

PENNICHUCK CORPORATION  
BOARD OF DIRECTORS  
MINUTES OF APRIL 22, 2022 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Friday, April 22, 2022 at 8:00 a.m., at the Company’s offices at 25 Walnut Street, Nashua, New Hampshire.

Due to the COVID-19 virus, access to the meeting for the public was provided through conference call. Access to the meeting for members of the Board who were unable to attend the meeting in person and for members of management was provided electronically through Microsoft Teams.

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 meeting, constituting a quorum:

Thomas J. Leonard, Chairman  
David P. Bernier (via Microsoft Teams)  
C. George Bower  
James P. Dore  
Elizabeth A. Dunn  
Stephen D. Genest  
Jay N. Lustig  
John D. McGrath (via Microsoft Teams)  
Deborah Novotny (via Microsoft Teams)  
Preston J. Stanley, Jr.

The Directors who participated via Microsoft Teams stated the reason they were unable to attend the meeting in person, that they were alone and could hear the proceedings.

Attending the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer  
Donald L. Ware, Chief Operating Officer  
Suzanne L. Ansara, Corporate Secretary  
George Torres, Corporate Controller and Treasurer  
Carol Ann Howe, Assistant Treasurer (via Microsoft Teams)  
Tara King, Director of Revenue and Customer Operations (via Microsoft Teams)  
Steven Greenwood, IT Director (via Microsoft Teams)  
John Boisvert, Chief Engineer (via Microsoft Teams)  
Chris Countie, Director, Water Supply and Community Systems (via Microsoft Teams)  
Daniel Wojcik, Director of Sales, PWSC (via Microsoft Teams)  
Lori Douglas, Accounting Manager (via Microsoft Teams)

S. Ansara 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 March 25, 2022 Board meeting, on motion duly made by J. Dore and seconded by E. Dunn, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the minutes of the March 25, 2022 meeting of the Board of Directors are hereby approved.

## March 2022 Financial Review

G. Torres presented a financial update through March 2022, reviewing the Company's unaudited consolidated income statement, balance sheet and cash flow statement. Pumpage for the month of March (303 million gallons) was greater than budget (255 million gallons).

Revenues of \$12.8 million were 24.3% above the prior year revenues and even with budget on a year-to-date basis. Operating expenses of \$10.5 million were 1.2% greater than budget and 5.8% greater than the prior year expenses. Operating income was \$2.3 million compared to prior year operating income of \$0.4 million and budgeted operating income of \$2.4 million. Interest expense of \$3.4 million was 6.3% less than budget and 4.3% less than the prior year expense. Pre-tax loss was \$1.1 million compared to a budgeted pre-tax loss of \$1.2 million and prior year pre-tax loss of \$3.2 million. Year-to-date net loss was \$1.0 million compared to a budgeted net loss of \$1.0 million and prior year net loss of \$2.7 million. Year-to-date earnings before interest, taxes, depreciation and amortization was \$4.5 million compared to \$4.7 million in the 2022 budget and the prior year amount of \$2.6 million.

Discussions were held regarding increases in the cost of chemicals, fuel, and carbon change-outs, and regarding supply chain delays which have caused delays in the progress of the dam project.

## TD Bank – Renewal of \$4 Million Line of Credit

L. Goodhue referred the Board to the resolutions set forth in the Agenda relating to the renewal of the Company's \$4 million working capital line of credit with TD Bank, N.A. A term sheet was provided to the Board prior to the meeting for their review. L. Goodhue discussed the terms and conditions in the term sheet. The current line of credit is due to expire on June 30, 2022.

L. Goodhue asked for the Board's approval to proceed.

On motion duly made by S. Genest and seconded by G. Bower, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the Board of Directors of Pennichuck Corporation (the "Corporation") hereby authorizes, approves and directs the Corporation to enter into a renewal of its \$4,000,000 line of credit ("LOC") with TD Bank, N.A. on the terms and conditions set forth in the term sheet presented and reviewed at this meeting and attached hereto as Exhibit A (the "LOC Renewal");

Further

Resolved: that the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer and the Treasurer of the Corporation are severally authorized, empowered and directed to negotiate, execute and deliver, in the name and on behalf of the Corporation, any and all documents relating to the LOC Renewal and to take any and all actions as they may deem necessary or appropriate to implement the LOC Renewal;

Further

Resolved: that the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer and the Treasurer of the Corporation are hereby severally authorized, empowered and directed to take any and all actions to obtain all necessary approvals for the LOC Renewal from the City of Nashua in its capacity as the sole shareholder of the Corporation, and any other authority determined by such officers relating to the LOC Renewal;

Further

Resolved: that the taking of such actions and the execution and delivery of such documents to be sufficient and conclusive evidence that the same are within the authority conferred by these resolutions; and that all prior acts of said officers of the Corporation to accomplish the purposes of these resolutions are hereby approved and ratified.

#### Business Updates and Comments from the CEO

PUC Meeting – L. Goodhue reported that a meeting between the PUC Commissioners and representatives from the various utilities in the State has been scheduled for early May. The meeting is to discuss the new organizational structure at the PUC and its effect on the utilities' policies, procedures and processes.

Correspondence from Public – L. Goodhue referred the Board to correspondence received from a member of the public regarding recreational usage of the Pennichuck ponds. After discussion, it was agreed that the Company's policy is to prohibit recreational usage of the ponds, due to liability concerns and concerns for the safety of the public drinking water supply. L. Goodhue indicated that he has had previous discussions with this individual regarding the same issue in the past.

Bond Closing – L. Goodhue updated the Board on the issuance of approximately \$6.9 million in bonds for the 2021 capital expenditures of Pennichuck Water Works. The Pricing Committee met on April 11 and 12 with Hilltop Securities and other parties to price the bonds. The all-in TIC for the bonds is 4.55%. The closing is scheduled for April 26.

CIAC – L. Goodhue reported that the law to reinstate the CIAC exemption at the NH State level was passed two weeks ago retroactive to January 1, 2021.

### Other Business

S. Ansara indicated that the Annual Meeting of Sole Shareholder and the Annual Meeting of the Board of Directors will be held on Saturday, May 7, beginning at 9:00 a.m. at the Company's Distribution Facility in Merrimack.

The Board reviewed the list of upcoming management presentations and requested presentations be added regarding a review of the current rate structure, opportunities for financing, and tax issues.

### Move to Non-Public Session

E. Dunn moved that the Board enter into non-public session to discuss the acquisition, sale or lease of real or personal property, pursuant to RSA 91-A:3, II(d). S. Genest 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, D. Novotny, P. Stanley

Nay:

Motion was carried to enter into non-public session at 9:32 a.m.

### Reconvene in Public Session

The non-public session ended at 10:04 a.m. and the Board reconvened in public session.

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

Yea: D. Bernier, G. Bower, J. Dore, E. Dunn, S. Genest, T. Leonard,  
J. Lustig, J. McGrath, D. Novotny, 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 10:06 a.m.

/s/ Suzanne L. Ansara  
Suzanne L. Ansara  
Corporate Secretary