

PENNICHUCK CORPORATION
BOARD OF DIRECTORS
MINUTES OF SEPTEMBER 23, 2022 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Friday, September 23, 2022, at 8:15 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:

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

D. Bernier and J. Lustig stated the reason they could not attend the meeting in person, that they were alone and could hear the proceedings.

Attending the meeting in person 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
Lori Douglas, Assistant Controller
Chris Countie, Director, Water Supply and Community Systems

Attending the meeting via Microsoft Teams from the Company were:

Mary V. DeRoche, HR Director
Carol Ann Howe, Assistant Treasurer
Steve Greenwood, IT Director
Tara King, Director, Revenue and Customer Operations
John Boisvert, Chief Engineer
Alan Brown, Distribution Manager

S. Ansara recorded the minutes of the meeting.

The Acting Chairman called the meeting to order.

Approval of Minutes

There being no comments on the draft minutes of the August 26, 2022 meeting of the Board of Directors, on motion duly made by J. Dore and seconded by G. Bower, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the minutes of the August 26, 2022 meeting of the Board of Directors are hereby approved.

Daniel Wojcik, Director of Sales, joined the meeting via Microsoft Teams at 8:21 a.m.

Financial Review

G. Torres presented a financial update through August 2022. Pumpage for the month of August (602 million gallons) was ahead of budget (505 million gallons). Capital expenditures of \$3.4 million were below the budgeted amount of \$13.7 million.

G. Torres reviewed the Company's unaudited consolidated income statement, balance sheet and cash flow statement through August 31, 2022. Revenues of \$39.2 million were 18.1% greater than the prior year revenues and 5.1% greater than budget on a year-to-date basis. Operating expenses of \$29.6 million were 1.1% above budget and 6.0% above the prior year expenses. Operating income was \$9.7 million compared to prior year operating income of \$5.3 million and budgeted operating income of \$8.1 million. Interest expense of \$9.4 million was 3.0% less than budget and 0.6% greater than the prior year expense. Pre-tax income was \$0.2 million compared to a budgeted pre-tax loss of \$1.7 million and prior year pre-tax loss of \$3.8 million. Year-to-date net income was \$0.3 million compared to a budgeted net loss of \$1.1 million and prior year net loss of \$3.4 million. Year-to-date earnings before interest, taxes, depreciation and amortization was \$15.6 million compared to \$14.1 million in the 2022 budget and the prior year amount of \$11.4 million.

2023 Budget Schedule

L. Douglas reviewed the budget schedule for 2023. A presentation of Global Goals and Objectives will be given to the Board in October. A review of the capital budget will be presented to the Board in November, and submitted to the Board in December for preliminary approval. A review of the operating budget will be presented to the Board in December. Final approval of the capital and operating budgets will be at the January 2023 meeting.

Business Updates and Comments from CEO and Management

L. Goodhue updated the Board on the PWW rate case and PFAS contamination issues in Londonderry, Litchfield, Amherst and Bedford. J. Boisvert gave an update on capital projects. C. Countie updated the Board on potential enhancements to the Water Treatment Plant.

L. Goodhue reported that he, D. Ware and J. Boisvert will be meeting with the Water Commission of the Town of Pelham regarding water availability issues. Pennichuck currently serves approximately 380 customers in Pelham.

There were no comments on the management presentations list.

Move to Non-Public Session

S. Genest 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). D. Novotny seconded the motion.

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

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

Nay:

Motion was carried to enter into non-public session at 9:12 a.m.

Reconvene in Public Session

The non-public session ended at 9:26 a.m. and the Board reconvened in public session.

E. Dunn moved that the Board seal the minutes of the non-public session under RSA 91-A:3, II(d). G. Bower seconded the motion. A roll call of the Directors present was taken, which resulted as follows:

Yea: G. Bower, A. Corriveau, J. Dore, E. Dunn, S. Genest,
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 9:28 a.m.

/s/ Suzanne L. Ansara

Suzanne L. Ansara
Corporate Secretary