

PENNICHUCK CORPORATION  
BOARD OF DIRECTORS  
MINUTES OF MAY 27, 2021 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Thursday, May 27, 2021, at 8:30 a.m.

Due to the COVID-19 virus and in accordance with the state of emergency declared by Governor Sununu, the meeting was held electronically using the Microsoft Teams platform, for the safety of the Board Members and Pennichuck employees. Telephone access to the meeting was provided for members of the public. Pursuant to Governor Sununu’s Emergency Order #12 dated March 23, 2020, the requirement under RSA 91-A:2, III(b) that a quorum be physically present at a meeting has been waived.

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

By roll call, the following Directors were present for the start of the meeting, constituting a quorum. Each director stated that they were alone.

Thomas J. Leonard, Chairman  
David P. Bernier  
C. George Bower  
James P. Dore  
Elizabeth A. Dunn  
H. Scott Flegal  
Stephen D. Genest  
Jay N. Lustig  
John D. McGrath  
Deborah Novotny  
Preston J. Stanley, Jr.

Attending the meeting from the Company were:

Larry D. Goodhue, Chief Executive Officer  
Donald L. Ware, Chief Operating Officer  
Mary V. DeRoche, Human Resources Director  
Suzanne L. Ansara, Corporate Secretary  
George Torres, Corporate Controller and Treasurer  
Carol Ann Howe, Assistant Treasurer  
Tara King, Revenue and Customer Operations Manager  
Steven Greenwood, IT Director  
John Boisvert, Chief Engineer  
Chris Countie, Director, Water Supply and Community Systems  
Alan Brown, Distribution Manager  
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 April 23, 2021 meeting of the Board of Directors, the May 8, 2021 Annual Meeting of Sole Shareholder, and the May 8, 2021 Annual Meeting of the Board of Directors, on motion duly made by E. Dunn and seconded by G. Bower, all of the Directors then voting by roll call, it was unanimously

Resolved: that the minutes of the April 23, 2021 meeting of the Board of Directors are hereby approved.

Resolved: that the minutes of the May 8, 2021 Annual Meeting of Sole Shareholder are hereby approved.

Resolved: that the minutes of the May 8, 2021 Annual Meeting of the Board of Directors are hereby approved.

### Financial Review

G. Torres reviewed the pumpage chart as of April 2021. Pumpage for the month of April (282 million gallons) was ahead of budget (280 million gallons).

He reviewed the Company's unaudited consolidated income statement, balance sheet and cash flow statement through April 30, 2021. Revenues of \$13.7 million were 4.5% above the prior year revenues and 3.3% below budget on a year-to-date basis. Operating expenses of \$13.4 million were 0.1% above budget and 9.5% above the prior year expenses. Operating income was \$0.2 million compared to prior year operating income of \$0.8 million and budgeted operating income of \$0.7 million. Interest expense of \$4.6 million was 2.4% less than budget and 26.8% greater than the prior year expense. Pre-tax loss was \$4.4 million compared to a budgeted pre-tax loss of \$4.0 million and prior year pre-tax loss of \$2.8 million. Year-to-date net loss was \$3.8 million compared to a budgeted net loss of \$3.4 million and prior year net loss of \$5.0 million. Year-to-date earnings before interest, taxes, depreciation and amortization was \$3.1 million compared to \$3.6 million in the 2021 budget and the prior year amount of \$3.7 million.

### Guaranty - SRF Loan – PWW Twin Ridge Condos, Plaistow, NH

L. Goodhue indicated that management is seeking the Board's approval for Pennichuck Corporation to guaranty a loan to Pennichuck Water Works, Inc. in the amount of \$300,000 from the State of New Hampshire under the State's Drinking Water Revolving Loan Fund Program (SRF). The loan will be used to fund the interconnection of the Twin Ridge Condos in Plaistow with the Southern NH Regional Water system. The loan would be paid over a 20-year term. Approval of the loan will also be required from the Governor and Executive Council and the City of Nashua.

After a brief discussion, on motion duly made by J. McGrath and seconded by G. Bower, all of the Directors then voting by roll call, except for J. Lustig who was unable to participate in the vote, it was unanimously

Resolved: that the Board of Directors hereby approves the guaranty by Pennichuck Corporation (the “Company”) of the payment by Pennichuck Water Works, Inc. (“PWW”) of all of its obligations with respect to PWW’s borrowing of up to \$300,000 in principal amount from the State of New Hampshire (the “State”), such amount to be paid over a 20-year term, level payment, with interest and related costs, for the purpose of funding the interconnection of the Twin Ridge Condos in Plaistow, New Hampshire with the Southern NH Regional Water system (Plaistow section), pursuant to a Loan Agreement between PWW and the State under the State’s Drinking Water Revolving Loan Fund program.

Further

Resolved: that the officers of the Company are severally authorized, empowered and directed to execute and deliver, in the name and on behalf of the Company, the Guaranty agreement with respect to the SRF loan described in the prior resolution (the “SRF Loan”), with such terms as may be deemed necessary or advisable in the several judgment of the officers executing the Guaranty agreement.

Further

Resolved: that the officers of the Company are hereby authorized, empowered and directed to take any and all actions to obtain all necessary approvals for the Guaranty from the New Hampshire Department of Environmental Services, the Governor and Executive Council, and the City of Nashua in its capacity as the sole shareholder of the Company, and any other authority determined by such officers relating to the Guaranty.

Further

Resolved: that Larry D. Goodhue and Donald L. Ware are severally authorized, empowered and directed to take such actions and to execute and deliver such documents as in the opinion of the officer or officers so acting or in the opinion of counsel, are necessary or desirable to effect the Guaranty and the SRF Loan and to carry out the purposes of the preceding resolutions, 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.

#### Guaranty - SRF Loan – PWW Sweet Hill Estates, Plaistow, NH

L. Goodhue indicated that management is seeking the Board’s approval for Pennichuck Corporation to guaranty a loan to Pennichuck Water Works, Inc. in the amount of \$240,000 from the State of New Hampshire under the State’s Drinking Water Revolving Loan Fund Program (SRF). The loan will be used to fund the interconnection of the Sweet Hill Estates in Plaistow with the Southern NH Regional Water system. The loan would be paid over a 20-year term. Approval of the loan will also be required from the Governor and Executive Council and the City of Nashua.

After a brief discussion, on motion duly made by J. McGrath and seconded by G. Bower, all of the Directors then voting by roll call, except for J. Lustig who was unable to participate in the vote, it was unanimously

Resolved: that the Board of Directors hereby approves the guaranty by Pennichuck Corporation (the “Company”) of the payment by Pennichuck Water Works, Inc. (“PWW”) of all of its obligations with respect to PWW’s borrowing of up to \$240,000 in principal amount from the State of New Hampshire (the “State”), such amount to be paid over a 20-year term, level payment, with interest and related costs, for the purpose of funding the interconnection of Sweet Hill Estates in Plaistow, New Hampshire with the Southern NH Regional Water system (Plaistow section), pursuant to a Loan Agreement between PWW and the State under the State’s Drinking Water Revolving Loan Fund program.

Further

Resolved: that the officers of the Company are severally authorized, empowered and directed to execute and deliver, in the name and on behalf of the Company, the Guaranty agreement with respect to the SRF loan described in the prior resolution (the “SRF Loan”), with such terms as may be deemed necessary or advisable in the several judgment of the officers executing the Guaranty agreement.

Further

Resolved: that the officers of the Company are hereby authorized, empowered and directed to take any and all actions to obtain all necessary approvals for the Guaranty from the New Hampshire Department of Environmental Services, the Governor and Executive Council, and the City of Nashua in its capacity as the sole shareholder of the Company, and any other authority determined by such officers relating to the Guaranty.

Further

Resolved: that Larry D. Goodhue and Donald L. Ware are severally authorized, empowered and directed to take such actions and to execute and deliver such documents as in the opinion of the officer or officers so acting or in the opinion of counsel, are necessary or desirable to effect the Guaranty and the SRF Loan and to carry out the purposes of the preceding resolutions, 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.

#### Investment Committee - Change of Name

L. Goodhue reported that at the last meeting of the Compensation and Benefits Committee, the Committee voted to recommend to the Board of Directors that the name of the Company’s Investment Committee be changed to the Retirement Plans Investment Committee. He said that a Charter for the Retirement Plans Investment Committee was reviewed by the Compensation and Benefit Committee, and based on comments from them, will be further discussed with the Company’s attorney.

On motion duly made by E. Dunn and seconded by J. Dore, all of the Directors then voting by roll call, except for J. Lustig who was unable to participate in the vote, it was unanimously

Resolved: that at the recommendation of the Compensation and Benefits Committee, the Board of Directors hereby approves the change of name of the “Investment Committee” to the “Retirement Plans Investment Committee”; and affirms that the members of the Retirement Plans Investment Committee are Larry Goodhue, Mary DeRoche, George Torres and Carol Ann Howe.

#### Comments and Updates from Management

PEU and PAC Rate Cases – L. Goodhue updated the Board on the status of the PEU and PAC rate cases. Hearings have been held on temporary rates, there have been multiple rounds of data discovery, and technical sessions. He indicated that there is a good possibility that the Company will get permanent rate relief for PAC by the end of the year. Also, based on the property tax situation with the State, it looks like there is going to be a favorable change in the property taxes for PAC.

Windham – L. Goodhue reported that the Company has received a Staff recommendation letter relative to the partial franchise area surrender and transfer of Windham in support of the Southern NH Regional Interconnection project. He said that an Order from the Commission cannot be issued until an agreement is finalized between the Towns of Windham and Salem.

Woodmont Commons – An Order has been received. J. Boisvert is working with the developer on next steps. Work on the tank will not be until next year.

Payment Protection Program Loan – L. Goodhue indicated that he is working on a report to the PUC due next week relative to information required regarding the PPP loan. G. Torres is working with the Company’s outside auditors in getting the forgiveness application prepared and ready to file with TD Bank.

Hudson Water – L. Goodhue updated the Board on water concerns with the Town of Hudson that were discussed at the February Board meeting relating to PFAS response and manganese concentration, and water coming from the Hudson wells. From talks with the Town of Hudson and the NHDES, it appears that the Town of Hudson will be shutting down a second well, and will be buying water from Pennichuck for the foreseeable future. The Town of Hudson will also need to work on the line under the Taylor Falls Bridge to improve the seasonal connection there to make sure it can maintain the flow needed for the Town.

QCPAC – A response to recent data requests was filed yesterday for PWW. A response to data requests for PEU is due next week.

American Rescue Plan Act (ARPA) – L. Goodhue reported that a sizable amount of funds will be coming into the State under ARPA from the Federal Government. The vast majority of the funds will be used for water and wastewater purposes in the State. The NHDES is looking to create a framework of how the funds will be deployed to municipalities and other water utilities, such as Pennichuck.

COVID-19 – L. Goodhue updated the Board on the Company’s COVID-19 protocols. He said that a Phase-1 re-entry plan will begin on June 1. A hybrid plan has been developed for each department. Employees will be working in the office on an alternating schedule. He said that he wants to be sure that the Company is meeting all of its business needs but also meeting the safety and health of the work force.

Management Presentations

The Board reviewed the management presentations scheduled for future Board meetings in 2021 and had no comments or additions.

D. Ware, G. Torres, C. Howe, T. King, S. Greenwood, J. Boisvert, C. Countie, A. Brown and D. Wojcik left the meeting at 8:56 a.m.

Move to Non-Public Session

D. Bernier moved that the Board enter into non-public session 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 confidential information pursuant to RSA 91-A:3, II(j). E. Dunn 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. Flegal, S. Genest, T. Leonard, J. Lustig, J. McGrath, D. Novotny, P. Stanley
- Nay:

Motion was carried to enter into non-public session at 8:57 a.m.

Reconvene in Public Session

The non-public session ended at 10:16 a.m. and the Board reconvened in public session.

G. Bower moved that the Board seal the minutes of the non-public session under RSA 91-A:3, II(c) and RSA 91-A:3, II(j). J. Lustig 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. Flegal, 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 10:18 a.m.

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