

**MINUTES OF THE JOINT MEETING
OF THE BOARDS OF DIRECTORS OF
CITIZENS ENERGY GROUP AND CWA AUTHORITY, INC.
HELD MAY 19, 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 and the Board of Directors of CWA Authority, Inc. (jointly referred to as the “Board” unless otherwise noted) convened electronically, via video-conference, at 9:10 a.m., EST, Wednesday, May 19, 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 app, 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.

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

Present from Citizens Energy Group (“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; Michael D. Strohl, Senior Vice President and Chief Customer Officer; J.P. Ghio, Vice President of Energy Operations; Sabine E. Karner, Vice President and Controller; John F. Lucas, Vice President of Information Technology; 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; Jeff Brown, Director of Corporate Affairs; Korlon Kilpatrick, Director of Regulatory Affairs; Joseph M. Sutherland, Director of Government and External Affairs; and Shannon Stahley, Senior Manager of Corporate Affairs.

Also present at the meeting was David Wathen, Director and Executive Compensation Practice Leader with Willis Towers Watson (“WTW”) and Michael B. Cracraft of Ice Miller LLP.

The meeting was called to order by the Chair of the Board. All 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 to 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 meetings. Upon a motion duly made and seconded, the Board unanimously approved the minutes of the joint meetings of the Board of Directors of Citizens Energy Group and CWA Authority, Inc. held on September 30, 2020 and December 16, 2020 by roll call vote; viz:

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

Next, the Citizens Board of Directors (the “Citizens Board”) considered the minutes of its previous meeting. Upon a motion duly made and seconded, the Citizens Board unanimously approved the minutes of the annual meeting of the Citizens Board held on January 11, 2021 by roll call vote; viz:

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

Shortly thereafter, and upon a motion duly made and seconded, the Board of Directors of CWA Authority, Inc. (“CWA Board”) unanimously approved the minutes of the annual meeting of the CWA Board held on January 11, 2021 by roll call vote; viz:

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

The Chair certified that the subjects discussed during the Executive Sessions of the Board held on September 30, 2020 and December 16, 2020 were limited solely to the items set forth in the Public Notices, attached as Exhibits A and B.

The Chair addressed management’s request to approve the filing set forth in Fuel Cost Adjustment 61. Upon a motion duly made and seconded, the Citizens Board unanimously ratified and approved the following resolution by roll call vote; viz:

9 YEAS: Appel, 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 61 of \$0.55920 to be effective May 1, 2021, subject to approval by the Indiana Utility Regulatory Commission, is hereby ratified and approved.

The Chair also addressed management’s request to approve the filing set forth in Gas Cost Adjustment 150. Upon a motion duly made and seconded, the Citizens Board unanimously ratified and approved the following resolution by roll call vote; viz:

9 YEAS: Appel, 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 150 for June, July, and August 2021 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 2021 in accordance with the terms of the Order in Cause No. 37399-GCA 75 and the Order in Cause No. 37399-GCA 150, which are subject to approval by the IURC in May 2021.

Next, the Chair invited Mr. Good to provide a report of the Audit and Risk Committee (the “Audit Committee”). Mr. Good reported that Ms. Mamuska-Morris updated the Audit Committee on Citizens’ enterprise risk management process noting that the team’s review and assessment of risk mitigation strategies this year included any changes to risks or mitigation strategies due to the pandemic. He also reported that the Audit Committee received a report from Ms. Shunk concerning internal audit activities for the second quarter, including a report on three completed audit assurance and advisory projects: third-party risk management, robotic process automation and wastewater operations compliance process. He reported that, after considering the proposed risk-based Internal Audit Plan for the upcoming audit cycle, the Audit Committee found the plan acceptable. Following discussion, the Audit Committee recommended to the Board approval of the proposed annual risk-based Internal Audit Plan. Upon a motion duly made and seconded, the Board unanimously approved the annual risk-based Internal Audit plan by roll call vote; viz:

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

Mr. Good also reported that Ms. Karner presented to the Audit Committee the preliminary Fiscal Year (FY) 2021 Second Quarter Financial Statements for Citizens Energy Group and CWA Authority, Inc.

He noted that overall net income was up \$9 million over last year. He also reported that the external auditor (Deloitte and Touche LLP) provided its report on the second quarter financials and informed the Audit Committee that they had no concerns or issues to report based on their review.

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

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

The Chair invited Mr. Terry to provide a report from the Compensation and Finance Committee (the “Committee”). Mr. Terry reported that Mr. Wathen presented a report from WTW on Executive Compensation Philosophy and Resulting Pay Consideration for Citizens Energy Group, along with a recommended pay adjustment. Based on these recommendations, the Committee recommended a pay adjustment. Following discussion, and upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution by roll call vote; viz:

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

WHEREAS, by statute, the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis (the “Board”) has the “exclusive government, management, regulation and control of all public utilities consisting of any waterworks, gasworks . . . heating and power plants of any kind [owned and] operated [by the Board] . . . within the city, or outside the city . . .” IC 8-1-11.1-3(a); and

WHEREAS, the Board also has the statutory power to “employ such managers . . . and other employees necessary for the proper carrying on and operation of any such utility plant or plants . . . and to fix the compensation of all such employees” and in so doing “shall consider character, training, and general expert and executive fitness and experience for the position in the particular utility to which such [executive] is to be assigned as the necessary requirements . . .” IC 8-1-11.1-3(c)(4); and

WHEREAS, the Board has periodically reviewed and made changes in the base pay and other compensation for officers employed by the Department of Public Utilities of the City of Indianapolis d/b/a Citizens Energy Group based upon the recommendations of the Compensation and Finance Committee of the Board (the “Committee”) and its consideration of an analysis of executive compensation performed by a third-party compensation expert and other factors, such as the current level of compensation in the

primary market for executive talent necessary to perform the duties of each executive position within Citizens Energy Group; and

WHEREAS, in 2020, the Committee engaged leading compensation consultant Willis Towers Watson to prepare for its consideration a competitive benchmarking analysis for certain executive positions within Citizens Energy Group; and

WHEREAS, on September 23, 2020, Mr. David A. Wathen of Willis Towers Watson presented to the Committee the executive compensation benchmarking analysis for fiscal year 2021 and the Committee indicated that it would take the information in the analysis under advisement in setting executive compensation for the fiscal year beginning on October 1, 2020; and

WHEREAS, in early 2021, the Committee engaged Willis Towers Watson to review the Board's executive compensation philosophy and resulting pay consideration for possible mid-year executive pay adjustments to address market competitiveness and internal equity; and

WHEREAS, on May 19, 2021, Mr. David A. Wathen of Willis Towers Watson presented to the Committee the report on Executive Compensation and Resulting Pay Consideration, along with a recommended pay adjustment, and the Committee indicated that it would take the information in the report under advisement in setting base pay for an executive effective May 24, 2021; and

WHEREAS, the Committee recommended to the Board that it adopt by Resolution the compensation set forth in Exhibits C and D for the Senior Vice President, General Counsel effective May 24, 2021; and

WHEREAS, based on the foregoing, by Memorandum dated May 19, 2021, Jeffrey A. Harrison, President & CEO and Jodi L. Whitney, Vice President, Human Resources and Chief Diversity Officer, recommended the following adjusted base pay for the Senior Vice President, General Counsel effective May 24, 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR UTILITIES OF THE DEPARTMENT OF PUBLIC UTILITIES OF THE CITY OF INDIANAPOLIS (the "Board"), that:

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

SECTION 2. After consultation with Willis Towers Watson, and review of the report Willis Towers Watson prepared entitled Executive Compensation Philosophy and Resulting Pay Consideration (a copy of which is attached hereto as Exhibit "C"), the recommendation of the Committee and the May 19, 2021 Memorandum, Board hereby adopts by Resolution the compensation set forth in Exhibits C and D for the Senior Vice President, General Counsel effective May 24, 2021.

The Chair invited Mr. Brehm to provide a financial report. Mr. Brehm reported that current projections for fiscal year 2021 remain on target. He noted that the water utility experienced some financial impact primarily relative to lower commercial customer loads due to the COVID-19 pandemic.

The Chair invited Mr. Harrison to present the report of the President and CEO. Mr. Harrison reported on operational activities, noting that the new Citizens Reservoir is fully operational holding over 3 billion gallons of water storage. He commented that the new reservoir will be used primarily during periods of drought for system reliability purposes and to support regional growth. He also reported that the DigIndy project will commence the mining of its final tunnel this month. Thus far, the 10-mile section of the DigIndy system that is fully operational has prevented nearly 2.3 billion gallons of raw sewage discharges from entering local rivers and streams.

Mr. Harrison also discussed the impact of the COVID-19 pandemic on the workforce, noting that employees working remotely are scheduled to return to the workplace on July 6, 2021, with Citizens piloting a flex work program to allow some employees to continue working remotely. Acknowledging the impact of the pandemic on the community and Citizens customers, Mr. Harrison noted that because of service disconnect suspensions during the public health emergency caused by COVID-19, delinquent accounts have increased for all Citizens services. Mr. Harrison reviewed Citizens outreach efforts to employ multiple resources to assist customers in need (Low-Income Home Energy Assistance Program (LIHEAP), Winter Assistance Fund, Emergency Funds, Universal Service Program, Warm Heart Warm Home Foundation, and the Low-Income Customer Assistance Program (LICAP)).

Mr. Harrison concluded his report by providing an update on certain external activities, including mass transit initiatives for Indianapolis, noting that Citizens continues to work with IndyGo to support and balance the needs of Citizens and its customers with those of the community.

The Chair next invited Mr. Ghio to provide a report on Energy Operations. Mr. Ghio reviewed with the Citizens Board a proposed gas storage service. Upon inquiry from the Board, Mr. Ghio acknowledged that the margins realized from the proposed provision of gas storage service would be beneficial to Citizens

Gas and its customers. Following discussion, and upon a motion duly made and seconded, the Citizens Board unanimously approved the following resolution by roll call vote; viz:

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

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 successor trustee of a public charitable trust (the "Energy Trust") d/b/a Citizens Energy Group ("Citizens") is vested by Indiana Code ("IC") 8-1-11.1-3(a) with the "exclusive government, management, regulation, and control of all public utilities consisting of any . . . gasworks . . . heating and power plants of any kind or character . . . operated upon, above, or below any street or territory within the city, or outside the city within the limits authorized by law, and all property held by and relating or belonging thereto";

WHEREAS, Citizens owns and operates a gas utility that does business as Citizens Gas ("Citizens Gas"), which provides gas utility services to customers in Marion County, Indiana and certain other parts of the State of Indiana and, in conjunction therewith, utilizes certain underground storage and transportation assets located in Greene County, Indiana (the "Underground Storage Assets"); and

WHEREAS, Citizens Gas has increased the seasonal storage capacity and daily deliverability of the Underground Storage Assets and plans capital investments and operational improvements that will further increase capacity and deliverability; and

WHEREAS, the increased capabilities of the Underground Storage Assets have made it possible for Citizens Gas to offer storage services for sale to wholesale customers without adversely affecting reliability of service to Citizens Gas's customers; and

WHEREAS, under certain conditions, Citizens Gas from time to time can also offer for sale to wholesale customers excess gas supplies without adversely affecting supply necessary for Citizens Gas's customers; and

WHEREAS, the margins realized by Citizens Gas from provision of such storage services and wholesale sales of gas would be beneficial to Citizens Gas and its customers; and

WHEREAS, other Indiana utilities and their customers would also benefit from the ability to purchase storage services and wholesale gas from Citizens Gas in that, under certain conditions, such purchases would be less costly than other market alternatives available to those customers; and

WHEREAS, the markets for storage services and wholesale sales of gas are subject to competitive market forces and therefore, Citizens Gas's ability to successfully compete in such markets requires it to have the ability to offer such storage services and wholesale sales of gas at prices and other terms and conditions that are unregulated and subject to arms-length negotiation; and

WHEREAS, Citizens Gas is an “energy utility” as defined in IC 8-1-2.5-2; and

WHEREAS, under IC 8-1-2.5-5, the Indiana Utility Regulatory Commission (the “Commission”) is authorized to decline to exercise, in whole or in part, its jurisdiction over an energy utility subject to certain conditions being met; and

WHEREAS, the Board, in its business judgment, has determined that Citizens Gas’s provision of unregulated storage services and wholesale sales of gas will promote energy utility efficiency and benefit Citizens Gas, its customers, and other utilities in the State of Indiana.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS FOR UTILITIES OF THE DEPARTMENT OF PUBLIC UTILITIES that:

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

SECTION 2. The Board hereby authorizes, individually or jointly, the Chair, Vice Chair, President and Chief Executive Officer, any Senior Vice President, Vice President, Treasurer, Assistant Treasurer, Secretary and Assistant Secretary of Citizens (collectively, the “Authorized Officers” and each an “Authorized Officer”) to execute and deliver such documents, agreements, forms, certifications and other papers, and to take such other action, as the Authorized Officer or Authorized Officers may determine to be necessary, appropriate or desirable to carry out these resolutions, with such changes in form or substance of the foregoing as the Authorized Officer(s) who execute the same deem appropriate, their approval and acceptance of the same and any such changes to be evidenced by their execution and delivery thereof.

SECTION 3. The Authorized Officers are hereby authorized, individually or jointly, to execute and file on behalf of the Board a Petition requesting the Commission decline to exercise any jurisdiction it asserts it has over Citizens Gas’s provision of wholesale storage services and wholesale sales of gas.

SECTION 4. The Authorized Officers are hereby authorized, individually or jointly, to prepare and file such testimony and exhibits as necessary to support the relief requested in such Petition and take such other actions as determined advisable in order to obtain the Commission’s approval of the relief requested in the Petition and to protect the confidentiality of any information filed with the Commission that contains trade secrets that are confidential and proprietary and exempt from public access and disclosure requirements under law.

SECTION 5. If any section, paragraph, or provision of these resolutions 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 these resolutions.

SECTION 6. These resolutions shall be in full force and effect from and after their passage and execution.

The Chair next invited Mr. Sutherland to summarize the activities of the 2021 Indiana General Assembly legislative session. He reported on House Enrolled Act (HEA) 1191 which prohibits cities and towns from restricting, through local rules or ordinances, the type of energy source a utility can provide to customers. He noted that other states across the country are following a similar course paving the way for statewide approaches and policies. He also reported on Senate bills that created a wastewater task force to develop a long-term plan for addressing wastewater needs in Indiana and to establish priorities for a grant program (with the support of federal stimulus funds) to fund both water and wastewater infrastructure projects. He reported that, due to the \$3 billion distribution from the federal stimulus package, the state budget allocated significant funds for water infrastructure improvements. The task force is charged with completing its work by January 1, 2022.

Mr. Sutherland concluded his report to the Board by reviewing proposed Senate Bill 141, which sought to add restrictions to the IndyGo Rapid Transit projects, including reimbursement for utility relocation. This bill failed to pass, however, Mr. Sutherland noted that Citizens remained neutral and did not request the utility reimbursement language.

The Chair then invited Mr. Brown to review the results of the 2020 Corporate Accountability Survey. He reported that Citizens conducts the survey to gather insights from local community leaders in various areas including overall satisfaction and perception, awareness of philanthropic activities, engagement in the community, and overall performance ratings. Mr. Brown reported that although the number of responses declined from previous years, likely due to the pandemic, overall survey results were positive and consistent with previous years. The Board commented on the community leaders' awareness of various Citizens' initiatives with respect to customer support and diversity, which Mr. Brown acknowledged noting that Citizens would continue to work on communicating these efforts to the community to raise awareness.

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

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Anne Nobles

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Anne Nobles, Chair
Board of Directors

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Jennett M. Hill

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Jennett M. Hill, Assistant Secretary
Board of Directors