

**MINUTES OF THE JOINT MEETING
OF THE BOARDS OF DIRECTORS OF
CITIZENS ENERGY GROUP AND CWA AUTHORITY, INC.
HELD DECEMBER 14, 2022**

Pursuant to notice duly given and posted as required by law, a joint meeting of the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis d/b/a Citizens Energy Group (“Citizens”) and the Board of Directors of CWA Authority, Inc. (jointly referred to as the “Board” unless otherwise noted) convened at 8:20 a.m., EST, Wednesday, December 14, 2022, at the offices of Citizens, 2150 Dr. Martin Luther King, Jr. Street, Indianapolis, Indiana.

All Board members were present at the meeting: Anne Nobles (Chair), Daniel C. Appel, Moira M. Carlstedt, Sherry D. Davis, Jeffrey E. Good, Christia Hicks, J.A. Lacy, Maria M. Quintana, and Phillip A. Terry.

Present from Citizens: Jeffrey A. Harrison, President and Chief Executive Officer; Craig L. Jackson, Senior Vice President and Chief Financial Officer; Joseph M. Perkins, Jr., Senior Vice President and General Counsel; Michael D. Strohl, Senior Vice President and Chief Customer Officer; J.P. Ghio, Vice President of Energy Operations; Mark C. Jacob, Vice President of Capital Programs and Engineering; Sabine E. Karner, Vice President and Controller; John F. Lucas, Vice President of Information Technology; Curtis H. Popp, Vice President of Customer Operations; Jodi L. Whitney, Vice President of Human Resources and Chief Diversity Officer; Jeffrey A. Willman, Vice President of Water Operations; Jeff Ford, Director of Customer Service and Billing; Korlon Kilpatrick, Director of Regulatory Affairs; and Melissa Lawson, Director of Shared Field Services.

The meeting was called to order by the Chair of the Board. The Chair requested Board members recuse themselves from any action items on the agenda if they identified a conflict. No items or conflicts were identified.

The Board considered the minutes of its previous meeting. Upon a motion duly made and seconded, the Board unanimously approved the minutes of the joint meeting of the Boards of Directors of Citizens Energy Group and CWA Authority, Inc. held on September 28, 2022.

As the owner of the outstanding capital stock of Citizens By-Products Coal Company d/b/a Citizens Resources, the Board authorized and appointed Ms. Nobles to serve as proxy of and for the Board of Directors of Citizens Energy Group (“Citizens Board”), to vote such stock at the January 9, 2023 Annual Meeting of the Shareholder of the corporation, or any adjournment of such meeting. Ms. Nobles will have full power and authority to act for and on behalf of the Citizens Board in voting for all nominees for directors of that corporation consisting of those individuals currently serving as members of this Board, and in the transaction of such other business as may come before that meeting, with full power of substitution and revocation, and further to execute such proxy appointment form(s) or other documents, as may be necessary to carry out the authority so granted by the Citizens Board.

The Chair addressed management’s request to approve the filing set forth in Fuel Cost Adjustment 68. Upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution:

RESOLVED by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that the proposed fuel cost adjustment (“FAC”) rate in Cause No. 41969-FAC 68 of \$0.80499 to be effective February 1, 2023 subject to approval by the Indiana Utility Regulatory Commission is hereby approved.

The Chair also addressed management’s request to approve the filing set forth in Gas Cost Adjustment 156. Upon a motion duly made and seconded, the Citizens Board unanimously ratified and approved the following resolution:

RESOLVED by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that the updated filing with the Indiana Utility Regulatory Commission (“IURC”) for the proposed gas cost adjustment (“GCA”) rates in Cause No. 37399-GCA 156 for December 2022, January and February 2023 is hereby ratified and approved. Pursuant to the terms of the monthly GCA mechanism, the management and staff hereby are authorized to modify the GCA rates for December 2022, January and February 2023 in accordance with the terms of the Cause No. 37399-GCA 75 Order and the Order in Cause No. 37399-GCA 156, which were approved by the IURC in November 2022.

The Chair then addressed management’s request to approve the filing set forth in Rider F – Universal Service Fund Rider. Upon a motion duly made and seconded, the Citizens Board unanimously ratified and approved the following resolution:

RESOLVED by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that the Rider F – Universal Service Fund Rider Compliance filing made with the IURC effective October 1, 2022 is hereby ratified and approved.

Next, the Chair invited Mr. Good to provide a report of the Audit and Risk Committee (the “Audit Committee”). Mr. Good reported that Ms. Karner presented to the Audit Committee the preliminary Fiscal Year (FY) 2022 Year-End Financial Statements for Citizens Energy Group and CWA Authority, Inc. He reported that overall combined net income was up from the prior fiscal year, in part attributed to the wastewater utility and lower interest charges for bond refinancing activities. He also reviewed a notable disclosure reported to the Audit Committee concerning wholesale gas sales for the current and prior fiscal years. He reported that the classification issue was immaterial and caused no impact to Citizens’ ratepayers. He also reported that liquidity for the enterprise is good and sufficient to meet its cash requirements and cover capital needs. Mr. Good further reported that the external audit firm, Deloitte and Touche LLP, provided its annual report on the year-end financials and informed the Audit Committee that the audit was complete and that the auditors expect to issue a clean opinion with no issues, but noted the prior year’s reclassification for the wholesale gas issue.

Mr. Good informed the Board that the Audit Committee was satisfied with the preliminary FY 2022 Year-End Financial Statements for Citizens Energy Group and CWA Authority, Inc. and recommended approval to the Board. Following discussion, and upon a motion duly made and seconded, the Board unanimously approved the preliminary FY 2022 Year-End Financial Statements for Citizens Energy Group and CWA Authority, Inc.

Mr. Good also reported that Mr. Leavitt provided the Audit Committee with an update concerning internal audit activities. He reported that the current year’s audit plan was on track and then reviewed the results for two completed projects for transportation and Thermal’s chilled water division.

Mr. Good then reported that the Audit Committee received its annual report from Citizens’ Ethics Committee. He outlined the role of the Ethics Committee noting that it encourages ethical behavior coupled with compliance and transparency on behalf of the organization. He reported that the Ethics Committee also reported on certain instances that resulted in disciplinary action. Mr. Good concluded his report to the

Board noting that the Audit Committee received public comment concerning the location for a utility easement.

Next, the Chair invited Ms. Hicks to provide a report of the Compensation and Finance Committee (the “Committee”). Ms. Hicks reported that Ms. Whitney presented to the Committee the proposed executive compensation distributions for eligible officers, including an overview of the results for the 2022 Short-Term Incentive Pay (“STIP”) Plan, and that the Committee recommended approval of the executive compensation distributions. Following discussion, and upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution:

WHEREAS, the Compensation and Finance Committee (“Committee”) evaluated the 2022 incentive, deferred compensation, and retention payments of executive officers employed by the Board of Directors (“Board”) for Utilities of the Department of Public Utilities of the City of Indianapolis (d/b/a “Citizens Energy Group”) that must be approved by the Board, if payable to officers;

WHEREAS, in evaluating the officers’ Fiscal year (FY) 2022 incentive and deferred compensation, the Committee has received from its delegates the estimated payments to officers that are payable under the FY2022 Short Term Incentive Pay (“STIP”) Plan, and under the Restoration Policy for Citizens Energy Group (as amended and restated effective January 1, 2016) (“Restoration Policy”); and

WHEREAS, in evaluating the Retention Payments for select officers all as identified as compensation component payment approvals on Exhibit A hereto; and

WHEREAS, at a meeting of the Committee duly called and conducted on December 14, 2022, the Committee determined that it should recommend that the Board adopt a resolution approving all (i) FY2022 STIP Plan payments due to officers, (ii) and 2022 Restoration Policy payments due to eligible officers, (iii) and 2022 retention payments for select officers.

WHEREAS, the Board has determined that all FY2022 STIP Plan distributions are due and payable to officers; and

WHEREAS, the Board has determined that all 2022 Restoration Policy payments are due and payable to eligible officers; and

WHEREAS, the Board has determined that all 2022 Retention Payments are due for eligible officers.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis, that:

SECTION 1. The FY2022 STIP Plan payments due to Citizens Energy Group officers are hereby approved.

SECTION 2. The Restoration Policy payments due to eligible Citizens Energy Group officers for 2022 are hereby approved.

SECTION 3. The Retention Payments due to eligible Citizens Energy Group Officers are hereby approved.

Ms. Hicks next reported on the Committee's consideration to retain an executive compensation consultant for 2023. Ms. Hicks reminded the Board that a Request for Proposal (RFP) was conducted in 2021, in collaboration with the Committee and leadership, in which Willis Towers Watson (WTW) was selected by the Committee as its executive compensation consultant. She noted the continuous transparency and reputable partnership of WTW, and recommended the retention of WTW to the Board for 2023. Following discussion, and upon a motion duly made and seconded, the Board unanimously adopted the following resolution:

BE IT RESOLVED by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis, that the retention of Willis Towers Watson through 2023 is hereby authorized and approved.

Ms. Quintana was invited to provide a report on behalf of the Wastewater Resources Executive Committee (the "Wastewater Committee"). Ms. Quintana reported that the Wastewater Committee held a joint meeting with the Water Resources Executive Committee (the "Water Committee") on November 16, 2022. She reported that Ms. Karner reviewed financial performance for the wastewater utility. She reported that net earnings were better than target, primarily due to stronger industrial sales and lower interest charges, despite its EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) being insufficient to cover capital needs, which is not expected to change until the consent decree is completed. Ms. Quintana further reported that the wastewater utility's outstanding long-term debt was \$1.9 billion. She noted that compared to 10 years ago, the wastewater utility has significantly improved its net income due to increased revenues, primarily the result of annual rate increases to keep up with consent decree spending requirements and debt service obligations. She concluded her report by highlighting activities for wastewater operations. She reported that the DigIndy deep rock tunnel system continues to expand in length, captured CSO (combined sewer overflow) volumes and operations. She noted that in June 2022, the tunnel system grew from 9 to 17 miles and annual CSO removal increased from 327 million to 1.1 billion gallons. She also

remarked that by year-end 2025, the tunnel system will expand to twenty-nine miles and be able to capture approximately 2.7 billion gallons of annual CSO volumes.

Next, Mr. Lacy provided a report from the Water Committee. He reported that net earnings were better than target; however, EBITDA was not sufficient to cover capital needs, primarily due to timing of multi-year reimbursable capital expenditures. He also reported on the water utility's long-term debt outstanding of \$778 million, a ratio of 73% debt in the capital structure, compared to a target ratio of 40% debt, noting the lookback at growth since the acquisition. He also reported that the Water Committee received updates concerning water operation activities, including highlights about customer growth and system expansion, in which the fastest growing customer segment is in part to industrial and irrigation components.

Ms. Nobles then provided a report on behalf of the Energy Resources Executive Committee (the "Energy Committee"). She reported that the Energy Committee also held a meeting on November 16, 2022, which included updates concerning the financial and operational performance of the energy utilities. She reported that Ms. Karner presented a financial report for the energy utility system, noting that net earnings for the gas utility were better than expected, primarily due to stronger sales and lower non-service cost components of pension and post-retirement benefits. She also noted the EBITDA for the gas and chilled water utilities, unlike the steam utility, is sufficient to cover its capital needs. Ms. Nobles reported that the Energy Committee received a report from Mr. Ghio concerning natural gas reliability to meet supply demands, noting that Citizens is prepared for the most severe weather. She also remarked that the Energy Committee received an update concerning customer outreach efforts from Ms. Stahley, noting that Citizens continues to focus on a variety of assistance programs and is teaming up with AES Indiana and United Way for a campaign to promote utility bill assistance.

Mr. Jackson next provided a financial report, including an update regarding debt activity for CWA. He also reviewed FY2023 projections, highlighting three items of significance: operating revenue for Citizens Water, pension and capitalized interest related to CWA projects. He reported that the projection recognizes an order from the IURC for DSIC (Distribution System Improvement Charge) which authorizes

Citizens Water to recover \$15 million over a 4 year period; updated pension plan assumptions; and the timing of various CWA projects being placed into service.

The Chair invited Mr. Harrison to present highlights of the “Promise of the Trust” report. Mr. Harrison remarked that Citizens Gas continues to be the lowest cost natural gas operator in the state of Indiana according to a 19-company comparison published each month by the IURC. Mr. Harrison maintained that affordability and customer assistance resources remain at the forefront, noting that over the past year, Citizens has provided approximately \$726,000 in USP assistance, more than \$1.2 million in LICAP assistance, and roughly \$857,000 through Warm Heart Warm Home. He also highlighted Citizens partnership with AES Indiana for the *Utilities Unite for Customers* campaign, an initiative to give customers a more complete picture of available energy-assistance resources.

Mr. Harrison also announced that Citizens’ annual Sharing the Dream event in honor of Dr. Martin Luther King, Jr., would take place at Ellenberger Park in 2023. He reminded the Board that Sharing the Dream event is in collaboration with vendor partnerships providing in-kind services to help beautify public park assets in the communities we serve.

Following Mr. Harrison’s report, the Board received a report on Customer Operations. Mr. Popp provided opening remarks, noting the challenging year for customer satisfaction which was largely impacted by rates, current economic conditions, and consumer frustration.

Mr. Ford next reviewed initiatives that were underway to help improve customer perception and user experience. Ms. Lawson expounded on field service related initiatives, including the new field service management software selection. She also reviewed 2023 initiatives, including a pilot program to install low flow devices in lieu of water disconnection.

The Board then addressed certain governance matters. Upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution concerning the Warm Heart Warm Home Foundation, Inc.:

RESOLVED, by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that each of the individuals listed below are hereby appointed to serve as a director of the Board of Directors of Warm Heart Warm Home

Foundation, Inc. for a term of one (1) year, or until his or her successor is appointed and qualified:

Michael Allen
Melissa Lawson
Jodi Whitney

Debi Bardhan-Akala
Shannon Stahley

Jeff Ford
Jennifer Stansberry

Upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution concerning Citizens Investment Collaboration on Neighborhoods, Inc.:

RESOLVED, by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that each of the individuals listed below are hereby appointed to serve as a director of the Board of Directors of Citizens Investment Collaboration on Neighborhoods, Inc. for a term of one (1) year, or until his or her successor is appointed and qualified:

Steve Berube
Jennifer Mentink
Alejandro "Alex" Valle

Jonathan "J.P." Ghio
Kenya McMillin
Phil Zbojnowicz

Korlon Kilpatrick
Jennifer Stansberry

Upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution concerning the Service Advisory Board:

RESOLVED, by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that, and pursuant to its recognition and continued maintenance of the Service Advisory Board (SAB), David C. George is hereby appointed to serve as the Chair of the SAB for a term of one (1) year or until his successor is appointed and qualified.

Following discussion, the Chair recognized Phillip A. Terry who will be retiring from the Board of Directors effective December 31, 2022. The Chair underscored that the Board of Directors had greatly benefited from the more than eleven (11) years of service Mr. Terry provided to the Trust as a member of the Board of Directors and several of its executive committees. Following discussion, and upon a motion duly made and seconded, the Board unanimously approved the following:

WHEREAS, Phillip A. Terry has provided unceasing counsel and leadership to the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis (the "Board") for more than eleven years; and

WHEREAS, Mr. Terry has endeavored alongside his fellow board members to provide primary oversight for the current management and long-term direction of Citizens Energy Group, including serving eight years as chair of the Compensation & Finance Committee; and

WHEREAS, Mr. Terry has dutifully served as a member of the Water Resources Executive Committee, Energy Resources Executive Committee, and Wastewater Resources Executive Committee; and

WHEREAS, Mr. Terry has achieved a successful professional career in Central Indiana, including 15 years as an attorney and 30 years as chief executive officer of Monarch Beverage Company; and

WHEREAS, Mr. Terry has been lauded as a savvy executive leader and, thus, named interim president of the University of Indianapolis; and

WHEREAS, Mr. Terry has faithfully served on the boards of directors for a number of civic, professional, nonprofit, and business organizations, including Wheaton World Wide Moving, Inc., the Julian Center, Visit Indy, Central Indiana Corporate Partnership, Greater Indianapolis Progress Committee, and, prior to serving as interim president, the University of Indianapolis Board of Trustees.

NOW THEREFORE BE IT RESOLVED, by the Board, that we recognize our colleague Phillip A. Terry for more than eleven years of exemplary service to Citizens Energy Group; and

FURTHER RESOLVED that the Board joins the Board of Trustees for Utilities of the Department of Public Utilities of the City of Indianapolis in expressing its deepest gratitude to Phillip A. Terry for his steadfast commitment to Citizens Energy Group's vision to fulfill the promise of the Trust to serve our customers and communities with unparalleled excellence and integrity.

ADOPTED AND APPROVED this 14th day of December 2022.

There being no further business, the Chair adjourned the meeting.

DocuSigned by:

Anne Nobles

53DD3A3BFC34450...

Anne Nobles, Chair
Board of Directors

DocuSigned by:

Joseph M. Perkins, Jr.

3FDC0596A73144D...

Joseph M. Perkins, Jr.,
Assistant Secretary, Board of Directors