

PENNICHUCK CORPORATION
BOARD OF DIRECTORS
MINUTES OF MARCH 24, 2023 MEETING

A regular meeting of the Board of Directors of Pennichuck Corporation (the “Company”) was held on Friday, March 24, 2023, at 8:10 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 for the start of the meeting, constituting a quorum:

Thomas J. Leonard, Chairman (via Microsoft Teams)
David P. Bernier
C. George Bower
H. Scott Flegal
Stephen D. Genest
Ralph Jenkins
John D. McGrath
Deborah Novotny (via Microsoft Teams)
Sarah Pillsbury (via Microsoft Teams)

T. Leonard, D. Novotny and S. Pillsbury stated the reasons they could not attend the meeting in person, that they were alone, and could hear the proceedings.

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, Human Resources Director (via Microsoft Teams)
George Torres, Chief Financial Officer, Treasurer and Corporate Controller
Carol Ann Howe, Assistant Treasurer and Corporate Secretary
Steven Greenwood, IT Director (via Microsoft Teams)
Tara King, Revenue and Customer Operations Director (via Microsoft Teams)
John Boisvert, Chief Engineer (via Microsoft Teams)
Lori Douglas, Assistant Controller

C. Howe 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 February 24, 2023 meeting of the Pennichuck Corporation Board of Directors, on motion duly made by S. Genest and seconded by D. Bernier, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the minutes of the February 24, 2023 meeting of the Pennichuck Corporation Board of Directors are hereby approved.

S. Pillsbury dropped off the meeting at 8:15 a.m. due to internet connection issues.

Financial Review

L. Douglas presented a financial update through February 2023. Pumpage for the month of January (286 million gallons) was slightly under budget (289 million gallons) and pumpage for February (278 million gallons) was ahead of budget (261 million gallons).

Dividend to Shareholder

L. Goodhue indicated that management is recommending that the Board approve the payment of a quarterly dividend to the City of Nashua. The dividend will supplement the monthly interest and note payment made by the Company to the City of Nashua for the funding of the City's acquisition debt.

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

Resolved: that a dividend in the amount of \$69,554.60 be paid to the sole shareholder of record, the City of Nashua, New Hampshire, on April 25, 2023.

CoBank – Fixed Asset Line of Credit (FALOC) Renewal

L. Goodhue stated that he is looking for the Board's authority to negotiate the renewal of Pennichuck East Utility's \$4 million FALOC with CoBank, ACB, which is due to expire on September 30, 2023. The FALOC is used to provide short term financing of PEU's capital projects. The Company is seeking to increase the line from the previous amount of \$3 million to \$4 million in order to provide sufficient funding for anticipated capital expenditures.

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

Resolved: that the Board of Directors of Pennichuck Corporation (the "Company") hereby authorizes the Chief Executive Officer, Chief Operating Officer or the Chief Financial Officer of the Company to negotiate the renewal of Pennichuck East Utility's \$4 million Fixed Asset Line of Credit with CoBank, ACB, and secure all necessary approvals for said renewal with the NHPUC and the City of Nashua for a period of 3 years past the expiration date of the current FALOC which expires on September 30, 2023.

Report of the Nominating and Governance Committee

E. Dunn, Chairman of the Nominating and Governance Committee, was not in attendance for the meeting. In her absence, T. Leonard gave a report on the Committee's March 22, 2023 meeting. He reported that the Committee discussed the Director nominees for the Annual Shareholder Meeting which consisted of two discussions. One related to the re-nomination of those individuals that are present directors in which the Committee recommended to elect them all as one slate. The second part of the discussion was acknowledgement that the Committee needed to fill the open Director position which was left vacant with the loss of Director Preston Stanley. T. Leonard indicated those discussions and search to replace this position will continue over the next several weeks. It was recognized that they would not be able to provide a replacement Director at the May Annual Meeting. They also recognized that there may be two or three additional Board member seats that will need to be filled at the Annual Meeting in 2024. It was also decided that each Board member would be required to serve on two Committees and the Chairman will not be required to serve on any Committees but participation in as many as reasonably possible is anticipated. It was also decided that a new Chairman will be decided on at the Non-Public Session of the April Pennichuck Board meeting.

Without further discussion on the Director Nominees for the Annual Shareholder Meeting, on a motion duly made by S. Genest and seconded by D. Bernier, all of the Directors present then voting by roll call, it was unanimously

Resolved: that Elizabeth A. Dunn, H. Scott Flegal, Ralph Jenkins and Deborah Novotny, are hereby nominated for election to the Board of Directors of Pennichuck Corporation at the 2023 Annual Meeting of Sole Shareholder, as Class B Directors, each for a three-year term, and until their successors are elected and qualified.

On motion to accept the Proxy Material as written and presented at the meeting by S. Genest and seconded by G. Bower, all of the Directors present then voting by roll call, it was unanimously

Resolved: that the draft Proxy Card, Notice of Annual Meeting and Proxy Statement for the 2023 Annual Meeting of Sole Shareholder, as presented at this meeting, are hereby approved; and that the Chief Executive Officer and the Corporate Secretary are each hereby authorized to make such changes as they deem necessary and appropriate.

Report of the Audit, Finance and Risk Committee

G. Bower, Chairman of the Audit, Finance and Risk Committee, gave a report on the Committee's March 21, 2023 meeting indicating that the 2022 Audit Report will be issued by Melanson even though they are under new ownership by Marcum. G. Bower summarized the items that were discussed with the Committee. He reported the Audit Report indicated there were no significant issues found. He also noted that the Committee met individually with D. Tarbox of Melanson to discuss the Audit. The Committee recommended the approval of the Audit Report.

They also reviewed the Audited Financial Statements and are recommending them for approval. They will be released for their inclusion in the Bond financing documents at the conclusion of the meeting. Another item discussed at the meeting was the approval of the CoBank FALOC Renewal. L. Goodhue presented information related to this topic. The Committee also recommended the approval of the CoBank FALOC renewal which was approved by the Board as was previously indicated.

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

Resolved: that the Board of Directors hereby affirm the approval by the Audit, Finance and Risk Committee of the 2022 Audited Consolidated Financial Statements of Pennichuck Corporation and its Subsidiaries in the form presented at this meeting and authorize management to release the financial statements for all purposes.

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

Resolved: that the draft Annual Report to Sole Shareholder, substantially in the form presented at this meeting (with one correction earlier noted by D. Bernier and R. Jenkins) is hereby approved for release, with such changes as the Chief Executive Officer or the Chief Financial Officer may deem necessary and appropriate.

Long-Term Financing Opportunities

L. Goodhue briefly discussed some items that he, along with D. Ware, have been working on with the State Legislation continuing to look at long-term financing opportunities that may be available to the Company. They will continue to keep this item on the agenda for future meetings.

Business Updates from CEO

L. Goodhue took the opportunity to discuss with the Board some potential future activity related to two pieces of special legislation that would be beneficial to Pennichuck – one is associated with the New Hampshire Municipal Bond Bank and the other related to tax legislation. He indicated he would keep the Board informed.

Other Business

The *Management Presentations List* and the *2023 Board Meeting Schedule – Pennichuck Corporation* was distributed to all Board members. L. Goodhue indicated the Management Presentations List was updated to change the date of the presentation on Status of Pension and Savings Plan Investments review. There were no questions from the Board.

Legislation Updates - L. Goodhue discussed the release by the EPA of their recommended guidance on the nationwide MCL they are seeking to establish. They are now in their 60 day public comment period. L. Goodhue along with D. Ware and J. Boisvert indicated some of the potential cost impacts it would have on the Company. G. Bower inquired as to how many of our smaller systems would be impacted. D. Ware and J. Boisvert provided input.

S. Pillsbury rejoined the meeting at 9:07 a.m.

D. Novotny left the meeting at 9:10 a.m.

Move to Non-Public Session

S. Genest moved that the Board enter into non-public session to (i) 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 (ii) discuss financial or confidential information pursuant to RSA 91-A:3, II(j). D. Bernier seconded the motion.

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

Yea: D. Bernier, G. Bower, S. Flegal, S. Genest, R. Jenkins, T. Leonard, J. McGrath,
S. Pillsbury

Nay:

Motion was carried to enter into non-public session at 9:13 a.m.

Reconvene in Public Session

The non-public session ended at 10:09 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(c) and RSA 91-A:3, II(j). G. Bower seconded the motion. A roll call of the Directors present was taken, which resulted as follows:

Yea: D. Bernier, G. Bower, S. Flegal, S. Genest, R. Jenkins, T. Leonard, J. McGrath,
S. Pillsbury

Nay:

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

There being no further business to come before the Board, the Chairman adjourned the meeting at 10:12 a.m.

/s/ Carol Ann Howe

Carol Ann Howe, CPA
Assistant Treasurer &
Corporate Secretary