

APPROVED MINUTES

Executive Committee of WPPI Energy

April 28, 2022

Sun Prairie, Wisconsin

8:30 a.m.

A meeting of the Executive Committee of WPPI Energy (WPPI) was called to order at 8:30 a.m. on Thursday, April 28, 2022, by Chair Stawicki at the WPPI Energy Office and Operations Facility, 1425 Corporate Center Drive, Sun Prairie, Wisconsin, in accordance with the *Notice of Public Meeting* sent to Directors and Alternates on April 20, 2022, as amended by the *Amended Notice of Public Meeting* sent to Directors and Alternates on April 26, 2022.

Executive Committee members in attendance were S. Adler, C. Engebretson, T. Herlitzka, R. Jaeckels, D. Lythjohan, J. Pickart, M. Reynolds, J. Stawicki, J. Weiss, and K. Westhuis. WPPI staff members in attendance were T. Biese, C. Chartier, J. Daggett, M. Doll, M. Dreischmeier, V. Goepfrich, T. Hanrahan, P. Hansen, V. Hewitt, A. Kellen, T. Komplin, P. Lancaster, T. Noeldner, J. Oelke, T. Paque, M. Peters, M. Rausch, A. Rodriguez, and B. Slager. Also in attendance were M. Avanzi (Kaukauna), B. Hoops (Stoughton), and J. Stanek (Waupun). In addition, C. Lover (PFM) was guest speaker attending for a portion of the meeting.

A motion was made by T. Herlitzka and seconded by K. Westhuis to approve, on a consent basis, (a) minutes of the Executive Committee meeting held on March 23-24, 2022, in Sun Prairie, Wisconsin; and (b) updates to Official Service Document 51(b) (Member Loans) as provided in the agenda packet. The motion was adopted by unanimous vote.

M. Dreischmeier presented the Finance report. The Finance & Audit Committee last met on April 27, 2022. Based on staff's continued monitoring of market conditions and potential refunding options for WPPI's 2013A bonds, WPPI issued an RFP for potential forward delivery bond financing options on April 12, 2022. Mr. Dreischmeier and C. Lover discussed factors influencing the terms of the responses, a comparison of the pricing and other key terms of each proposal, considerations potentially affecting future interest rate changes, risks associated with a potential transaction, and the most attractive option based on these considerations. The process and timeline for such a potential transaction were discussed. Mr. Dreischmeier then discussed details of a proposed letter agreement that would "lock in" an interest rate for a proposed transaction during the period when various agreements and other documents would be negotiated and finalized, as well as an associated summary of certain terms and conditions for the proposed transaction. After discussion, a motion was made by T. Herlitzka and seconded by J. Pickart to approve the execution of such rate-lock letter agreement and the associated summary of terms and conditions in substantially the form provided with such changes as are acceptable to the CEO and Legal, and subject to certain designated tenor period, rate-lock amount and annual interest rate parameters as presented, provided that the parameter relating to the designated tenor period would be revised to no more than 16 years. The motion was adopted by unanimous vote.

Mr. Dreischmeier continued the Finance report. For March 2022, member demand was 0.2% above budget, energy sales to members were 1.7% above budget, and average power costs were 1.5% below budget on an as-billed basis and 1.8% below budget on an accounting basis. There was discussion regarding market energy prices, which were very close to budget for the

month, as well as quarter-end revenue, expenses, and changes in WPPI's net position compared to the same time period in 2021. After discussion, a motion was made by K. Westhuis and seconded by D. Lythjohan to approve the March 2022 financials as presented, and the motion was adopted by unanimous vote.

There were no updates for the Personnel Committee.

R. Jaeckels provided an update from the most recent Member Services Advisory Group meeting held on April 18, 2022, including discussion and recommended approval of changes to the member loan program and other Official Service Documents (OSDs), updated messaging expected this summer, status of EV legislation, and recommendation for the EC to approve a new Energy Services program to facilitate energy efficiency and conservation-related customer programming for Michigan members for their customers.

Next, for Services and Business Strategy, J. Oelke discussed details of a proposed new energy efficiency and conservation customer program to serve upper Michigan (replacing a similar program following a change in Michigan law), under proposed Official Service Document 2(j): Energy Innovations Collaborative. Pursuant to a contract being negotiated with Michigan Energy Options (MEO), WPPI will facilitate MEO's administration of local program offerings to certain of WPPI's Michigan members and other non-member participants, with all costs paid for by the participating utilities. After discussion, a motion was made by R. Jaeckels and seconded by J. Weiss to approve Official Service Document 2(j), as well as related MEO and member and non-member participant agreements and templates as presented, with such changes as approved by the CEO and Legal. The motion was adopted by unanimous vote. M. Doll discussed the member loan applications for Menasha Utilities and for the City of Menasha in light of a minor variance from program requirements. A motion was made by M. Reynolds and seconded by D. Lythjohan to approve the member loan application for Menasha Utilities and the member loan application for the City of Menasha, and the motion was adopted by unanimous vote.

For Business and Technology Solutions, B. Slager provided a cybersecurity technology update and discussed history and reasons for staff's recommendation to eliminate the WPPI-hosted e-mail service under Official Service Document 11(a), which is no longer used by any WPPI members. A motion was made by D. Lythjohan and seconded by J. Pickart to eliminate the WPPI-hosted e-mail service, and the motion was adopted by unanimous vote. P. Hansen provided updates regarding the status of a negotiation to increase the meter count under a software license agreement, as well as an update on metering equipment availability impacted by computer-chip shortages and the outlook for future meter communication technology.

For Power Supply, T. Komplin provided an overview of existing member generation agreements, including energy and capacity pricing and other terms, and discussed a proposed *Amended and Restated Agreement Related to Purchase of Member Generation Output* under which WPPI would continue to purchase capacity and energy from the existing generating units owned by Maquoketa. After discussion, a motion was made by M. Reynolds and seconded by S. Adler to approve the execution of the *Amended and Restated Agreement Related to Purchase of Member Generation Output* between WPPI and Maquoketa as presented. The motion was adopted by unanimous vote.

T. Hanrahan reported for Legal and Government Affairs. WPPI is working on its response to a data request issued by the PSCW to utilities regarding results from the recent MISO capacity auction and also soliciting impressions about what the results could mean generally and whether there are any concerns. The PSCW recently approved the Koshkonong solar project. FERC has issued a NOPR for transmission planning, which appears to address some longtime concerns raised by TAPS and WPPI.

President M. Peters discussed staff turnover and the current number of open positions, as well as the status of recruitment efforts to fill them.

There being no further business before the Executive Committee, the meeting was adjourned.

A handwritten signature in black ink, appearing to read "Mike Reynolds". The signature is fluid and cursive, with the first name "Mike" and last name "Reynolds" clearly distinguishable.

Mike Reynolds
Secretary, WPPI Energy