

PENNICHUCK CORPORATION
BOARD OF DIRECTORS
MINUTES OF NOVEMBER 16, 2018 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Friday, November 16, 2018 at 8:00 a.m. at the Company’s offices at 25 Manchester Street, Merrimack, 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:

Thomas J. Leonard, Chairman
David P. Bernier
C. George Bower (telephonically)
James P. Dore
Stephen D. Genest
Jay N. Lustig
John D. McGrath
John M. Murphy
Preston J. Stanley, Jr.

Also attending all or a portion of the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer
Donald L. Ware, Chief Operating Officer
Mary V. DeRoche, HR Director
Suzanne L. Ansara, Corporate Secretary
George Torres, Corporate Controller
Carol Ann Howe, Assistant Treasurer
Steven Greenwood, IT Director
John Boisvert, Chief Engineer
Tara King, Revenue and Customer Operations Manager
Christopher Countie, Director, Water Supply and Community Systems

G. Bower stated the reason he was unable to attend the meeting in person, that he was alone and could hear the proceedings.

S. Ansara recorded the minutes of the meeting. The Chairman called the meeting to order.

Approval of Minutes

The Chairman inquired whether there were any comments with respect to the draft minutes of the October 26, 2018 Board meeting. There being none, on motion duly made by S. Genest and seconded by J. McGrath, all of the Directors present then voting, it was unanimously

Resolved: that the minutes of the October 26, 2018 meeting of the Board of Directors are hereby approved.

Capital Expenditures / Pumpage

G. Torres reviewed the summary of capital expenditures and pumpage chart as of October 2018. Capital expenditures of \$8.2 million were below the budgeted amount of \$15.2 million. Pumpage for the month of October (289 million gallons) was behind budget (305 million gallons).

Review of the Preliminary 2018 Capital Budget and 2019 & 2020 Capital Expenditure Plans

L. Goodhue and G. Torres presented a review of the Company's preliminary consolidated capital budget for 2019 and the capital expenditure plans for years 2020 and 2021. A discussion ensued. A final capital budget will be presented to the Board for approval at the December meeting.

Director Elizabeth A. Dunn joined the meeting by phone at 8:09 a.m. and in person at 8:30 a.m. during the discussion on the capital budget.

C. Countie joined the meeting at 8:26 a.m. during the discussion on the capital budget.

Report of the Nominating and Governance Committee

E. Dunn, Chairman of the Nominating and Governance Committee, gave a report on the Committee's November 1 meeting. The Committee reviewed and revised the form of Annual Evaluation of the Board and Committees. E. Dunn also reported that the Committee conducted its annual review of the Committee's charter and of the Corporate Governance Principles, and had no comments or changes on either document.

Report of the Audit, Finance and Risk Committee

J. Dore, Chairman of the Audit, Finance and Risk Committee, gave a report on the Committee's November 16 meeting. He indicated that the Committee met with representatives of Melanson Heath to review the 2018 audit plan. There was a review of the audited 2017 pension plan financial statements and 2017 401(k) financial statements, which were found to be in compliance with the DOL's rules and regulations for Reporting and Disclosure under ERISA. There was a review of the audited Schedule of Expenditures of Federal Awards, which audit was required because the Company's subsidiaries expended more than \$750,000 of SRF loans in 2017. The Committee was presented with a status update on the 2018 internal controls review and testing project, which will be completed by year-end, and an update on the ISO 27001 testing project. The Committee also conducted its annual review of the Committee Charter and made no changes.

Other Business

2019 Board Meeting Schedule – The Board reviewed the draft schedule of 2019 Board meetings. It was agreed that the November meeting be scheduled on November 22 and the December meeting be scheduled on December 20. The Board meeting schedule was approved, as revised.

Management Presentations – The Board reviewed the list of management presentations and had no changes.

D. Ware, M. DeRoche, G. Torres, C. Howe, J. Boisvert, T. King, C. Countie and S. Greenwood left the meeting at 8:43 a.m.

Move to Non-Public Session

S. Genest moved that the Board enter into non-public session to (i) discuss the acquisition, sale or lease of real or personal property pursuant to RSA 91-A:3, II(d), and (ii) discuss confidential or financial information pursuant to RSA 91-A:3, II(j). P. Stanley seconded the motion.

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

Yea: D. Bernier, G. Bower, J. Dore, E. Dunn, S. Genest, T. Leonard,
J. Lustig, J. McGrath, J. Murphy, P. Stanley
Nay:

Motion was carried to enter into non-public session at 8:44 a.m.

Reconvene in Public Session

The non-public session ended at 9:47 a.m. and the Board reconvened in public session. Present were the Directors, L. Goodhue and S. Ansara.

S. Genest moved that the Board seal the minutes of the non-public session under RSA 91-A:3, II(d) and RSA 91-A:3, II(j). P. Stanley seconded the motion. A roll call of the Directors present was taken, which resulted as follows:

Yea: D. Bernier, G. Bower, J. Dore, E. Dunn, S. Genest, T. Leonard,
J. Lustig, J. McGrath, J. Murphy, P. Stanley
Nay:

Motion was carried to seal the minutes of the non-public session.

There being no further business to come before the Board, the meeting was adjourned at 9:48 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary