

**MINUTES OF THE JOINT MEETING
OF THE BOARDS OF DIRECTORS OF
CITIZENS ENERGY GROUP AND CWA AUTHORITY, INC.
HELD DECEMBER 15, 2021**

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 electronically, via video-conference, at 9:05 a.m., EST, Wednesday, December 15, 2021, consistent with prevailing executive orders governing such meetings resulting from Governor Holcomb’s declaration of a public health emergency for the coronavirus disease 2019 outbreak (“COVID-19”). The meeting was conducted utilizing Microsoft Teams technology by which participants could join by computer or mobile application, or call in (audio only), being the identified electronic means of communication that allowed members of the Board to simultaneously communicate with each other, and for the public to simultaneously attend and observe the meeting.

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

Present from Citizens: Jeffrey A. Harrison, President and Chief Executive Officer; John R. Brehm, Senior Vice President and Chief Financial Officer; Jennett M. Hill, Senior Vice President and General Counsel; Craig L. Jackson, Senior Vice President of Special Projects; 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; LaTona S. Prentice, 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; Jennifer M. Bailey, Director of Treasury; Korlon Kilpatrick, Director of Regulatory Affairs;

Greg Sawyers, Director of Customer Relationships; Joseph Sutherland, Director of Government and External Affairs; and Shannon Stahley, Associate Director of Corporate Affairs.

The meeting was called to order by the Chair of the Board. Members of the Board were pronounced present following a voice roll call by the Secretary. Each of the members of the Board participated in the meeting by using the designated electronic means of communication. 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 Board of Directors of Citizens Energy Group and CWA Authority, Inc. held on September 29, 2021 by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

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 10, 2022 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 the 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 by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

The Chair addressed management’s request to approve the filing set forth in Fuel Cost Adjustment 64. Upon a motion duly made and seconded, the Citizens Board unanimously ratified and approved the following resolution by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

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 64 of \$0.70898, to be effective February 1, 2022 subject to approval by the Indiana Utility Regulatory Commission, is hereby approved and ratified.

The Chair also addressed management’s request to approve the filing set forth in Gas Cost Adjustment 152. Upon a motion duly made and seconded, the Citizens Board unanimously ratified and approved the following resolution by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

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 152 for December 2021, January and February 2022, is hereby approved and ratified. Pursuant to the terms of the monthly GCA mechanism, the management and staff hereby are authorized to modify the GCA rates for December 2021, January and February 2022, in accordance with the terms of the Cause No. 37399-GCA 75 Order and the Order in Cause No. 37399-GCA 152, which were approved by the IURC in November 2021.

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 by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

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 Indiana Utility Regulatory Commission effective October 1, 2021 is hereby ratified and approved.

The Chair addressed management’s request to approve the amended list of representatives for the State Revolving Fund and Preliminary Engineering Report (SRF/PER). Upon a motion duly made and seconded, the Board of Directors of CWA Authority, Inc. unanimously approved the following resolution by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

WHEREAS, CWA Authority, Inc. of Indianapolis, Indiana, herein called CWA, has plans for a municipal water pollution control project to meet State and Federal regulations, such as the NPDES discharge limitations, and intends to proceed with the construction of such works; and

WHEREAS, CWA has adopted this Resolution dated December 15, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CWA AUTHORITY, INC., the governing body of said CWA, that Jennifer M. Bailey, John R. Brehm, and Jeffrey A. Harrison be authorized to make application for a State Revolving Fund (“SRF”) Loan and provide SRF Loan Program such information, data and documents pertaining to the loan process as may be required, and otherwise act as the authorized representative of CWA; and

RESOLVED, that CWA agrees to comply with the Indiana Finance Authority, State of Indiana and Federal requirements, as they pertain to SRF; and

RESOLVED FURTHER, that two copies of the resolution be prepared and submitted as part of the CWA Preliminary Engineering Report.

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) 2021 Year-End Financial Statements for Citizens Energy Group and CWA Authority, Inc. He reported that overall net income was up \$18 million from the prior year, in part due to the refinancing of wastewater utility bonds. He noted that liquidity for the enterprise remains strong and sufficient to meet cash requirements. Mr. Good further reported that the external auditor (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.

Mr. Good informed the Board that the Audit Committee was satisfied with the preliminary FY 2021 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 2021 Year-End Financial Statements for Citizens Energy Group and CWA Authority, Inc. by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

Mr. Good also reported that Ms. Shunk provided the Audit Committee with an update on internal audit activities. He noted that Ms. Shunk reported that the planned audit projects for the 2020/2021 Internal Audit year were complete and that the department’s current audit plan remains on track for timely completion.

Mr. Good concluded his report to the Board by noting that the Audit Committee also received its annual report from Citizens’ Ethics Committee with no concerns reported.

The Chair next invited Mr. Terry to provide a report from the Compensation and Finance Committee (the “Committee”). Mr. Terry reported that Ms. Whitney presented to the Committee the proposed executive compensation distributions for eligible officers, including an overview of the results for the 2021 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 by roll call ; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

WHEREAS, the Compensation and Finance Committee (“Committee”) evaluated the 2021 incentive and deferred compensation 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’ 2021 incentive and deferred compensation, the Committee has received from its delegates the estimated payments to officers that are payable under the Fiscal Year (FY) 2021 Short Term Incentive Pay (“STIP”) Plan, under the Restoration Policy for Citizens Energy Group (as amended and restated effective January 1, 2016) (“Restoration Policy”), and under the Revised Citizens Energy Group Severance Pay Program (as amended and restated effective May 15, 2015 for grandfathered officers) (“Severance Program”), 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 15, 2021, the Committee determined that it should recommend that the Board adopt a resolution approving all (i) 2021 STIP Plan payments due to officers, (ii) 2021 Restoration Policy payments due to eligible officers, (iii) and payments for taxes under the Severance Program due for 2021 to officers grandfathered under that program.

WHEREAS, the Board has determined that all FY2021 STIP Plan distributions are due and payable to officers;

WHEREAS, the Board has determined that all 2021 Restoration Policy payments are due and payable to eligible officers; and

WHEREAS, the Board has also determined that all payments for taxes under the Severance Pay Program due for 2021 to officers grandfathered under that program are due and payable;

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 FY2021 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 2021 are hereby approved.

SECTION 3. The payments for taxes under the Severance Program due for 2021 to officers of Citizens Energy Group grandfathered under the program are hereby approved.

Mr. Terry next reported on the Committee's progress concerning the retention of a compensation consultant for 2022. He noted that after careful review and consideration of seven proposals by a sub-committee (which included two Committee members, two officers and the Board Chair), the Committee selected the incumbent, Willis Towers Watson ("WTW"), as the executive compensation consultant for 2022. He noted that given the firm's experience in the industry, its qualified staff, and the firm's various engagements in the sector, WTW was the most qualified firm to engage in this work and therefore, the Committee recommended the retention of WTW to the Board for 2022. Following discussion, and upon motion duly made and seconded, the Citizens Board unanimously approved the retention of WTW for 2022, by roll call; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

Mr. Lacy provided a report from the Wastewater Resources Executive Committee (the "Wastewater Committee"). Mr. Lacy reported that the Wastewater Committee held a joint meeting with the Water Resources Executive Committee (the "Water Committee") on November 17, 2021. He reported that Ms. Karner's financial report highlighted that financial performance for the wastewater utility is consistent with expectations, noting that EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is not sufficient to cover capital needs, which is not expected to change until the consent decree is completed. Mr. Lacy further reported that the wastewater utility's outstanding long-term debt amounted to \$1.9 billion. He also reported that Mr. Willman provided an operational update highlighting wastewater's plans to expand its service into Shelby County, subject to regulatory approval, as well as a forecast of capital expenditures through 2026.

Next, Ms. Hicks provided a report from the Water Committee. She reported that water net earnings were on target and that EBITDA is sufficient to cover capital needs, noting that as capital expenditures increase, sustaining this coverage may prove to be challenging. She also reported that the Water Committee reviewed the key findings of the Central Indiana Regional Water Study sponsored by the Indiana Finance

Authority. She reported that the study confirmed and validated management's projected plans to address water supply needs for the water utility's service territory. After recognizing the team for its various awards, including the construction of the Citizens Reservoir, Ms. Hicks concluded her report informing the Board that the construction of a new rock ramp on the White River near Riverside Park was completed in November 2021, ahead of schedule and \$1 million under budget.

Thereafter, Ms. Nobles provided a report from the Energy Resources Executive Committee (the "Energy Committee"). She reported that the Energy Committee held its meeting on November 17, 2021, which included a financial report from Ms. Karner concerning the energy utility system. She reported that gas net earnings were better than expected, primarily due to a decrease in operating and maintenance expenses. She also reported that EBITDA was sufficient to cover capital expenditures at this time. She noted that net earnings for the thermal business units were not as strong as expected primarily due to lower than anticipated load, lower demand, and decreased revenues attributable to the extended effects of the public health emergency caused by the COVID-19 pandemic. She also reported that although the steam utility did not have sufficient EBITDA to cover its capital expenditures, chilled water's EBITDA was sufficient to cover its capital expenses despite the decline in earnings. Ms. Nobles reported that Mr. Ghio provided a report to the Energy Committee concerning winter gas bill projections, a recent gas incident, a proposed gas distribution system expansion into Shelby County, and gas storage wholesale service opportunities.

Ms. Nobles also reported that the Energy Committee considered and approved a list of individuals authorized to perform banking transactions on behalf of the enterprise and requested that the Citizens Board ratify and approve the same. Upon a motion duly made and seconded, the Citizens Board unanimously ratified and approved the list of individuals authorized to perform banking transfers, attached as Exhibit "A", by roll call ; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

The Chair invited Mr. Jackson to provide a financial report. Mr. Jackson reported that, two months into the fiscal year, current projections for fiscal year 2022 were on track and within budget. He also

reported that following a review, pension costs decreased by \$7.7 million, in part driven by interest rate changes.

The Chair invited Mr. Harrison to present highlights of the “Promise of the Trust” report. Mr. Harrison remarked that in the face of a pandemic, Citizens has been unwavering in its commitment to the mission of the Trust. In its commitment to provide safe, reliable service, Mr. Harrison highlighted the Citizens Gas’ performance during a disruption to the nation’s natural gas production facilities in February 2021 due to an anomalous event of severe cold temperatures in Texas and Oklahoma. He reported that due to infrastructure investment, availability of storage assets and strategic planning of our natural gas portfolio, Citizens Gas was able to mitigate the financial impact to Citizens Gas customers, including an annual net reduction to customers’ gas bills of approximately \$38 per customer.

Mr. Harrison also highlighted Citizens Water’s Lead Service Line Replacement Program (“Replacement Plan”), which it filed with the Indiana Utility Regulatory Commission (“IURC”) in August 2021. He noted that if the proposed five-year Replacement Plan is approved by the IURC, up to 75,000 water service lines will be replaced, which equates to an expenditure of approximately \$22.5 million over a five-year period and the replacement of over 2,500 customer-owned lead service lines in the Indianapolis area accompanied with a cost recovery plan for the expenses.

Mr. Harrison also discussed Citizens’ benchmarks with other Indiana utilities. He reported that, among the regulated gas utilities in Indiana, Citizens Gas provided its customers with the lowest natural gas bill for the 12 months ended October 2021.

Mr. Harrison also reported on customer assistance noting that Citizens continues to enter into flexible arrangements with customers, which can extend for up to 12 months. He reported that in 2021, Citizens entered into nearly 50,000 flexible payment arrangements with customers, representing a 9 percent increase over pre-pandemic years. He further reported that through fiscal year 2021, Citizens applied over \$1.8 million in assistance to more than 14,800 customers from the Universal Service Program and Warm Heart Warm Home Foundation, or Low-Income Customer Assistance Program.

Mr. Harrison concluded his report by providing an update on certain external activities, including Citizens' involvement in the Business Equity for Indy (BEI) initiative. He noted that BEI is a joint effort of the Central Indiana Corporate Partnership, the Indy Chamber, in collaboration with the Indianapolis Urban League, to grow a more inclusive business climate and build greater equity and economic opportunity for the Indy Regions' Black residents and people of color. Mr. Harrison reported that in BEI's first year, 150 companies invested countless dollars and hours in support of BEI's objectives.

Following Mr. Harrison's report, Mr. Popp was invited to present his report on Customer Service. Mr. Popp provided an overview of various projects to enhance the customer experience, including the Utility Helper initiative and the launching of the Affordability Team. He acknowledged Citizens' challenges this year with respect to customer satisfaction but emphasized Citizens' commitment to continue to work diligently on behalf of its customers. This includes new initiatives for 2022, such as enhancing the navigation of the external website, selection and implementation of a new field service management software program and continued enrollment into Citizens' billing and payment plans.

Mr. Sawyers also provided an overview of customer assistance programs, including the Warm Heart Warm Home Foundation, Inc. Mr. Sawyers reported that Citizens continues to encourage customers to apply for utility bill assistance, especially because 2022 will serve as a banner year for funding with the addition of and increases in emergency federal funding for gas, water and wastewater services through September 2023.

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., by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

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

Jeff Ford
Shannon Stahley

Korlon Kilpatrick
Jennifer Stansberry

Upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution concerning Citizens Investment Collaboration on Neighborhoods, Inc., by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

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
Jennifer Stansberry
Phil Zbojnowicz

Rhonda Harper
John Trypus

Upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution concerning the Service Advisory Board, by roll call vote; viz:

YEAS: Carlstedt, Davis, Good, Hicks, Lacy, Nobles, Quintana, and Terry

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 the Board's participation in support of the Warm Heart Warm Home Foundation, Inc. She also acknowledged and thanked management and staff for their unwavering commitment to delivering on the mission of the Trust during the pandemic.

The Chair then reported that on December 6, 2021, the Board of Trustees of Citizens Energy Group held its annual meeting where each eligible member of the Board of Directors was reappointed to serve on the Board for another term, effective January 1, 2022.

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

Anne Nobles, Chair
Board of Directors

Michael D. Strohl, Assistant Secretary
Board of Directors