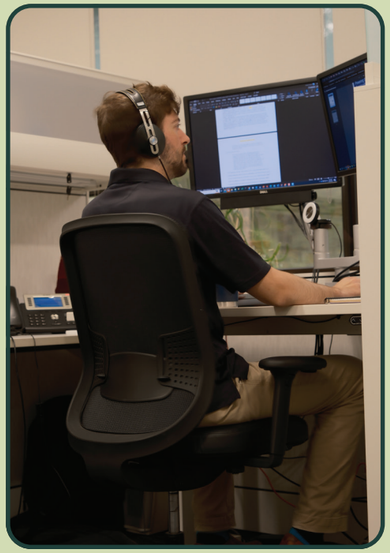
What exactly does it mean to work for CMEEC or in the public power sector?

To better understand, we gathered feedback from our staff via our 2024 Annual Report Staff Survey. The survey responses revealed four central themes: **Workforce Synergy**, **Safer Together**, **Process Evolution**, and **Public Power**. Together, these themes highlight the collaborative spirit, the commitment to safety, the drive for ongoing improvement, and the dedication to serving our communities that defines our staff.

WORKFORCE SYNERGY

When asked what they would miss most if they stopped working at CMEEC tomorrow, the results of the 2024 Annual Report Staff Survey reveal that the most likely response from CMEEC staff is that they would miss each other the most. Each staff member may each say it in his or her own way ("My coworkers," "my colleagues", "the people, absolutely!"), but a deep appreciation for one another remains consistent.

According to **Richie Gaudet**, Principal Energy Modeling & Performance Analyst, this supportive atmosphere can lead to tangible savings for the communities CMEEC serves:



*One time, I **vented to a coworker about an issue** I had been facing while attempting to code a solution to a particular problem. Turn the clock forward a few months and **this coworker shows me a solution they created during windows of free time** in their own workflow. We enabled the solution, allowing me to quickly finish up the rest of the project. Finishing my original project allowed for the **same coworker to take the new tool we now had as input into her even larger, more ambitious project.** She was able to **eliminate the need for an expensive 3rd party software product** by creating a completely in-house solution. After the launch of our in-house solution, my coworker told me how my pushing and work on the original project that she helped me with, inspired her work on replacing the software product CMEEC had been using. To me, **this experience says everything about what it means to be a part of CMEEC.***

Seeking to better understand what drives our workforce synergy, we turned to staff:

What adjectives come to mind when you think of the CMEEC staff?



SAFER TOGETHER

One of the recurring topics in the 2024 Annual Report Staff Survey responses was the extensive interdepartmental collaboration by the CMEEC Safety Committee members throughout the past year. This teamwork resulted in the onboarding of a new safety consulting firm, the pending purchase of a bucket truck, and the launch of a virtual chemical management solution. Each initiative was carefully explored to ensure that it would be cost-effective, enhance team safety, and improve asset and workspace performance, ultimately optimizing both team wellbeing and member value.

When asked what experience stands out as her best example of what it means to be part of CMEEC, our Director of Administrative Services, **Margaret Job**, highlighted these efforts:



*"The recent **inter-departmental collaboration** to secure a safer work environment... stands out most to me. CMEEC staff demonstrated that **we care about** and are concerned for the **safety** of members of our team by **putting our words into action.**"*

PROCESS EVOLUTION

The CMEEC Finance & Accounting Department's leadership in replacing three financial software programs was another notable accomplishment that was highlighted in responses to the 2024 Annual Report Staff Survey.

When asked to share an example of a time in the last year when her department successfully adapted to a significant change, **Candice DiVita**, Financial Analyst, described the recent accounting software transition process:

*"This year the F&A department **changed accounting software**. Together we put a lot of effort into **learning the new system** and the conversion **went smoothly** without any major issues."*



According to Pat Meek, Director of Finance & Accounting, the general ledger software transition will enhance CMEEC's flexibility in financial accounting and reporting, the budgeting software transition will decrease the time spent on report preparation and therefore give staff more time for analysis, and the payroll processing software transition will result in an annual cost savings and reduce staff time spent on payroll processing.



PUBLIC POWER

The final common thread that wove through responses to the 2024 Annual Report Staff Survey was the sense of purpose CMEEC staff derive from their contribution to the provision of affordable, reliable, and sustainable energy to our local communities.

One industry expert with over four and a half decades of service to CMEEC, Director of Technical Services **Gabriel Stern**, explained what working for a public power provider means to him:

*"CMEEC is the **creation of its Members**. I never forget the **public who trust in us** to not only **provide reliable service** at the **lowest possible cost** but to also support their overall goals including **environmental stewardship** and **economic development.**"*



Lauren Gaudet, Administrative & Sustainability Specialist, added how working for a public power provider influences her daily tasks and attitude:



*"[It]... shapes my daily tasks and attitude by making me **diligent about applying for tax exemptions** with vendors and **conscientious with our financial resources** so that I can help **maximize the value provided** to the communities we serve."*

According to **William Butts**, Business Intelligence Developer, CMEEC's flexibility as a joint action agency also enables us to support our Members in discovering lasting solutions to problems, helping to maintain low rates in our communities:

*"Years ago, one of the **member utility's meters had an issue** where it would give odd readings at specific times of the year. For a couple of years this **problem lingered** and I was not familiar enough with the meter or its configuration to provide much assistance. Eventually we grew frustrated with this problem and **I was allowed to investigate**. I reviewed the documentation on the meters and spent some time examining the configuration. Through my research, **I was able to come up with a potential solution**, and with the assistance of a consultant, removed the original meter, installed a spare meter, and configured it with the necessary settings. This was **successful** and the **original problem has not happened since.** It would have been easy enough to just leave this problem alone, but thankfully, we were allowed to investigate the problem and bring a **lasting resolution**. Furthermore, the experience with this task was **useful in troubleshooting other issues**."*





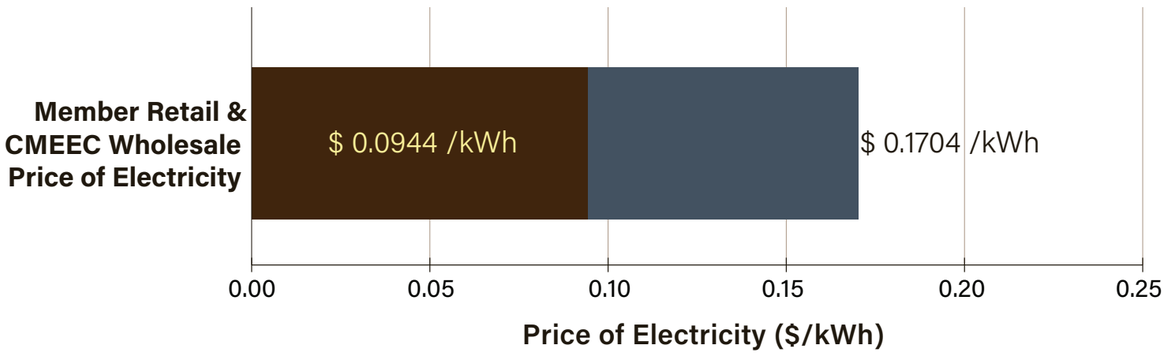
Key Performance Metrics

CMEEC Members' 2024 Average Monthly Customer Accounts

	Average Monthly Customer Accounts	Percentage of Connecticut's Customer Accounts	Percentage of New England's Customer Accounts	Retail Electric Sales (MWh)	Percentage of Connecticut's Retail Electric Sales	Percentage of New England's Retail Electric Sales
Residential	45,241	2.92%	0.68%	354,701	2.73%	0.74%
Commercial	5,089	3.25%	0.54%	246,383	2.13%	0.51%
Industrial	109	2.84%	0.53%	462,460	18.13%	3.22%
Total (includes the 'Other' rate class)	**52,186**	**3.05%**	**0.69%**	**1,063,545**	**3.90%**	**0.95%**

CMEEC Members' 2024 Wholesale Power Costs Compared to Members' Retail Price of Electricity

2024 Retail Price of Electricity ($/kWh) = 2024 Retail Electric Revenue ($) / 2024 Retail Electric Sales (kWh)

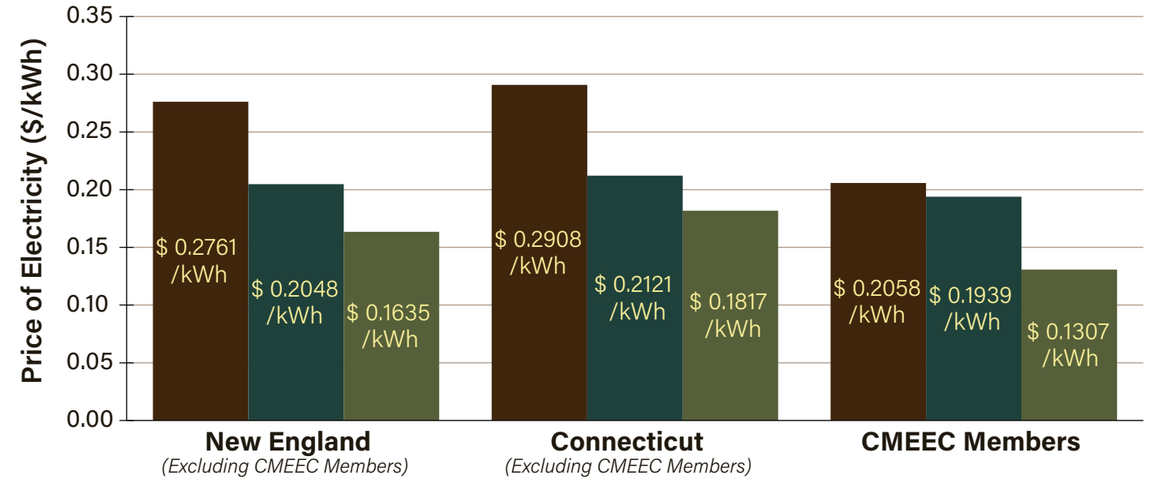


KEY

Wholesale Power Costs:
The total costs incurred by CMEEC to provide wholesale power and related services to its Members, exclusive of special contract customers.

Retail Price of Electricity:
The total CMEEC Member retail revenue ($) collected in 2024 for all customer sectors divided by the total Member retail sales to ultimate customers in 2024 (kWh).

2024 Retail Price of Electricity ($/kWh)

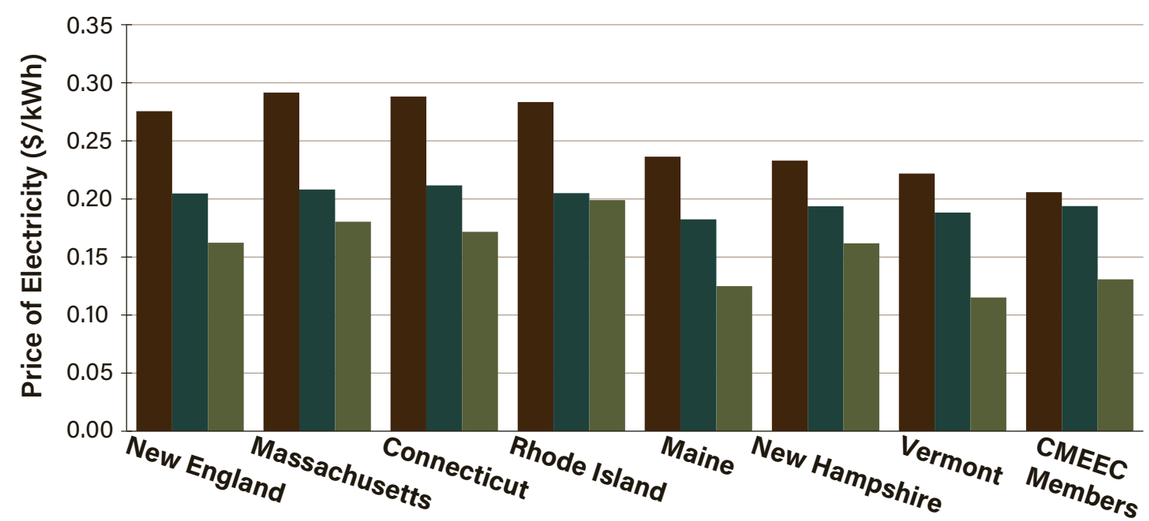


KEY

Residential

Commercial

Industrial





Financial Statements Including transco as a Blended Component

($ in thousands)

To see the full 2024 financial statements and supplementary information, visit:
https://cmeec.com/resources/public-info-2/financial-reports/

Statement of Net Position

	For the Year Ended December 31, 2024	2023
Utility Plant and Property	$ 50,430	$ 53,410
Current Assets	52,962	59,128
Other Assets	21,147	22,970
Deferred Outflows of Resources	517	580
Total Assets & Deferred Outflows of Resources	**$ 125,056**	**$ 136,088**
Current Liabilities (Incl. Current Portion of Long-term Debt)	$ 18,329	$ 31,819
Other Liabilities	44,812	40,510
Long-term Liabilities (Net of Current Portion)	48,377	50,966
Deferred Inflows of Resources	632	681
Total Liabilities & Deferred Inflows of Resources	**$ 112,150**	**$ 123,976**
Net Position	**$ 12,906**	**$ 12,112**
Total Liabilities and Net Position	**$ 125,056**	**$ 136,088**

Statement of Revenues, Expenses, and Changes in Net Position

	For the Year Ended December 31, 2024	2023
Operating Revenues	$ 106,627	$ 128,493
Operating Expenses:		
Depreciation & Amortization Expense	3,202	3,161
Other Operating Expenses	99,539	119,601
Total Operating Expenses	**$ 102,741**	**$ 122,762**
Operating Income	**$ 3,886**	**$ 5,731**
Non-operating Income (Expense)	(3,092)	(10,096)
Income Before Special Items	**$ 794**	**$ (4,365)**
Special Items	-	(797)
Change in Net Position	**$ 794**	**$ (5,162)**

Statement of Cash Flows

	For the Year Ended December 31, 2024	2023
Cash Flows from Operating Activities	$ (804)	$ 5,897
Cash Flows from Noncapital Financing Activities	-	(548)
Cash Flows from Capital and Related Financing Activities	(5,157)	(17,711)
Cash Flows from Investing Activities	3,422	9,677
Net Change in Cash and Cash Equivalents	**$ (2,539)**	**$ (2,685)**
Cash and Cash Equivalents - Beginning of Year	7,691	10,376
Cash and Cash Equivalents - End of Year	**$ 5,152**	**$ 7,691**

Statement of Fiduciary Net Position

	For the Year Ended December 31, 2024	2023
Cash and Cash Equivalents	$ 4,761	$ 4,671
Investments	24,221	23,074
Total Assets	**$ 28,982**	**$ 27,745**
Restricted for Municipal Competitive Trust	24,221	23,074
Restricted for Economic Development Fund	1,624	1,572
Restricted for Conservation & Load Management Fund	3,137	3,099
Total Net Position	**$ 28,982**	**$ 27,745**

Statement of Changes in Fiduciary Net Position

	For the Year Ended December 31, 2024	2023
Additions:		
Contributions	$ 2,507	$ 3,329
Repayments	268	230
Investment Income:		
Net Change in Fair Value of Investments	391	618
Interest Income	793	453
Total Additions	**$ 3,959**	**$ 4,630**
Deductions:		
Withdrawals	2,722	3,379
Total Deductions	**$ 2,722**	**$ 3,379**
Change in Net Position	**1,237**	**1,251**
Net Position - Beginning, As Originally Reported	27,745	-
Restatement	-	26,494
Net Position as Restated	27,745	26,494
Net Position - End of Year	**$ 28,982**	**$ 27,745**

Current Credit Ratings: Moody's **Aa3** FitchRatings **AA-**



Joint Board & Staff

JOINT BOARD OF DIRECTORS

Chairman	Kevin Barber
Vice Chairman	Jeffrey Godley
Secretary	Mark Oefinger
Treasurer	Christopher LaRose
BL&P	Seymour Adelman
	William Ballinger
	Scott Barber
	Joseph Cirrito*
GU	Ronald Gaudet
	Jeffrey Godley
	Keith Hedrick
	Mark Oefinger*
JCDPU	Elier Alvarado
	Louis Demicco
	George Kennedy*
	Vacancy
NPU	David Eggleston*
	Christopher LaRose
	Stewart Peil
	Robert Staley
SNEW	Dawn DelGreco*
	Alan Huth
	Scott Murphy
	David Westmoreland
TTD	Kevin Barber
	Peter Johnson*
	Ronald Scofield
	Michele Sweeney

STAFF

Chief Executive Officer	Dave Meisinger
Administrative Services	Lauren Gaudet
	Margaret Job
	Chantal Maxwell
Asset Management	Michael Leep
	Hao Ni
	Walter Szymanski
	Jay Urbinati
Business Intelligence	William Butts
	Christopher Gurtowsky
	Donald Hunter
	Yuxin Liu
	Pulat Matyakubov
	Ginger Palmer
Finance & Accounting	Shadaya Bransford
	Candice DiVita
	Patricia Meek
	Joanne Menard
	Leslie Williams
	Heidi Winnick
Portfolio Management	Michael Cyr
	Richard Gaudet
	Meredith Hernandez
	Richa Patel
	Menglu Tang
Technical Services	Gabriel Stern

**Municipal Ratepayer Representative*

Contact Our MECA

Connecticut Public Act 17-73 established a Municipal Electric Consumer Advocate (MECA) to act as an independent advocate in matters which affect municipal electric cooperative consumers.

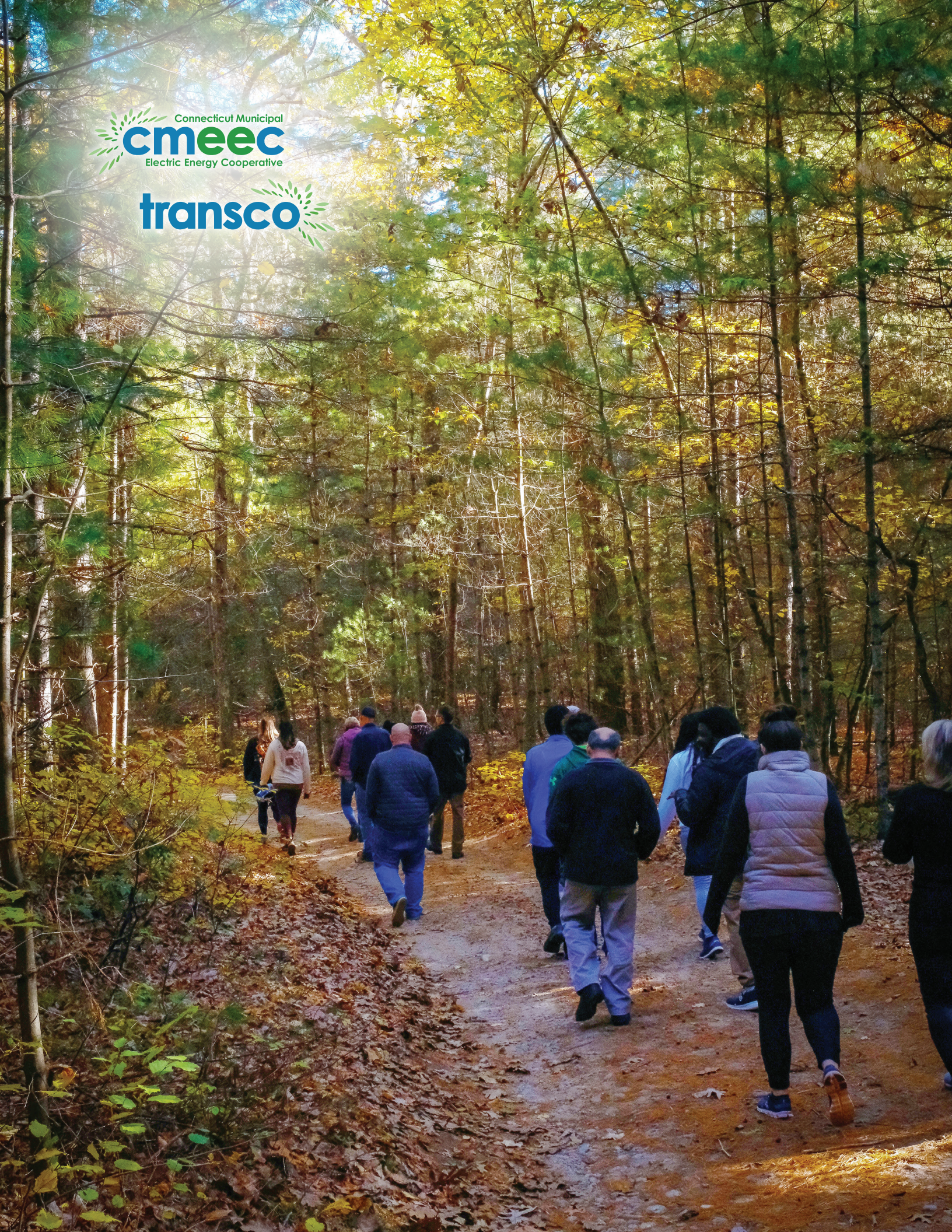
Our MECA attends meetings of the Joint Board of Directors and its committees, posts quarterly reports to the CMEEC website, and holds an annual meeting each fall to report to consumers.

Quarterly MECA reports can be found here:
https://cmeec.com/resources/governance-2/consumer-advocate/

Our MECA values the views and concerns of municipal electric consumers and invites them to share their thoughts throughout the year. His contact information is provided below.

Municipal Electric Consumer Advocate David Silverstone, Esquire icacmeec1@gmail.com




Connecticut Municipal
cmeec
Electric Energy Cooperative
transco