

**MINUTES OF THE JOINT MEETING
OF THE BOARDS OF DIRECTORS OF
CITIZENS ENERGY GROUP AND CWA AUTHORITY, INC.
HELD MAY 17, 2023**

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. (CWA) (jointly referred to as the Board unless otherwise noted) convened at 8:40 a.m., EST, Wednesday, May 17, 2023, at the offices of Citizens, 2150 Doctor Martin Luther King, Jr. Street, Indianapolis, Indiana.

Board members present at the meeting were: Anne Nobles (Chair), Daniel C. Appel, Moira M. Carlstedt, Sherry D. Davis, Jeffrey E. Good, Christia Hicks, Maria M. Quintana, and Nichole C. Wilson. J.A. Lacy was unable to attend the meeting.

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; Joseph M. Sutherland, Vice President of Regulatory and External Affairs; Jodi L. Whitney, Vice President of Human Resources and Chief Diversity Officer; Jeffrey A. Willman, Vice President of Water Operations; Michael E. Allen, Associate General Counsel; Dear Schramm-Satayathum, Senior Legal Counsel; Lauren Toppen, Senior Legal Counsel; Alejandro Valle, Senior Legal Counsel; Scott Franson, Counsel II; Debi Bardhan-Akala, Director of Regulatory Affairs; Korlon Kilpatrick, Director of Regulatory Affairs; Ann McIver, Director of Environmental Stewardship; Shannon Stahley, Director of Corporate and Public Affairs; Bridget O'Connor, Senior Manager of Government and External Affairs; and Laura O'Brien, Manager of Corporate and Public Affairs.

Also present at the meeting were Tyler Kalachnik and Steve Krohne, both with Ice Miller LLP.

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 Chair opened the Citizens Energy Group public hearing concerning the proposed resolutions pertaining to the formation of Citizens Water Resources Holdings, LLC and Citizens Regional Water Resources, LLC (CRW) for the benefit of the Water Trust, as indicated in the Public Notices, attached as Exhibit A. The Chair acknowledged that no comments were received by Citizens Energy Group during the public notice period. Mr. Willman summarized the proposed initiative for Citizens to provide wholesale water supply to the city of Lebanon's water utility to support the LEAP (Limitless Exploration/Advance Pace) Innovation District. He reported that the Indiana Economic Development Corporation (IEDC), led by the Indiana Secretary of Commerce, is charged with driving economic development in the State and to help advance growth, IEDC is creating a ~9,000 acre LEAP Innovation District near the city of Lebanon to attract large scale advanced manufacturing and life science projects and employers. He reported that IEDC has asked Citizens to supply wholesale water to the city of Lebanon to support LEAP District growth. Next, he provided an overview of the proposed organizational structure, its purpose, funding sources, capital contribution, and repayment timeline. Upon inquiry from the Board, Mr. Willman reported that the proposed structure is designed to ensure Citizens' customers and existing businesses are protected, noting that there will be no additional debt or rate increases for Citizens Water or Citizens Westfield customers associated to this initiative, and that the CRW debt would be retired within the five-year period. Mr. Perkins further explained how the proposed new structure is modeled after the Energy Trust under Citizens By-Products Coal Company dba Citizens Resources to further protect beneficiaries of the Trust, and that the State, if challenged, has direct obligation to repay the debt associated with this initiative, not Citizens customers, emphasizing that no liability would be created for any Citizens entity except for CRW. Upon inquiry from the Citizens Board concerning capacity to complete the project by 2026, Mr. Willman shared that he is optimistic in achieving the target date based upon existing internal and external resources and engagement of consulting services, as needed.

The Chair then requested comments from the public. Receiving none, the Chair closed the public hearing portion of the meeting.

Upon a motion duly made and seconded, the Citizens Board unanimously approved the following:

WHEREAS, the Department of Public Utilities for the City of Indianapolis, acting by and through the Board of Directors for Utilities of the Department of Public Utilities (the “Board”) as trustee of the public charitable trust for the water system (the “Water Trust”) d/b/a Citizens Energy Group (“Citizens Energy Group” or “Citizens”) is vested by Indiana Code Section 8-1-11.1 (the “Act”) with the exclusive government, management, regulation, and control of certain utility operations and properties located in and around Marion County, Indiana, including without limitation, any waterworks; and

WHEREAS, Citizens Energy Group owns and operates water utility assets acquired from the City of Indianapolis, Indiana (the “City”) and the Department of Waterworks (“DOW”) of the City pursuant to an Asset Purchase Agreement approved by Order of the Indiana Utility Regulatory Commission (“Commission”) issued on July 13, 2011 in Cause No. 43936; and

WHEREAS, pursuant to Indiana Code Section 8-1-11.1-3(c)(8), the Board of Directors has the authority “to preserve the corporate organization of any company engaged in the mining of coal, or any other commercial or manufacturing business, the stock of which may be owned by any utility whose property and assets may be taken over by any such city [and] to do all things necessary to cause any such . . . company efficiently to carry on its operations and to conduct its business in the same manner as if its stocks were owned by private individuals;” and

WHEREAS, in accordance with the foregoing statute, Citizens Energy Group currently owns the stock of Citizens By-Products Coal Company, Inc. d/b/a Citizens Resources (“Citizens Resources”), which through its direct and indirect affiliates engages in a variety of utility-related ventures; and

WHEREAS, the powers provided to the Board under Indiana Code Section 8-1-11.-3(a) over the “government, management, regulation, and control of all public utilities [including] any waterworks” and under Indiana Code Section 8-1-11.1-3(c)(8) to hold stock for and on behalf of “any utility whose property and assets may be taken over by any such city,” collectively, along with the other powers granted to the Board in Indiana Code Chapter 8-1-11.1 give the Board statutory authority to cause Citizens Resources to establish and hold subsidiaries for the purposes of providing water service as well as acquiring water rights and water facilities outside the City of Indianapolis for and on behalf of the Water Trust; and

WHEREAS, the Indiana Economic Development Corporation (“IEDC”) approached Citizens Energy Group and requested that it cause to be constructed and operated, certain water infrastructure and improvements directly and/or through one or more of its affiliated utilities that could be used to provide wholesale water service to the municipal water utility owned and operated by the City of Lebanon Utilities (“Lebanon Utilities”) sufficient to allow Lebanon Utilities to provide retail water service to an Innovation Development District established pursuant to Indiana Code Chapter 36-7-32.5 known as the Limitless Exploration/Advance Pace District (the “LEAP District”); and

WHEREAS, the LEAP District is located along the Interstate 65 corridor in Boone County, Indiana in and around the City of Lebanon, Indiana and at full capacity, IEDC anticipates the LEAP District will be occupied by multiple life sciences, microelectronics, ag-tech, clean tech, electrification and electric vehicle innovation industries; and

WHEREAS, on March 10, 2023, the Board and IEDC entered into a Memorandum of Understanding (the “MOU”), setting forth terms by which a new public utility affiliate of Citizens Energy Group, designated as Citizens Regional Water Resources, LLC (“CRW”) will provide wholesale water service to Lebanon Utilities to facilitate its provision of retail water service to the LEAP District (the “Transaction”) and the background information set forth therein is hereby incorporated by reference into this Resolution; and

WHEREAS, under the terms of the MOU, to finance the cost of constructing the infrastructure needed to supply wholesale finished water to Lebanon Utilities for the LEAP District, CRW will enter into a Financial Assistance Agreement (“FAA”) with the Indiana Finance Authority (the “IFA”) pursuant to which the IFA will loan approximately \$200,000,000 in aggregate principal amount to CRW, or such amount as is necessary to construct the water infrastructure needed to serve the LEAP District (the “SRF Loan”); and

WHEREAS, under the MOU, IEDC has agreed to make direct payment and guaranty to CRW, of all required amounts at the times necessary to make payments of principal and interest on the SRF Loan; and

WHEREAS, in order to perform its obligations as contemplated by the Transaction, CRW will enter into agreements with Citizens Water, under which CRW will: (i) purchase wholesale water from Citizens Water in quantities sufficient for CRW to supply up to ten (10) million gallons of finished water per day to Lebanon Utilities; and (ii) transfer SRF Loan proceeds to Citizens Water to enable Citizens Water to make any and all upgrades to its facilities necessary to provide wholesale service to CRW, subject to CRW’s having a right to use those facilities; and

WHEREAS, CRW also will enter into a separate agreement with Citizens Water of Westfield, LLC (“Citizens Water of Westfield”) under which CRW will transfer SRF Loan proceeds to Citizens Water of Westfield in exchange for Citizen Water of Westfield’s upgrading or oversizing certain water transportation facilities and providing CRW a right to use those facilities to take delivery of water from Citizens Water under the wholesale water agreement; and

WHEREAS, in order to facilitate the Transaction, the Board has determined it would be advisable and in the best interest of the Water Trust for the Board to cause Citizens Resources to form a new subsidiary to be known as Citizens Water Resources Holdings, LLC (“CW Holdings”) for purposes of acquiring and owning subsidiary companies that among other things, own and operate water systems, facilities and infrastructure outside the City of Indianapolis and that Citizens Resources hold the units of CW Holdings for the benefit of the Water Trust; and

WHEREAS, the Board has further determined it would be advisable and in the best interest of the Water Trust for the Board to cause Citizens Resources to authorize and direct CW Holdings to form CRW for the purpose of providing wholesale water service to Lebanon Utilities and to confirm that its units are being held by CW Holdings for the benefit of the Water Trust; and

WHEREAS, the Board has determined that it would be advisable and in the best interests of the Water Trust that in connection with the formation of CW Holdings and CRW for the purposes of the Transaction, it designate Citizens Resources as trustee delegate of the Board acting in its capacity as trustee of the Water Trust, to hold the units of CW Holdings as fiduciary for the benefit of the Water Trust; and

WHEREAS, the Board has further determined it would be advisable to cause Citizens Resources to authorize and direct CW Holdings, as the sole member of CRW, to take action to authorize and direct CRW to:

- a. enter into any agreements with the IEDC, the IFA and City of Lebanon and/or Lebanon Utilities necessary to secure financing for the construction, development and operation of facilities to serve the LEAP District, including without limitation the FAA, provided such agreements create no liability to the Board, Citizens Water of Westfield, Citizens Resources, any other affiliate of Citizens Energy Group or CW Holdings, or any other affiliate of Citizens Energy Group aside from CRW;
- b. transfer to Citizens Water and Citizens Water of Westfield such proceeds from the SRF Loan as may be necessary for those utilities to construct upgrades to their facilities as may be required for Citizens Water to deliver wholesale water to CRW and enter into ancillary right of use agreements related to those upgrades;
- c. enter into a wholesale water purchase agreement with Citizens Water;
- d. enter into a shared services agreement with Citizens Energy Group to facilitate the provision of necessary corporate support services to CRW;
- e. enter into a wholesale water supply agreement with the City of Lebanon;
- f. obtain any Indiana Department of Environmental Management (“IDEM”) approvals that may be needed for CRW to provide water service to Lebanon Utilities and surrounding areas; and
- g. seek such approvals from the Commission as may be necessary and appropriate to facilitate such provision of water service; and

WHEREAS, the Board has further determined it would be advisable to cause Citizens Resources to authorize Citizens Water of Westfield to enter into such agreements with CRW as may be necessary for Citizens Water of Westfield to transport water from Citizens Water to CRW and allowing CRW to use property contributed to Citizens Water of Westfield or paid for with SRF Loan proceeds, as well as to seek any approvals from the Commission as may be appropriate;

WHEREAS, the Board has further determined it would be advisable for Citizens Water to be authorized to enter into a wholesale water supply agreement with CRW and an ancillary right of use agreement allowing CRW to use property contributed to Citizens Water or paid for with SRF Loan proceeds; as well as seek such approvals from the Commission as may be necessary and appropriate; and

WHEREAS, the Board published notice of a hearing on the date hereof on its adoption of this Resolution and to consider the matters addressed in this Resolution on May 5, 2023, in accordance with Indiana Code 5-3-1; and

WHEREAS, the Board conducted a public hearing regarding the actions contemplated by this Resolution and to consider testimony from all interested members of the public and to consider the evidence presented at the hearing; and

WHEREAS, the Board, after considering all such testimony and evidence, desires to adopt this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR UTILITIES OF THE DEPARTMENT OF PUBLIC UTILITIES AS TRUSTEE OF THE PUBLIC CHARITABLE TRUST FOR THE WATER SYSTEM THAT:

SECTION 1. The foregoing recitals are incorporated herein by reference and are ratified, confirmed and approved.

SECTION 2. The Board hereby approves, authorizes, confirms and ratifies the direction and authority given to Citizens Resources with respect to the formation of CW Holdings for purposes of its acquiring, owning and operating water systems, facilities and infrastructure outside the City of Indianapolis for the benefit of the Water Trust.

SECTION 3. The Board hereby approves, authorizes, confirms and ratifies the direction and authority given to Citizens Resources' with respect to causing CW Holdings to form CRW for purposes of acquiring, owning and operating a water system, infrastructure and facilities to provide wholesale water service to Lebanon Utilities and its further direction to CW Holding to confirm that such CRW units are being held by CW Holdings for the benefit of the Water Trust.

SECTION 4. The Board hereby designates Citizens Resources as a trustee delegate and fiduciary for the Water Trust and directs that Citizens Resources hold the units of CW Holdings as trustee delegate in furtherance of and for the benefit of the Water Trust, and acknowledge that as a result CW Holdings will hold its assets including units of any subsidiaries in furtherance of and for the benefit of the Water Trust.

SECTION 5. The Board hereby directs, approves, authorizes and ratifies Citizens Resources' causing CW Holdings and its subsidiaries to operate and finance such acquisitions as necessary for the benefit of the Water Trust as Citizens Resources and CW Holdings deem necessary and appropriate.

SECTION 6. The Board hereby directs, approves, authorizes and ratifies Citizens Resources' and CW Holdings' causing CRW to:

a. enter into any agreements with the IEDC, the IFA and City of Lebanon and/or Lebanon Utilities necessary to secure financing for the construction of facilities to serve the LEAP District, including without limitation the FAA for an SRF Loan in such amount as determined necessary to provide for the construction of the facilities needed to serve the LEAP District, provided such agreements create no liability to the Board, Citizens Water of Westfield, Citizens Resources, or CW Holdings, or any other affiliate of Citizens Energy Group aside from CRW;

b. transfer to Citizens Water and Citizens Water of Westfield such proceeds from the SRF Loan as may be necessary for those utilities to construct necessary upgrades to their facilities as may be required for Citizens Water to deliver wholesale water to CRW and enter into ancillary right of use agreements related to those upgrades;

c. enter into a wholesale water purchase agreement with Citizens Water;

d. enter into a shared services agreement with Citizens Energy Group to facilitate the provision of necessary corporate support services to CRW;

e. enter into a wholesale water supply agreement with the City of Lebanon;

f. obtain IDEM approvals that may be needed to provide water service to Lebanon Utilities and surrounding areas; and

g. seek such approvals from the Commission as may be necessary and appropriate to facilitate such provision of water service.

SECTION 7. The Board hereby directs, approves, authorizes and ratifies Citizens Resources' causing Citizens Water of Westfield to enter into such agreements with CRW as may be necessary for Citizens Water of Westfield to transport water from Citizens Water to CRW using infrastructure owned and operated by Citizens Water of Westfield and allowing CRW to use property contributed to Citizens Water of Westfield by CRW or paid for with SRF Loan proceeds, as well as to seek any approvals from the Commission as may be appropriate.

SECTION 8. The Board hereby directs, approves, authorizes and ratifies Citizens Water's entering into a wholesale water supply agreement with CRW and an ancillary right of use agreement allowing CRW to use property contributed to Citizens Water or paid for with SRF Loan proceeds; as well as seek such approvals from the Commission as may be necessary and appropriate.

SECTION 9. The Board hereby authorizes the officers of Citizens Energy Group to take such further action, consistent with the foregoing resolutions, as may be necessary or desirable to cause Citizens Resources and its subsidiaries to carry out the transactions contemplated by these resolutions

SECTION 10. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 11. All resolutions and parts of resolutions in conflict herewith are repealed.

SECTION 12. This Resolution shall be in full force and effect from and after its passage and execution.

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 February 15, 2023.

The Chair certified that the subjects discussed during the Executive Session of the Citizens Board held on April 13, 2023, was limited solely to the items set forth in the Public Notice, attached as Exhibit "B."

The Chair addressed management's request to approve the filing set forth in Gas Cost Adjustment 158. 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 158 for June, July and August 2023 is hereby approved. Pursuant to the terms of the monthly GCA mechanism, the management and staff hereby are authorized to modify the GCA rates for June, July and August 2023 in accordance with the terms of the Cause No. 37399-GCA 75 Order and the Order in Cause No. 37399-GCA 158, which will be approved by the IURC in May 2023.

The Chair also addressed management's request to approve the filing set forth in Fuel Cost Adjustment 69. 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 proposed fuel cost adjustment ("FAC") rate in Cause No. 41969-FAC 69 of \$0.55957 to be effective May 1, 2023 subject to approval by the Indiana Utility Regulatory Commission is hereby approved and ratified.

The Board then addressed certain governance matters. Upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution concerning the Yvonne Perkins Legacy Fund, Inc.:

RESOLVED by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that appointment of each of the individuals listed below to serve as a director of the Board of Directors of the Yvonne Perkins Legacy Fund, Inc. is hereby approved and ratified, until a successor for each is duly appointed and qualified:

Jennifer Bailey	Rachel Doba	Jonathan "J.P." Ghio
Olivia Hawbaker	Mark Jacob	Benjamin Reed
Amy Smitley		

Thereafter, the Board reviewed an updated memorandum dated May 17, 2023, listing all such individuals authorized to perform banking transactions on behalf of Citizens. Upon a motion duly made and seconded, the Citizens Board unanimously approved the updated list of individuals authorized to perform banking transactions, attached as Exhibit "C."

Shortly thereafter, the CWA Board considered the appointment of an Administrative Hearing Officer to a three-year term. Upon a motion, duly made and seconded, the CWA Board unanimously approved the following resolution:

WHEREAS, CWA Authority, Inc. (the "Authority") received delegation from the United States Environmental Protection Agency on March 29, 2016, to implement the federally-mandated Industrial Pretreatment Program; and,

WHEREAS, the Board of Directors of CWA Authority, Inc. (the "Authority Board") previously adopted Resolution No. CWA 3-2011 establishing enforcement procedures to support the implementation of the Industrial Pretreatment Program; and,

WHEREAS, Resolution No. CWA 3-2011, Section 5, regarding enforcement procedures, requires that "[t]he administrative adjudication of a violation under this resolution shall be presided over by an administrative hearing officer appointed by the Board[.]"; and,

WHEREAS, the Authority Board desires to appoint an Administrative Hearing Officer to act in the capacity outlined in Resolution No. CWA 3-2011.

NOW THEREFORE BE IT RESOLVED BY THE AUTHORITY BOARD that:

The Authority Board hereby appoints Mr. John C. Krause, Esq., as the Administrative Hearing Officer, to serve at the will and pleasure of the Authority Board, but for a term not to exceed three (3) years.

This appointment is effective this 17th day of May and will expire May 17, 2026, unless terminated earlier either by resignation of the appointed hearing officer or by action of the Authority Board.

ADOPTED AND APPROVED this 17th day of May 2023.

Next, the Chair invited Mr. Good to provide a report of the Audit and Risk Committee (the “Audit Committee”). Mr. Good reported that Ms. Bailey updated the Audit Committee on the status of enterprise risk management (“ERM”) including the list of top 20 risks and watchlist. He noted that the prior year’s ERM top risks remained on the list but had shifted in ranking order in which ranking for supply chain disruptions and talent retention were elevated. He also reported that the Audit Committee received a report from Mr. Leavitt concerning internal audit activities for the second quarter, noting that Internal Audit’s planned audit projects for the current audit plan remain on track for timely completion. Following discussion, the Audit Committee recommended to the Board, approval of the proposed annual risk-based Internal Audit plan for 2023/2024. Upon a motion duly made and seconded, the Board unanimously approved the annual risk-based Internal Audit plan for 2023/2024.

Mr. Good also reported that Ms. Karner presented to the Audit Committee the Fiscal Year (“FY”) 2023 Second Quarter Financial Statements for Citizens Energy Group and CWA Authority, Inc. in which there were no material changes for the quarter. He noted that all operating units reported positive net income despite overall combined net income was \$2.5 million lower than the prior year. He also reported that the external audit firm, Deloitte and Touche LLP, completed its quarterly review with no concerns, errors, or deficiencies to report to the Audit Committee. He informed the Board that the Audit Committee was satisfied with the FY 2023 Second Quarter 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 FY 2023 Second Quarter Financial Statements for Citizens Energy Group and CWA Authority, Inc.

At the conclusion of the report, Mr. Good informed the Board that the Audit Committee has initiated a request for proposal (“RFP”) for audit services, noting that there is no issue regarding the quality of service or capability of Deloitte. However, he advised that as part of the Audit Committee’s due diligence, it is prudent to periodically bid its audit services to ensure the Trust is paying competitive fees to the value and services it is receiving.

The Chair invited Ms. Hicks to provide a report of the Compensation and Finance Committee (the “Committee”). Ms. Hicks reported that Mr. Wathen presented a report from Willis Towers Watson concerning the Executive Compensation Philosophy, including an overview of the current components (Market for Talent, competitive Market Pay Reference point, Targeted Market Pay Position, and Targeted Market Pay) for Citizens Energy Group. Ms. Hicks informed the Board that following its review, the Committee affirmed the Executive Compensation Philosophy for Citizens Energy Group.

Next, Ms. Quintana provided a report from the Wastewater Resources Executive Committee (the “Wastewater Committee”). Ms. Quintana reported that the Wastewater Committee met on April 12, 2023, and received separate reports from management concerning financial highlights and operational activities for the wastewater utility. She reported that FY 2023 net earnings are anticipated to be below target, primarily due to reduced capitalized interest, noting that this variance impacts equity but not cash flow or EBITDA (earnings before interest, taxes, depreciation, and amortization.) She continued by reporting that commodities continue to exert O&M cost pressure, running at levels of 1.5 to 2 times of historical averages and that EBITDA is not sufficient to cover capital needs, which is not expected to change until the consent decree construction program is completed. She reported that the wastewater utility’s long-term debt outstanding is projected at \$2 billion by the end of fiscal year 2023, a ratio of 82% debt in the capital structure compared to a target ratio of 40% debt.

Ms. Quintana also reported on wastewater operational activities pertaining to employee development, customer growth in Shelby County, and the results of the Mile Square collection system

inspection in which a recent inspection of this area did not identify any major issues or concerns. She further reported on the status of the Deep Rock Tunnel (“DRT”) project. She highlighted that in March 2023, the DRT system achieved a significant milestone with the capture of over four billion gallons of combined sewer overflows (“CSO”), noting that as the system continues to grow in length and in storage capacity, CSO volumes will be removed at a faster rate going forward. She concluded that the DRT project continues to remain under budget and ahead of schedule with completion expected by year end 2025.

Then, the Chair invited Mr. Jackson to provide a financial report. Mr. Jackson provided updates concerning the FY 2023 projection, noting that although net income projection was trending below budget, Citizens has closed the gap since reporting to the Board in February in comparison to his current report. He then focused his presentation on three areas that had changed since February: gross margin, operations and maintenance (O&M), and other income. He also reported that all debt service and capitalization covenants are complying and there is sufficient liquidity (e.g., cash on hand, working capital, and access to our lines of credit) across all business units.

Mr. Jackson continued his report to discuss lines of credit, due to recent activities in the banking industry that are related to the collapse of Silicon Valley Bank. He discussed what impact, if any, it could have on Citizens from a liquidity perspective. He reported that Citizens is well positioned, and the bank failures have had no impact on our access to cash deposits or to available cash on our lines of credit. He reported that Citizens’ lines of credit are diversified across a large bank group and have longer dated maturities, noting that our banking partners are larger national banks, each of whom are meeting annual Federal Reserve stress testing requirements and have maintained regulatory compliance with liquidity coverages and net stable funding ratios.

Thereafter, the Chair invited Mr. Harrison to present the report of the President. Mr. Harrison reported that all businesses are performing well despite the slight decrease in natural gas and steam sales in which much of the decrease is attributed to warmer weather. He also reported that Citizens Thermal’s steam utility filed a base rate increase with the IURC on March 1, 2023, noting that the last rate case, which

decreased rates for customers, was effective December 2016. He reported that a hearing with the IURC is scheduled for August 2023, with a final order expected late 2023.

Mr. Harrison also highlighted that Citizens is excited to come alongside Secretary Chambers and IEDC to continue providing technical assistance for water supply to Project LEAP. He also provided brief remarks concerning senate bills that Citizens worked on during the 2023 Indiana General Assembly legislative session, particularly Senate Enrolled Act 114, which allows for a utility to petition a court to appoint a receiver if an owner of an apartment complex is 90 days in arrears for utility bills. He reported that if another JPC Affordable Housing issue arises, utilities have a new tool that can be deployed to remedy the issue of nonpayment in situations where the customer is the apartment owner, not a tenant who has paid their utility bill as part of their rent.

Mr. Harrison continued by providing an update concerning the DigIndy tunnel system. He reported that a total of four of the system's six tunnel systems are now in operation along with numerous system improvements, all of which have prevented more than four billion gallons of CSOs from entering Indianapolis waterways, since 2017, when the Deep Rock Tunnel Pump Station came on-line.

Mr. Harrison also provided highlights for Citizens 2023 *Sharing the Dream* event, a two-day project in partnership with Indy Parks and the Parks Alliance to improve the Ellenberger Park Family Center, an Indy Parks facilities, while giving Citizens' employees an opportunity to serve their community and honor the life of Dr. Martin Luther King, Jr. He concluded his report by acknowledging other community engagement activities with Junior Achievement of Central Indiana and Citizens being recognized by the National Association of Women Business Owners ("NAWBO") Indianapolis as the Corporate Partner of the Year award which honors one outstanding corporation who supports NAWBO-Indianapolis and serves as a powerful advocate for the organization and woman-owned businesses in Indiana.

Following Mr. Harrison's report, the Chair invited Ms. O'Connor to summarize the activities of the 2023 Indiana General Assembly legislative session. She reported on primary utility bills that passed out of the General Assembly that Citizens followed in the water and wastewater industries and included a brief

overview for Senate Enrolled Act (“SEA”) 114 - Receivership for Past Due Utility Bills; SEA 298 – Distribution System Improvement Charge (“DSIC”) Revision; SEA 180 – Consolidated Revenue; and House Enrolled Act (HEA) 1402 – Sewage Matters. Similarly, she reviewed other utility bills that failed to pass, including House Bill (“HB”) 1556 – Water Rights; HB 1645 – Utility Receipt Tax on Water; and SB 449 – Combined Sewer Overflow Communities.

She continued her report to the Board by reviewing budget priorities for FY 2024/2025 biennium budget for the legislative session, noting that the Water Infrastructure Investment Fund, originally appropriated \$20 million each year by the legislature in 2019, was reappropriated for \$20 million each year in the new budget for water infrastructure needs. Additionally, she provided remarks concerning non-utility legislation and the focus for the summer legislative working groups to address issues that could not be addressed during the session. She concluded that overall, Citizens two priority bills: SEA 114 - Receivership for Past Due Utility Bills and SEA 298 – DSIC Revision were passed and considered the session to be successful for Citizens.

Following discussion, the CWA Board considered a request to amend the meeting minutes of the Board of Directors of CWA Authority, Inc. held on January 9, 2023. Upon a motion duly made and seconded, the CWA Board unanimously approved the amended minutes of the CWA Board meeting held on January 9, 2023.

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

DocuSigned by:

ANNE NOBLES

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Anne Nobles, Chair
Board of Directors

DocuSigned by:

Joseph M. Perkins, Jr.

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