

PENNICHUCK CORPORATION
BOARD OF DIRECTORS
MINUTES OF JANUARY 24, 2025 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Friday, January 24, 2025 at 8:09 a.m. at the Company’s offices at 25 Walnut Street, Nashua, New Hampshire.

Written materials relating to items listed in the Agenda were provided to the Board members for their review prior to the meeting.

The following Directors were present for the start of the meeting, constituting a quorum:

C. George Bower, Chairman
Amymarie R. Corriveau (via Microsoft Teams initially and later joined in person)
Elizabeth A. Dunn
H. Scott Flegal
Ronald J. Houle
Ralph Jenkins
Jay N. Lustig
John D. McGrath
Deborah B. Novotny
Sarah Pillsbury

Attending all or a portion of the meeting from the Company were:

John J. Boisvert, Chief Executive Officer and Chief Engineer
Donald L. Ware, Chief Operating Officer (via Microsoft Teams)
George Torres, Chief Financial Officer and Treasurer
Christopher J. Countie, Director of Operations
Sarah E. Rossetti, Human Resources Director
Steve M. Greenwood, IT Director
Erin Holmes, Director of Engineering and Environmental Services
Alan D. Brown, Manager, Distribution
Carol Ann Howe, Assistant Treasurer and Corporate Secretary
Lori Douglas, Corporate Controller

C. Howe recorded the minutes of the meeting.

The Chairman called the meeting to order.

Approval of Minutes

There being no comments on the draft minutes of the December 13, 2024 meeting of the Pennichuck Corporation Board of Directors, on motion duly made by J. Lustig and seconded by D. Novotny, all of the Directors then voting it was unanimously

Resolved: that the minutes of the December 13, 2024 meeting of the Board of Directors are hereby approved.

Resolution to Dissolve Southwood Corporation

G. Torres explained that he was requesting the Board approve a Resolution for the dissolution of Southwood Corporation which has been in process.

There being no further comments, on motion duly made by J. Lustig and seconded by J. McGrath, all of the Directors then voting it was unanimously

Resolved: That The Southwood Corporation shall be dissolved effective as of the date of January 24th, 2025.

2025 Capital Expenditure Budget, 2026-2027 Cap Ex Plans - Final

L. Douglas reviewed the capital budget first and stated there were a few changes that had occurred since the prior version that had been presented. She noted they were small adjustments and identified the areas that were updated. She noted we needed an approval of the final budget. G. Torres explained the series of steps that will occur, as it relates to financing, if the merger is approved. This would include items such as increases to our Fixed Asset Line of Credit on Pennichuck Water Works (PWW) which will now be used to fund capital for both Pennichuck East Utility, Inc. (PEU) and Pittsfield Aqueduct Company, Inc. (PAC). If the merger is finalized, both PEU and PAC will no longer be in existence and any capital associated with them will fall under PWW. C. Countie provided a brief update on the Chemical Feed Project discussing the timeline and what we can anticipate.

There being no further comments, on motion duly made by J. McGrath and seconded by R. Jenkins, all of the Directors then voting it was unanimously

Resolved: That the 2025 Capital Expenditure Budget and 2026-2027 Capital Expenditure Plans, as presented at this meeting, are hereby approved.

Final 2025 Operating Budget

L. Douglas indicated there was a small adjustment in the 2025 Budgeted Statement of Income that occurred since the package was distributed. There was some revenue in the Pennichuck Water Service Corporation (PWSC) that was missing and has been added to the version that is being presented. She also noted there was a shift in the operating expenses and water utility expenses as well as highlighting some other areas of significance. L. Douglas then continued onto the review of the balance sheet noting several line items and provided some input on the cash balance sheet line items and

activity in the related line of credit. She also pointed to the Earnings Before Interest, Taxes and Amortization (EBITA) and G. Torres provided some additional input on this line item.

L. Douglas then went on to review the PWW Budgeted Statement of Income and noted that this is being shown as a consolidated entity (i.e. assuming merged companies of PEU and PAC). L. Douglas reviewed the items that are shown in the Interest Income/ (Expense) line. Next, she reviewed the PWSC budget, noting the reduction in certain contracts and the resulting change in Net Income. Upon conclusion of the discussion, L. Douglas indicated we are asking for approval of the Operating Budget as presented at the meeting.

There being no further comments, on motion duly made by J. McGrath and seconded by J. Lustig, all of the Directors then voting it was unanimously

Resolved: that the 2025 Operating Budget, as presented at this meeting, is hereby approved.

Treasury and Financing Strategic Plan Update

G. Torres started by noting we had our annual call with HUB International to discuss the Pension Plan including the funding levels for 2025. He noted there will not be any changes to the funding levels that were in place in 2024. He also discussed some other items relevant to the plan and the related Pension costs and indicated the favorable interest rates will have an advantageous impact on our Pension expense. G. Torres noted on Monday, January 27, 2025, we will be closing on a loan with the New Hampshire Department of Environmental Services on a PFAS Remediation Grant and Loan Fund.

He then turned to our annual bonding and said that he had met with Ike Papadopoulos, Managing Director and Brendan Ross, Assistant V.P., from Stifel, our Underwriters, to discuss the 2025 bonding event. G. Torres noted the underwriting fees will increase but we have not seen one since 2022. He briefly discussed the conversations that were between him and Stifel.

G. Torres then went on to present the Treasury and Finance Strategic Plan. He noted it was broken out in three different events – Annual, Periodic and Unique. He started with discussion of the Annual events including the 30 day “Clean Out” period where we are out of the Working Capital Line of Credit (WCLOC) with TD Bank, annual payoff of the PWW Fixed Asset Line of Credit (FALOC) and the annual issuance of bonds. He discussed the efficiencies that will occur if the merger is approved. Next, he went on to discuss the Periodic Events which consist of renewals of WCLOC and FALOC as they occur, approval of multi-year Plan of Financing including an amended Tax Equity and Fiscal Authority (TEFRA) if merger is approved. These financings require approvals at both the New Hampshire Public Utility Commission (NHPUC) and at the New Hampshire Business Finance Authority (NHBFA)/Governor and Council (TEFRA approval). Lastly, he discussed the several Unique type of events that occur which are based on project needs, funding availability, interest rate and funding life. He briefly discussed the nuances associated with TEFRA funding. Next, G. Torres reviewed the Timeline of Major Treasury Milestone and Deadlines which pulls together the timelines from the previously discussed

events. He asked if there were any questions on what was presented of which there were none.

Management Presentation List 2025

G. Bower asked if there were any significant changes from the Management Presentation schedule shown in last month's meeting. J. Boisvert indicated the schedule was enhanced to include notations of who would be presenting and C. Howe indicated there was some minor timing of presentations occurring in January and February. J. Boisvert also stated, as he had in the past, that we are open to having presentations that the Board would like to see. In response to that, S. Pillsbury asked if in August if we can also have a Regulatory Driver Update in addition to the presentation on a "Report on External Affairs and Stakeholder Engagement" which is already scheduled. G. Bower asked where we were on our contaminants tracking and J. Boisvert and C. Countie provided input. J. Boisvert had some comments on different contaminant areas and what we are seeing being said about those. He noted he is looking forward to speaking with others in the industry related to this area. He confirmed we can add the two presentation areas suggested to the schedule.

Business Updates and Comments from Chief Executive Officer

J. Boisvert noted there will be a presentation in Non-Public on our HR Strategic Initiatives. He also stated that the hearing with the New Hampshire Public Utility Commission (NHPUC) on the merger went very smoothly. All the intervenors were in agreement as well as the Department of Energy staff. The Commission asked the City Representative who is the City Attorney, S. Bolton, if anything else was needed by the City and he indicated there was not. J. Boisvert also discussed some activity in the Engineering Group that was occurring.

A. Corriveau dropped out of TEAMS and joined the meeting in person 9:55 a.m.

Consideration of 13th Board Member and Suggested Skill Set

E. Dunn noted indicated that there will be a Nominating and Governance Committee meeting at the conclusion of this meeting to discussion the Annual Meeting and the potential of adding a 13th Board member and the timing of that. She asked that the Board give some consideration of adding another board member (13th) and if so, what they consider an important skill set to bring to that position. She asked that they let the Nominating and Governance Committee know.

Move to Non-Public Session

J. McGrath moved that the Board enter into non-public session to discuss financial or confidential information, pursuant to RSA 91-A:3, II(j) and E. Dunn seconded the motion.

A roll call of the Directors was taken, which resulted as follows:

Yea: G. Bower, R. Houle, B. Law, A. Corriveau, J. Lustig,
D. Novotny, E. Dunn, R. Jenkins, S. Flegal, P. Houle
Nay:

Motion was carried to enter non-public session at 10:19 a.m.

Reconvene in Public Session

The non-public session ended at 11:22 a.m. and the Board reconvened in public session.

R. Jenkins moved that the Board seal the minutes of the non-public session to discuss financial or confidential information, pursuant to RSA 91-A:3, II(j) and S. Flegal seconded the motion. A roll call of the Directors was taken, which resulted as follows:

Yea: G. Bower, R. Houle, B. Law, A. Corriveau
D. Novotny, E. Dunn, R. Jenkins, S. Flegal, P. Houle
Nay:

There being no further business to come before the Board, the Chairman adjourned the meeting at 11:23 a.m.

Carol Ann Howe

Carol Ann Howe, CPA
Assistant Treasurer & Corporate Secretary