

PENNICHUCK CORPORATION
BOARD OF DIRECTORS
MINUTES OF AUGUST 26, 2022 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Friday, August 26, 2022, at 8:00 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, constituting a quorum.

Thomas J. Leonard, Chairman
David P. Bernier
C. George Bower
Aymarie R. Corriveau
James P. Dore (via Conference Call)
Elizabeth A. Dunn
H. Scott Flegal (via Microsoft Teams)
Stephen D. Genest
Jay N. Lustig (via Microsoft Teams)
John D. McGrath
Deborah Novotny
Sarah Pillsbury (via Conference Call)
Preston J. Stanley, Jr.

J. Dore, S. Flegal, J. Lustig and S. Pillsbury stated the reason they could not attend the meeting in person, that they were alone and could hear the proceedings.

Attending the meeting from the Company in person were:

Larry D. Goodhue, Chief Executive Officer
Suzanne L. Ansara, Corporate Secretary
George Torres, Corporate Controller and Treasurer
Lori Douglas, Assistant Controller

Attending the meeting from the Company via Microsoft Teams were:

Carol Ann Howe, Assistant Treasurer
Tara King, Director, Revenue and Customer Operations
John Boisvert, Chief Engineer
Chris Countie, Director, Water Supply and Community Systems
Daniel Wojcik, Director of Sales, PWSC

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 May 26, 2022 Annual Meeting of Shareholder for the Company's subsidiaries, and the June 24, 2022 meeting of the Board of Directors, on motion duly made by S. Genest and seconded by E. Dunn, all of the Directors then voting by roll call, it was unanimously

Resolved: that the minutes of the May 26, 2022 Annual Meeting of Shareholder for the Pennichuck Corporation Subsidiaries are hereby approved.

Resolved: that the minutes of the June 24, 2022 meeting of the Board of Directors are hereby approved.

Financial Review

G. Torres presented a financial update through July 2022. Pumpage for the month of July (619 million gallons) was ahead of budget (524 million gallons). Capital expenditures of \$3.0 million were below the budgeted amount of \$11.9 million.

G. Torres reviewed the Company's unaudited consolidated income statement, balance sheet and cash flow statement through July 31, 2022. Revenues of \$32.9 million were 14.9% greater than the prior year revenues and 0.5% less than budget on a year-to-date basis. Operating expenses of \$25.6 million were 0.3% above budget and 5.0% above the prior year expenses. Operating income was \$7.3 million compared to prior year operating income of \$4.3 million and budgeted operating income of \$7.6 million. Interest expense of \$8.2 million was 3.1% less than budget and 0.4% less than the prior year expense. Pre-tax loss was \$0.9 million compared to a budgeted pre-tax loss of \$0.9 million and prior year pre-tax loss of \$3.6 million. Year-to-date net loss was \$1.1 million compared to a budgeted net loss of \$0.4 million and prior year net loss of \$3.3 million. Year-to-date earnings before interest, taxes, depreciation and amortization was \$12.5 million compared to \$12.8 million in the 2022 budget and the prior year amount of \$9.7 million.

L. Douglas commented on the Company's debt covenant schedule which is in compliance through July, and reviewed the income statements and variances from budget and prior year results, for each subsidiary.

There was a brief discussion regarding the current drought and water quality. There was a brief discussion relative to the possibility of obtaining access to the NH Municipal Bond Bank through special legislation, which would be used for annual capex financing for PWW, PEU and PAC.

Rate Structures and Cash Flow Protection Elements

L. Goodhue provided a presentation on the Company's current rate structure as approved in the last two rates cases completed for Pennichuck Water Works, Inc. and Pennichuck East Utility, Inc., and basically describing cash flow protections in place based on that approved structure.

S. Flegal left the meeting at 10:00 a.m.

Business Updates and Comments from CEO

L. Goodhue commented on recent changes at City Hall, including a change in City Clerk, and changes at the State level. Senator Morse has stepped down from his role with the Drinking Water and Groundwater Trust Fund.

G. Torres, J. Boisvert, C. Howe, T. King, C. Countie, D. Wojcik and L. Douglas left the meeting at 10:44 a.m.

Move to Non-Public Session

J. McGrath moved that the Board enter into non-public session to discuss the promotion or compensation of employees pursuant to RSA 91-A:3, II(a), to discuss matters, which if discussed in public, would likely affect adversely the reputation of a person pursuant to RSA 91-A:3, II(c), and to discuss the acquisition, sale or lease of real or personal property, pursuant to RSA 91-A:3, II(d). D. Bernier seconded the motion.

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

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

Motion was carried to enter into non-public session at 10:45 a.m.

Reconvene in Public Session

The non-public session ended at 11:46 a.m. and the Board reconvened in public session.

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

Yea: D. Bernier, G. Bower, A. Corriveau, J. Dore, E. Dunn, S. Genest,
T. Leonard, J. Lustig, J. McGrath, D. Novotny, S. Pillsbury, 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 11:47 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary