



May 12, 2026

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Executive Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of the Business and Economic Affairs (BEA), Division of Planning & Community Development, to award \$1,169,890 from the American Rescue Plan Act (ARPA) Coronavirus Capital Projects Funds program to two (2) recipients for eligible broadband infrastructure projects that will provide access to unserved locations, effective upon Governor and Council approval through December 31, 2026. **100% Federal Funds.**

Funds are available in the following account, Broadband Connectivity FD ARP, as follows:

03-22-022-221510-24410000-102-500731 – Contracts for Program Services	<u>FY 2026</u> \$1,169,890
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EXPLANATION

The Division of Planning & Community Development (DPCD) seeks approval to award CPF broadband infrastructure grants to expand access to reliable, high-speed internet in unserved areas across New Hampshire. The Capital Projects Fund (CPF), established under the American Rescue Plan Act, supports critical infrastructure that enables work, education, and health services. In New Hampshire, CPF investments are directed toward scalable broadband infrastructure capable of delivering a minimum of 100 Mbps symmetrical download and upload speeds. These projects are designed to be expandable and upgradeable over time to meet growing connectivity demands and ensure long-term capacity, reliability, and performance. CPF funding targets longstanding service gaps in unserved and underserved locations, supporting infrastructure that strengthens economic resilience, expands access to telehealth and educational opportunities, and enables communities across New Hampshire to participate fully in the digital economy.

BEA issued Request for Proposal (RFP) 2026-01, Broadband Build for Unserved Locations (Coronavirus Capital Projects Fund), on December 8, 2025. The RFP was publicly posted on *nheconomy.com* and *admin.state.nh.us*. Three compliant proposals were received and evaluated by a three-member BEA staff scoring committee (Schedule #2) using the criteria outlined in the RFP (Schedule #1). Following the initial evaluation, a Best and Final Offer (BAFO) request was issued to the three compliant vendors, with two vendors submitting compliant BAFO responses. The scoring committee reviewed the BAFO responses using the same evaluation criteria to ensure consistency and fairness in the final assessment. Final scoring is provided in Schedule #3, with both responsive vendors being selected as part of the committee’s multi-award determination.

The recommended awards will support two Internet Service Providers (ISPs) in extending reliable, high-speed broadband service to 91 unserved locations. The average investment of \$12,855.93 per passing reflects the rural terrain and distance between locations. These targeted projects close critical service gaps and advance New Hampshire's long-term broadband expansion goals. All projects must be completed by December 1, 2026.

Awards will be paid in a lump sum upon substantial completion of a Project, which means at that time a project can fulfill the primary operations that it was designed to perform, delivering services to end-users, which enables the State to verify each project has achieved its goals and met its obligations under the award before funds are disbursed.

Awarded ISPs must comply with all applicable federal and state monitoring and reporting requirements, including submitting regular CPF project updates throughout the project period and upon completion.

BEA has determined that the vendors are in good standing with the Secretary of State's Office, have secured the required levels of insurance, and have provided evidence of authority to execute and be bound by the grant agreements. New Hampshire Electric Cooperative, Inc. is a non-profit organization, and BEA has confirmed the vendor is registered and in good standing with the Department of Justice's Charitable Division.

The Attorney General's office has approved these contracts as to form, substance, and execution.

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Lucy Lange
Commissioner

Department of Business and Economic Affairs
Division of Planning and Community Development
Broadband Build for Unserved Locations (Coronavirus Capital Project Funds)
RFP Scoring Criteria

Proposals were reviewed, evaluated, and scored by an evaluation committee. The assessment was based on the established criteria for each component of the RFP. Each criterion was scored according to the degree of responsiveness demonstrated in the proposal being evaluated.

#	Evaluation Category	Points
1	Organizational Structure	10
2	Experience and Qualifications of Key Staff and Subcontractors	20
3	Approach to Scope of Work Methodology	20
4	Offered Speeds	20
5	Budget Approach and Cost Effectiveness	10
6	Cost per Passing	20
Grand Total		100

Department of Business and Economic Affairs
Division of Planning and Community Development
Broadband Build for Unserved Locations (Coronavirus Capital Project Funds)
RFP Scoring Committee

Mark Laliberte, Business Development Manager
NH Department of Business and Economic Affairs
100 North Main Street, Suite 100
Concord, NH 03301
603-271-0322
Mark.J.Laliberte@livefree.nh.gov

Mr. Laliberte has worked for the Department of Business and Economic Affairs for 10 years and in January 2023, he was named Business Development Manager within the Division of Economic Development. In his current role, he leads efforts to recruit businesses in key growth sectors such as life sciences, advanced manufacturing, and emerging technology. In his previous role, Mr. Laliberte established the Office of Broadband Initiatives at BEA in September 2021. Mr. Laliberte has a Masters in Public Administration (MPA) and a BA in Political Science with a minor in History; both from the University of New Hampshire.

Meaghan Littlefield, Broadband Administrator
NH Department of Business and Economic Affairs
100 North Main Street, Suite 100
Concord, NH 03301
603-202-0417
Meaghan.E.Littlefield@livefree.nh.gov

Ms. Littlefield has worked for the Department of Business and Economic Affairs for more than eleven years and joined the Office of Broadband Initiatives as a Business Administrator in May 2024. Prior to this role, she served as a Management Analyst with the Bureau of Visitor Services, where she supported program operations and strategic initiatives. She now oversees administrative functions, budgeting, and compliance for statewide broadband projects, contributing to New Hampshire's broadband connectivity goals.

Kate Castaldo-Rice, Broadband Business Administrator
NH Department of Business and Economic Affairs
100 North Main Street, Suite 100
Concord, NH 03301
603-491-9273
Kate.S.CastaldoRice@livefree.nh.gov

Mrs. Castaldo-Rice joined the Office of Broadband Initiatives in June 2023 as a Broadband Administrator. Before joining BEA, she accumulated nearly 15 years of experience leading large customer-facing operations teams and holds a Bachelor's Degree in Economics and Finance from Bentley University. In her current role, she supports the advancement of statewide access to high-speed internet by coordinating and implementing broadband programs, managing workflows, supporting grant administration, collaborating with community and provider partners, and contributing to the data and reporting that support broadband funding decision.

Department of Business and Economic Affairs
 Division of Planning and Community Development
 Broadband Build for Unserved Locations (Coronavirus Capital Project Funds)
 RFP Scoring Results

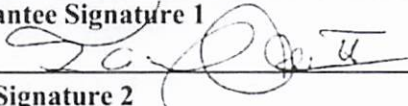
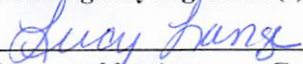
Company	Organizational Structure (10 points)	Experience and Qualifications of Key Staff and Contractors (20 points)	Approach to Scope of Work Methodology TOTAL (20 points)	Offered Speeds (20 points)	Budget Approach and Cost Effectiveness (10 points)	Cost Per Passing (20 points)	Grant Funds Requested	Grand Total (100 points)	Rank
NHEC	10	17	17.67	20	7	20	\$ 869,890.00	91.67	1
Fidium	5	20	11.67	20	5.33	15	\$ 300,000.00	77	2

Non-Compliant	2
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GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby
Mutually agree as follows:
GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name Department of Business and Economic Affairs		1.2. State Agency Address 100 North Main Street, Suite 100 Concord, NH 03301	
1.3. Grantee Name Fidium Enterprise Services, LLC		1.4. Grantee Address 2116 South 17th Street Mattoon, IL, 61938	
1.5. Grantee Phone # 603-703-3613	1.5. Account Number 24410000	1.7. Completion Date December 31, 2026	1.8. Grant Limitation \$300,000.00
1.9. Grant Officer for State Agency Matt Conserva, Broadband Program Manager		1.10. State Agency Telephone Number 603-271-4963	
If Grantee is a municipality or village district: "By signing this form we certify that we have complied with any public meeting requirement for acceptance of this grant, including if applicable RSA 31:95-b."			
1.11. Grantee Signature 1 		1.12. Name & Title of Grantee Signor 1 Fred Graffam, CFO	
Grantee Signature 2		Name & Title of Grantee Signor 2	
Grantee Signature 3		Name & Title of Grantee Signor 3	
1.13. State Agency Signature(s) 		1.14. Name & Title of State Agency Signor(s) Lucy Lange, Commissioner	
1.15. Approval by Attorney General (Form, Substance and Execution) (if G & C approval required) By: <i>Vasilios Manthos</i> Assistant Attorney General, On: 5/13/26			
1.16. Approval by Governor and Council (if applicable) By: _____ On: / /			

2. **SCOPE OF WORK:** In exchange for grant funds provided by the State of New Hampshire, acting through the Agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT B (the scope of work being hereinafter referred to as "the Project").

3. AREA COVERED. Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the State of New Hampshire.
4. EFFECTIVE DATE: COMPLETION OF PROJECT.
 - 4.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire if required (block 1.16), or upon signature by the State Agency as shown in block 1.14 ("the Effective Date").
 - 4.2. Except as otherwise specifically provided herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.7 (hereinafter referred to as "the Completion Date").
5. GRANT AMOUNT: LIMITATION ON AMOUNT: VOUCHERS: PAYMENT.
 - 5.1. The Grant Amount is identified and more particularly described in EXHIBIT C, attached hereto.
 - 5.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT C.
 - 5.3. In accordance with the provisions set forth in EXHIBIT C, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.
 - 5.4. The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.
 - 5.5. Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.
6. COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS. In connection with the performance of the Project, the Grantee shall comply with all statutes, laws regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits and RSA 31-95-b.
7. RECORDS and ACCOUNTS.
 - 7.1. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency, the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.
 - 7.2. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency pursuant to subparagraph 7.1, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these provisions
8. PERSONNEL.
 - 8.1. The Grantee shall, at its own expense, provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.
 - 8.2. The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.
 - 8.3. The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.
9. DATA; RETENTION OF DATA; ACCESS.
 - 9.1. As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations,
- 9.2. computer programs, computer printouts, notes, letters, memoranda, paper, and documents, all whether finished or unfinished.
- 9.3. Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.
- 9.4. No data shall be subject to copyright in the United States or any other country by anyone other than the State.
- 9.5. On and after the Effective Date all data, and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason, whichever shall first occur.
10. CONDITIONAL NATURE OR AGREEMENT. Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.
11. EVENT OF DEFAULT: REMEDIES.
 - 11.1. Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
 - 11.1.1 Failure to perform the Project satisfactorily or on schedule; or
 - 11.1.2 Failure to submit any report required hereunder; or
 - 11.1.3 Failure to maintain, or permit access to, the records required hereunder; or
 - 11.1.4 Failure to perform any of the other covenants and conditions of this Agreement.
 - 11.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
 - 11.2.1 Give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and
 - 11.2.2 Give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the Grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and
 - 11.2.3 Set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and
 - 11.2.4 Treat the agreement as breached and pursue any of its remedies at law or in equity, or both.
12. TERMINATION.
 - 12.1. In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.
 - 12.2. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.
 - 12.3. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.
 - 12.4. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.
13. CONFLICT OF INTEREST. No officer, member of employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or

- approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.
14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement the Grantee, its employees, and any subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, workmen's compensation or emoluments provided by the State to its employees.
 15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit B without the prior written consent of the State.
 16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or subcontractor, or subgrantee or other agent of the Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.
 17. INSURANCE.
 - 17.1 The Grantee shall, at its own expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:
 - 17.1.1 Statutory workers' compensation and employees liability insurance for all employees engaged in the performance of the Project, and
 - 17.1.2 General liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and
 - 17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Grantee shall furnish to the State, certificates of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy.
 18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure of waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.
 19. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.
 20. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire, if required or by the signing State Agency.
 21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.
 22. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.
 23. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.
 24. SPECIAL PROVISIONS. The additional or modifying provisions set forth in Exhibit A hereto are incorporated as part of this agreement.

EXHIBIT A SPECIAL PROVISIONS

1. GRANT DOCUMENTS

This Grant consists of the following documents (“Grant Documents”), which are all incorporated herein by reference as if fully set forth herein:

- a. State of New Hampshire Terms and Conditions, General Provisions Form G-1
- b. EXHIBIT A Special Provisions
- c. EXHIBIT B Scope of Services
- d. EXHIBIT C Payment Terms
- e. EXHIBIT D Drug-Free Workplace
- f. EXHIBIT E Lobbying
- g. EXHIBIT F Debarment
- h. EXHIBIT G Americans with Disabilities Act Compliance
- i. EXHIBIT H Environmental Tobacco Smoke
- j. EXHIBIT I Nondiscrimination in Federally Assisted Programs
- k. EXHIBIT J FFATA Compliance
- l. EXHIBIT K RFP 2026-01
- m. EXHIBIT L Subgrantee’s Proposal Response
- n. EXHIBIT M Prime Grant Agreement (FAIN: CPFFN0143)

In the event of any conflict among the terms or provisions of the documents listed above, the following order of priority shall indicate which documents control: (1) Exhibit M, the Prime Grant Agreement; (2) General Provisions as modified by EXHIBIT A “Special Provisions; (3) EXHIBIT B “Scope of Services,” (4) EXHIBIT C “Payment Terms.”

2. PURPOSE OF FUNDS

2.1 Grantee, Fidium Enterprise Services, LLC will use the grant funds for deploying broadband infrastructure to unserved, eligible project locations, as identified in its RFP proposal response and Best and Final Offer (BAFO), and as reflected in the final list of selected locations approved by the State of New Hampshire.

3. FEDERAL AWARD IDENTIFICATION

This Award is a federal subaward. Grantee is a federal subrecipient of the State of New Hampshire’s Coronavirus Capital Project’s Fund, as identified below:

- 3.1 Grantee’s name (as registered in SAM.gov): Fidium Enterprise Services, LLC
- 3.2 Grantee’s Unique Entity Identifier (UEI): G5ENUFN1N6E4
- 3.3 United States Department of the Treasury (“Treasury”) Federal Award Identification Number (FAIN): CPFFN0143
- 3.4 Federal award date: February 3, 2022
- 3.5 Subaward period of performance: 05/20/2026 to 12/01/2026
- 3.6 Subaward budget period: 05/20/2026 to 12/01/2026
- 3.7 Amount of federal funds obligated by this Agreement: \$300,000.00
- 3.8 Total amount of federal funds obligated to the Grantee by the State (including by this agreement) \$57,655,261.60
- 3.9 Total amount of Coronavirus Capital Project Fund funds committed to the Grantee by the State \$52,173,815.00
- 3.10 Program Description: The purpose of the Coronavirus Capital Projects Fund (CCPF) is to provide financial assistance to states, territories, and tribal governments to carry out critical capital projects that directly enable work, education, and health monitoring, including remote options, in response to the public health emergency with respect to the coronavirus disease.
- 3.11 The federal awarding agency for the prime award is the United States Department of the Treasury. The pass-

through entity making this subaward is the State of New Hampshire Department of Business and Economic Affairs, 100 North Main Street, Suite 100, Concord, NH, 03301.

- 3.12 Federal award Assistance Listing Number (ALN) and title: 21.029 Coronavirus Capital Projects Fund
- 3.13 This Award will not be used for Research and Development (R&D).
- 3.14 This award does not have an indirect cost rate because it is exempt from 2 CFR 200 subpart E: Cost Principles.

4. ALLOWABLE USES

Grantee shall use funds solely for allowable purposes as set forth in paragraph 2.1 and as defined in the American Rescue Plan Act of 2021 (“ARPA”), H.R. 1319, Section 9901, for which Grantee has not received payment or reimbursement from any other source.

5. SUBAWARDS, CONTRACTS, AND OTHER AGREEMENTS

- 5.1 To the extent that Grantee is making any contracts, subawards, or other agreements using funds provided under this Agreement, Grantee shall develop and use a template for subawards, contract, or other agreements as applicable that will be subject to review and approval by the State before use to ensure that the subawards, contracts, or other agreements contain adequate provisions that the funds can only be used for allowable ARPA costs and require compliance with 2 CFR 200 and other applicable requirements.
 - 5.1.1 In the event that Grantee enters into any subawards, contracts, or other agreements using funds from this award, Grantee shall ensure that such subawards, contracts, or other agreements contain provisions that grant the State oversight rights that are at least equivalent to the oversight rights reserved to the State under this grant agreement.
 - 5.1.2 Grantee shall explicitly incorporate, or cause to be incorporated, in each subaward, contract, or other agreement the relevant provisions of this Agreement pertaining to site access, oversight, reporting, and compliance or provisions that mirror the intent and purpose of such clauses to ensure that the State retains the same level of oversight over the use of grant funds in the subaward, contract, or other agreement as it does under this Agreement.
- 5.2 Grantee agrees to obtain prior approval from the State for any new subaward, contract, or other agreement made with grant funds.
- 5.3 Existing subawards, contracts, or other agreements do not require prior approval from the State. Copies of existing subawards, contracts, or other agreements shall be submitted to the State upon request.

6. GUIDANCE

- 6.1 All Capital Projects Fund guidance issued by the United States Department of the Treasury is incorporated herein and made part of this agreement as if set forth in full. This includes, but is not limited to, Uniform Guidance 2 CFR 200, Treasury’s *Guidance for the Coronavirus Capital Projects Fund*, *Coronavirus Capital Projects Fund Compliance and Reporting Guidance*, *Coronavirus Capital Projects Fund Frequently Asked Questions April 22, 2022*, and *SLFRF and CPF Supplementary Broadband Guidance May 17, 2023*. All guidance is available at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>.
- 6.2 The U.S. Department of Treasury may issue subsequent or further guidance on allowable uses of Coronavirus Capital Projects Fund funds at its website <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>. Any such guidance shall be considered incorporated herein and made part of this agreement as if set forth in full without further notice.
- 6.3 The terms and conditions of the prime grant agreement, as set forth in the State of New Hampshire’s (“State”) Notice of Award (FAIN: CPFFN0143) are incorporated herein and made part of this Agreement as if set forth in full. (See Exhibit L)

7. ADMINISTRATIVE COSTS

- 7.1 Any administrative costs incurred by Grantee shall not be considered eligible costs under this award. Administrative costs, as defined by CPF program guidance, “mean the costs incurred by a Recipient related to the administration of Capital Projects Fund awards, the provision of technical assistance to potential Subrecipients, and compliance with grant administration and audit requirements.” This also includes administrative costs incurred by Subrecipients.

8. REPORTING & MONITORING

- 8.1 The Grantee shall comply with periodic project reporting and financial reporting. The cadence of reporting will be no less than quarterly. The State may request any other project information it deems necessary in compliance with state and federal reporting requirements. The Grantee will comply with any such request in a timely manner.
- 8.2 The Grantee shall comply with any and all subrecipient monitoring processes required by the State. This includes, but is not limited to, completion of desk review questionnaires and other information gathering tools, production of financial and transactional records, internal documents, and any other documentation the State requests, and cooperation with site visits and interviews of Grantee's personnel or the personnel of any subgrantees, contractors, or subcontractors. Subrecipient monitoring will take place monthly, quarterly, or semi-annually based on a risk assessment conducted by the State.
- 8.2.1 The Grantee agrees to promptly take any remedial action required by the State as a result of any errors, omissions, or deficits identified through the reporting and monitoring process.

9. EXTENSION OF AWARD PERIOD OF PERFORMANCE

Grantee shall certify substantial completion of the Project on or before December 1, 2026. Extensions may be granted at the sole discretion of the State.

10. UNIQUE ENTITY IDENTIFIER (UEI) AND ELIGIBILITY REQUIREMENTS.

- 10.1 Pursuant to 2 CFR 25 Grantees must provide a valid Unique Entity Identifier (UEI). EXHIBIT J should be returned completed with the executed Grant Agreement and must be received before project work commences.
- 10.1.1 This requirement shall be passed through to subgrantees, contractors, and subcontractors.
- 10.2 By entering into this agreement, Grantee certifies that it is not suspended, debarred, or otherwise excluded from receiving federal funds. Grantee shall complete the debarment certification included as Exhibit F of this Award.
- 10.2.1 Grantee shall not enter into any subawards without confirming that the subrecipient is not debarred, suspended, or otherwise ineligible. Eligibility can be checked on SAM.gov. This requirement applies to all covered transactions identified by 2 CFR 180 by subrecipients of any tier, and any subaward agreement executed by Grantee shall include a term imposing this requirement upon any subrecipients.
- 10.2.2 Grantee shall not enter into any contracts with a value over \$30,000 without confirming that the contractor is not debarred, suspended, or otherwise ineligible. Eligibility can be checked on SAM.gov. Grantee shall include in any such contracts a term which extends this requirement to subcontractors.

11. REAL PROPERTY & EQUIPMENT

- 11.1 Federal Interest. Any real property or equipment acquired or improved under this Award is subject to a federal interest in property equal to the product of the percentage of Treasury's contribution to the cost of the purchase or improvement and the fair market value of the property. This interest shall persist until December 31, 2034 ("Federal Interest Period").
- 11.2 Title to real property or equipment acquired or improved under the award ("Project Property") vests in the Grantee, subject to the condition that, for the duration of the Federal Interest Period (December 31, 2034), the Grantee and any successors or transferees:
 - 11.2.1 Shall use the Project Property for the authorized purposes of the project in the same manner as they use comparable real property and equipment within their networks in the ordinary course of their business, subject to the rights to disposition provided below;
 - 11.2.2 Shall continue to provide internet service to the service areas and at the standard initially agreed upon by the State and Grantee;
 - 11.2.3 Shall participate in federal programs that provide low-income consumers with subsidies on broadband internet access services;
 - 11.2.4 Shall comply with the requirements of 2 CFR 200.310 (Insurance), which may be satisfied by adequate self-insurance;
 - 11.2.5 Shall comply with the use and management requirements for equipment in sections 200.313(c)(4) and 313(d), which may be satisfied by applying the Grantee's commercial practices for meeting such requirements in the normal course of business (e.g., commercial inventory controls, loss prevention procedures, etc.), provided that

- such inventory controls indicate the applicable federal interest;
- 11.2.6 Shall maintain records of real property that include an indication of the applicable federal interest;
- 11.2.7 May dispose of Project Property in the ordinary course of business when no longer needed to operate the network, such as in order to upgrade equipment and improve facilities, provided that at least the same level of service provided by the network is maintained and there is no material interruption to service and that such upgraded property is subject to the same requirements provided in this guidance as other Project Property;
- 11.2.8 May otherwise sell or transfer Project Property only after provision of notice to Treasury that identifies the successor or transferee and after securing the agreement of the successor or transferee to comply with these requirements and the acknowledgement of the successor or transferee of the federal property interest; and
- 11.2.9 Shall notify the State and Treasury upon the filing of a petition under the Bankruptcy Code, whether voluntary or involuntary, with respect to the Grantee or its affiliates.
- 11.3 Pursuant to 2 CFR 200.316 and in recognition that this project is being undertaken for the benefit of the public being served by the broadband infrastructure, for the duration of the Federal Interest Period, the Grantee must hold Project Property in trust for the beneficiaries of the project.
- 11.4 The Grantee may encumber the property if Treasury receives a shared first lien position in the Project Property, such that, if the Project Property were foreclosed upon and liquidated, Treasury would receive the portion of the fair market value of the of the property that is equal to Treasury's percentage contribution to the project cost.
- 11.5 If the Grantee fails to comply with the provisions of 11.2 through 11.4 above the Grantee shall request disposition instructions for the Project Property pursuant to 2 CFR 200.311(c) or 2 CFR 200.313(e), as applicable.

12. SITE ACCESS

The Grantee agrees to allow the State access to work sites funded through this grant agreement for any purpose, which includes publicity, site verification, and any other purpose as determined by the State.

13. SINGLE AUDIT

Federal single audit requirements shall apply to this grant agreement, as set forth in 2 CFR 200 Subpart F, Audit Requirements. Pursuant to 2 CFR 200.501, for-profit subrecipients are exempt from Single Audit requirements.

14. FIXED AMOUNT SUBAWARD STRUCTURE

This Award is considered a fixed amount subaward pursuant to the fixed amount subaward structure detailed in Treasury's SLFRF and CPF Supplementary Broadband Guidance, published on May 17, 2023, which modifies the standard Uniform Guidance requirements for fixed amount subawards. The SLFRF and CPF Supplementary Broadband Guidance is incorporated by reference into this Agreement. These terms are subject to further clarification and modification by Treasury, and any future guidance provided by Treasury is incorporated by reference into this Agreement without additional notice to Grantee. The following exceptions, modifications, and requirements apply to this Award pursuant to the SLFRF and CPF Supplementary Broadband Guidance:

- Treasury pre-approval is not required for this Award.
- The amount of this Award is not capped at the Simplified Acquisition Threshold.
- Any income earned through activities carried out under this award is not considered program income and may be used by Grantee without restriction.
- This Award is not subject to 2 CFR 200, subpart E: Cost Principles.
- This Award is not subject to the Uniform Guidance procurement standards in 2 CFR 200.317 – 200.327.
- This Award may be subject to a cost-sharing or cost-matching requirement.
- The requirements for the acquisition, use, management, and disposition of real property and equipment shall be as detailed in Section 11 of this Exhibit.
- The Grantee must certify that the project has reached substantial completion on or before December 1, 2026. "Substantial completion" means that the project can fulfill the primary operations that it was designed to perform, delivering services to end-users. At substantial completion, service operations and management systems infrastructure must be operational. Extensions may be requested in writing and will be granted at the sole discretion of the State.

Other than the exceptions and modifications detailed in the SLFRF and CPF Supplementary Broadband Guidance and any other applicable Treasury guidance, Grantee must comply with 2 CFR 200.

15. CLOSEOUT

Closeout shall be completed by December 15, 2026, with extensions granted at the sole discretion of the State, in a manner in compliance with federal guidance. The Grantee must certify that the project has reached substantial completion on or before December 1, 2026 which will begin the closeout process. The closeout process may include, but shall not be limited to, a final performance report and review process, a final compliance monitoring process, a request by the State for any Award-related documentation not yet provided, and a request for payment by Grantee and payment of the Award Amount by the State. The State may request additional documentation, perform site visits, or other methods of verification in order to determine whether the Project is substantially complete. The State may deny payment if it cannot verify substantial completion of the Project. Grantee shall comply with all closeout requirements in a timely manner, and in any case no less than 30 days after a request for a response.

16. ADDITIONAL REMEDIES

The remedies outlined in paragraphs 10, 11, and 12 of the G-1 Standard Terms and Conditions are cumulative of any remedies authorized by federal law, rules, regulations or guidance, including but not limited to 2 C.F.R. 200.339–200.343 (remedies, effects of termination, closeout).

17. INCREASED SEATBELT USE IN THE UNITED STATES

Pursuant to Executive Order 12043, 62 FR 19217 (April 8, 1997), Grantee is encouraged and shall encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented, or personally owned vehicles.

18. REDUCING TEXT MESSAGING WHILE DRIVING

Pursuant to Executive Order 13512, 74 FR 51225 (October 1, 2009), Grantee is encouraged and shall encourage its employees, subrecipients, and contractors to adopt and enforce polices that ban text messaging while driving and to establish workplace safety policies to decrease accidents caused by distracted drivers.

**EXHIBIT B
SCOPE OF SERVICES**

1. GRANT SCOPE

- 1.1 The proposed project submission, as described and approved in EXHIBIT L “Subgrantee’s Proposal Response to RFP 2026-01” ,” is incorporated by reference as if fully set forth herein.

2. PROJECT SUMMARY

- 2.1 This project will provide access to 19 locations with fiber that will offer speeds of up to 2 Gigabits symmetrical (upload and download).
- 2.2 The following table identifies locations awarded to the subgrantee under this agreement.

Fabric ID	Municipality	Latitude	Longitude
1298478023	Brookfield	43.588957	-71.108579
1528098517	Brookfield	43.556263	-71.088574
1528098519	Brookfield	43.558556	-71.090696
1090780934	Cornish	43.432168	-72.388179
1528098397	Jackson	44.168517	-71.222134
1528098406	Jackson	44.147347	-71.227835
1394252414	Lancaster	44.473252	-71.622367
1394252415	Lancaster	44.474799	-71.615973
1394252417	Lancaster	44.474922	-71.614212
1394252423	Lancaster	44.474542	-71.610391
1551970133	Lancaster	44.459518	-71.644262
1551970135	Lancaster	44.465261	-71.636817
1551970136	Lancaster	44.466953	-71.635251
1551970137	Lancaster	44.469491	-71.635912
1551970138	Lancaster	44.472428	-71.633545
1041105154	Lisbon	44.227937	-71.904401
1298520716	Wakefield	43.558668	-71.041585
1551916453	Wolfeboro	43.642459	-71.210241
1551916644	Wolfeboro	43.609252	-71.233673

**EXHIBIT C
PAYMENT TERMS**

1. AWARD AMOUNT

Grantee shall be paid the full Award Amount of \$300,000.00 upon substantial completion of the project.

2. PRICING STRUCTURE

The State may adjust the pricing structure as needed in order to comply with federal requirements and effectuate the terms and conditions of this Agreement. The State may lower the amount paid to the Grantee in order to conform with federal requirements and the terms and conditions of this agreement, including to ensure that that final amount paid to Grantee reflects a reasonable estimation of actual project costs.

3. PAYMENT REQUEST

Upon substantial completion of the Project, Grantee shall send a payment request to the Office of Broadband Initiatives:

ATTN: Broadband Program Manager
Department of Business and Economic Affairs
100 North Main Street, Suite 100
Concord, NH 03301
Email: broadband@livefree.nh.gov

Or to the representative designated by the State.

4. PAYMENT METHOD

- 4.1 A single payment shall be made to Grantee upon substantial completion of the Project. "Substantial completion" means that the project can fulfill the primary operations that it was designed to perform, delivering services to end-users. At substantial completion, service operations and management systems infrastructure must be operational. No payment shall occur until the State has verified substantial completion of the Project.
- 4.2 Payments may be made via CHK or ACH. Use the following link to enroll with the State Treasury for ACH payments: <https://www.nh.gov/treasury>.

EXHIBIT D

Drug-Free Workplace

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Grantee's representative, as identified in Sections 1.11 of the General Provisions execute the following Certification:

Certification Regarding Drug Free Workplace

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989, regulations were amended and published as Part II of the May 25, 1990, Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and sub-grantees that is a state may elect to make one certification to the State in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Grantees using this form should send it to:

Department of Business and Economic Affairs
100 North Main Street, Suite 100
Concord, NH 03301

- (A) The Grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about—
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose

grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—

- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

(B) The Grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

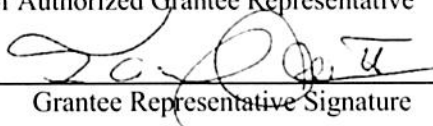
Place of Performance (street address, city, county, State, zip code) (list each location)

STREET ADDRESS 770 Elm St
CITY, STATE, ZIP Manchester, NH 03101

Check if there are workplaces on file that are not identified here.

Fidium Enterprise Services, LLC	Upon Governor & Executive Council Approval through December 31, 2026
Grantee Name	Period Covered by this Certification

Fred Graffam, CFO
Name and Title of Authorized Grantee Representative


Grantee Representative Signature

April 2, 2026
Date

EXHIBIT E
Lobbying

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Grantee's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

CERTIFICATION REGARDING LOBBYING

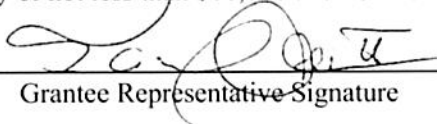
Program: Capital Projects Fund

Contract Period: Upon Governor & Executive Council Approval through December 31, 2026

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee).
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee), the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying."
- (3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, sub-grants, contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.


Grantee Representative Signature

CFO
Grantee Representative Title

Fidium Enterprise Services, LLC
Grantee Name

April 2, 2026
Date

EXHIBIT F – Debarment

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of 2 CFR 180 and the U.S. Department of the Treasury's implementing regulation at 31 CFR Part 19, and 2 CFR § 200.214 and § 200.332(a) regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Grantee's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS

Instructions for Certification

- (1) By signing and submitting this Agreement, the Grantee is providing the certification set out below.
- (2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the Grantee shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the State determination whether to enter into this transaction. However, failure of the Grantee to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- (3) The certification in this clause is a material representation of fact upon which reliance was placed when the State determined to enter into this transaction. If it is later determined that the Grantee knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the State may terminate this transaction for cause or default.
- (4) The Grantee shall provide immediate written notice to the State, to whom this Agreement is submitted, if at any time the Grantee learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (5) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in 2 CFR 180.
- (6) The Grantee agrees by submitting this Agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the State.
- (7) The Grantee further agrees by submitting this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by State, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (8) A Grantee in a covered transaction may rely upon a certification of Grantee in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A Grantee may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).
- (9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a Grantee is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (10) Except for transactions authorized under paragraph 6 of these instructions, if a Grantee in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the State may terminate this transaction for cause or default.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS, cont'd**

*Certification Regarding Debarment, Suspension, and Other
Responsibility Matters - Primary Covered Transactions*

- (1) The Grantee certifies to the best of its knowledge and belief, that it and its principals:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - (b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State or local) transaction or a contract under a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
 - (d) have not, within a three-year period preceding this Agreement, had one or more public transactions (federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Agreement.


Grantee Representative Signature

CFO
Grantee Representative Title

Fidium Enterprise Services, LLC
Grantee Name

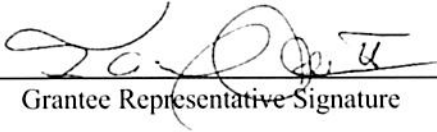
April 2, 2026
Date

EXHIBIT G

**CERTIFICATION REGARDING THE
AMERICANS WITH DISABILITIES ACT COMPLIANCE**

The Grantee identified in Section 1.3 of the General Provisions agrees by signature of the Grantee's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

By signing and submitting this Agreement the Grantee agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.



Grantee Representative Signature

CFO

Grantee's Representative Title

Fidium Enterprise Services, LLC

Grantee Name

April 2, 2026

Date

EXHIBIT H
CERTIFICATION
Public Law 103-227, Part C
ENVIRONMENTAL TOBACCO SMOKE


Public Law 103227, Part C Environmental Tobacco Smoke, also known as the Pro Children Act of 1994, requires that smoking not be permitted in any portion of any indoor facility routinely owned or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments, by federal grant, contract, loan, or loan guarantee.

The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

By signing and submitting this Agreement the Grantee certifies that it will comply with the requirements of the Act.

The Grantee further agrees that it will require the language of this certification be included in any subawards which contain provisions for the children's services and that all subgrantees shall certify accordingly.



Grantee Representative Signature

CFO

Grantee Representative Title

Fidium Enterprise Services, LLC

Grantee Name

April 2, 2026

Date

EXHIBIT I
ASSURANCE OF COMPLIANCE NONDISCRIMINATION IN FEDERALLY ASSISTED
PROGRAMS
OMB Burden Disclosure Statement

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget (OMB), Paperwork Reduction Project (1910-0400), Washington, DC 20503.

Fidium Enterprise Services, LLC (hereinafter called the "Grantee") agrees to comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), Title IX of the Education Amendments of 1972, as amended, (Pub. L. 92-318, Pub. L. 93-568, and Pub. L. 94-482), Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), the Age Discrimination Act of 1975 (Pub. L. 94-135), Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284). In accordance with the above laws and regulations issued pursuant thereto, the Grantee agrees to assure that no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity in which the Grantee receives federal assistance.

Applicability and Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Grantee by the State with federal ARPA funds, this assurance obligates the Grantee for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Grantee for the period during which it retains ownership or possession of the property.

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Grantee's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by the State, the Grantee agrees not to discriminate on the ground of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Subrecipient Assurance

The Grantee shall require any individual, organization, or other entity with whom it subcontracts, subgrants, or subleases for the purpose of providing any service, financial aid, equipment, property, or structure to comply with laws and regulations cited above. To this end, the subrecipient shall be required to sign a written assurance form; however, the obligation of both recipient and subrecipient to ensure compliance is not relieved by the collection or submission of written assurance forms.

Data Collection and Access to Records

The Grantee agrees to compile and maintain information pertaining to programs or activities developed as a result of the Grantee's receipt of federal assistance from the State. Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related

information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; and (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program.

The Grantee agrees to submit requested data to the State, the U.S. Department of Treasury or OMB regarding programs and activities developed by the Grantee from the use of ARPA funds extended by the State upon request. Facilities of the Grantee (including the physical plants, buildings, or other structures) and all records, books, accounts, and other sources of information pertinent to the Grantee's compliance with the civil rights laws shall be made available for inspection during normal business hours on request of an officer or employee of the State, the U.S. Department of Treasury or OMB specifically authorized to make such inspections.

This assurance is given in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (excluding procurement contracts), property, discounts or other federal assistance extended after the date hereof, to the Grantee by the State including installment payments on account after such date of application for federal assistance which are approved before such date. The Grantee recognizes and agrees that such federal assistance will be extended in reliance upon the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Grantee, the successors, transferees, and assignees, as well as the person(s) whose signatures appear below and who are authorized to sign this assurance on behalf of the Grantee.

Grantee Certification

The Grantee certifies that it has complied, or that, within 90 days of the date of the grant, it will comply with all applicable requirements of 31 CFR Part 22 (a copy will be furnished to the Grantee upon written request to the State).


Grantee Representative Signature

CFO
Grantee Representative Title

Fidium Enterprise Services, LLC
Grantee Name

April 2, 2026
Date

EXHIBIT J cont.

CERTIFICATION

As the Grantee identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The SAM number for your entity is: GSENUFNIN6E4

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO

YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

NO

YES

If the answer to #3 above is YES, stop

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

EXHIBIT K
RFP 2026-01

RFP # 2026-01 is incorporated here within.

EXHIBIT L
Subgrantee's Proposal Response

The Subgrantee's RFP proposal response, as originally submitted, together with all subsequent revisions, amendments, and modifications made after the initial submission, is hereby incorporated into this Agreement by reference and shall have the same force and effect as if fully set forth herein.

EXHIBIT M
PRIME GRANT AGREEMENT (FAIN: CPFFN0143)

This page is a placeholder for Exhibit M: Prime Grant Agreement.

State of New Hampshire

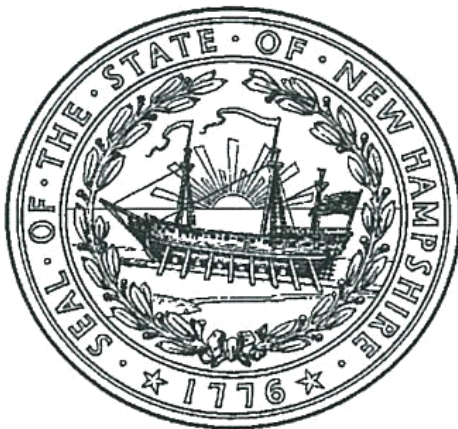
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that FIDIUM ENTERPRISE SERVICES, LLC is a Delaware Limited Liability Company registered to transact business in New Hampshire on February 07, 2017. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **605307**

Certificate Number: **0007906173**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 13th day of April A.D. 2026.

A handwritten signature in black ink, appearing to read "D. Scanlan", is written over a faint circular outline.

David M. Scanlan
Secretary of State

CORPORATE RESOLUTION

I, J. Garrett Van Osdell, hereby certify that I am the duly elected Chief Legal Officer and Secretary of Fidium Enterprise Services, LLC. (the "Company"). I hereby certify the following is a true copy of an action by written consent of the Board of Directors the Company executed on March 25, 2026 in lieu of a meeting:

VOTED: That Fred Graffam, Chief Financial Officer and Sarah Davis, Vice President, are each duly authorized to enter into contracts or agreements on behalf of the Company with the State of New Hampshire and any of its agencies or departments and further are authorized to execute any documents which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

I hereby certify this said vote has not been amended or repealed and remains in full force and effect as of the date of the contract to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Corporate Resolution. I further certify that it is understood that the State of New Hampshire will rely on this certificate of evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

DATED: March 25, 2026

ATTEST: 

J. Garrett Van Osdell
Chief Legal Officer & Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/27/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Brown & Brown RS Insurance Services, LLC 6 Concourse Pkwy, Ste 2300 Atlanta, GA 30328 www.bbinsurance.com	CONTACT NAME: Judith Boich PHONE (A/C, No. Ext): E-MAIL ADDRESS: Judith.Boich@bbrown.com	FAX (A/C, No):	
	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Fidium Enterprise Services, LLC f/k/a Consolidated Communications Enterprise Services, LLC. 2116 South 17th Street Mattoon, IL 61938	INSURER A: Travelers Property Casualty Co of America		25674
	INSURER B: The Travelers Indemnity Co of Connecticut		25682
	INSURER C: The Charter Oak Fire Insurance Company		25615
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES

CERTIFICATE NUMBER: 89927715

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>		HJEXGL-5X467461-TIL-25 SIR \$250,000	9/30/2025	9/30/2026	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 Designated Loc/Proj Agg \$2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	<input checked="" type="checkbox"/>		HC2ECAP-4295L60A-TCT25	9/30/2025	9/30/2026	COMBINED SINGLE LIMIT (Ea accident) \$2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
C A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	UB-B7079715-25-NC-T(AOS) UB-B7078073-25-NC-R (WI, MA)	9/30/2025 9/30/2025	9/30/2026 9/30/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Department of Business and Economic Affairs (BEA) is included as additional insured, where required by written contract.

CERTIFICATE HOLDER
 Department of Business and Economic Affairs (BEA)
 100 North Main Street, Suite 100
 Concord, NH 03301
CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE


 Scott Buchholz

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ACORD 25 (2016/03)

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GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby
Mutually agree as follows:
GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name Department of Business and Economic Affairs		1.2. State Agency Address 100 North Main Street, Suite 100 Concord, NH 03301	
1.3. Grantee Name New Hampshire Electric Cooperative, Inc.		1.4. Grantee Address 579 Tenney Mountain Hwy Plymouth, NH 03264	
1.5 Grantee Phone # 603-536-1800	1.5. Account Number 24410000	1.7. Completion Date December 31, 2026	1.8. Grant Limitation \$869,890.00
1.9. Grant Officer for State Agency Matt Conserva, Broadband Program Manager		1.10. State Agency Telephone Number 603-271-4963	
If Grantee is a municipality or village district: "By signing this form we certify that we have complied with any public meeting requirement for acceptance of this grant, including if applicable RSA 31:95-b."			
1.11. Grantee Signature 1 <i>Joshua B. Holbrook</i>		1.12. Name & Title of Grantee Signor 1 Joshua B. Holbrook, Chief Broadband Officer	
Grantee Signature 2		Name & Title of Grantee Signor 2	
Grantee Signature 3		Name & Title of Grantee Signor 3	
1.13 State Agency Signature(s) <i>Lucy Lange</i>		1.14. Name & Title of State Agency Signor(s) Lucy Lange, Commissioner	
1.15. Approval by Attorney General (Form, Substance and Execution) (if G & C approval required)			
By: <i>Vasilios Mantos</i> Assistant Attorney General, On: 5/13/26			
1.16. Approval by Governor and Council (if applicable)			
By: _____ On: / /			

2. **SCOPE OF WORK:** In exchange for grant funds provided by the State of New Hampshire, acting through the Agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT B (the scope of work being hereinafter referred to as "the Project").

3. AREA COVERED. Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the State of New Hampshire.
4. EFFECTIVE DATE: COMPLETION OF PROJECT.
- 4.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire if required (block 1.16), or upon signature by the State Agency as shown in block 1.14 (“the Effective Date”).
- 4.2. Except as otherwise specifically provided herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.7 (hereinafter referred to as “the Completion Date”).
5. GRANT AMOUNT: LIMITATION ON AMOUNT: VOUCHERS: PAYMENT.
- 5.1. The Grant Amount is identified and more particularly described in EXHIBIT C, attached hereto.
- 5.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT C.
- 5.3. In accordance with the provisions set forth in EXHIBIT C, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.
- 5.4. The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.
- 5.5. Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.
6. COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS. In connection with the performance of the Project, the Grantee shall comply with all statutes, laws regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits and RSA 31-95-b.
7. RECORDS and ACCOUNTS.
- 7.1. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency, the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.
- 7.2. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency pursuant to subparagraph 7.1, at any time during the Grantee’s normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, “Grantee” includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these provisions
8. PERSONNEL.
- 8.1. The Grantee shall, at its own expense, provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.
- 8.2. The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.
- 8.3. The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.
9. DATA: RETENTION OF DATA: ACCESS.
- 9.1. As used in this Agreement, the word “data” shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, paper, and documents, all whether finished or unfinished.
- 9.2. Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever.
- 9.3. No data shall be subject to copyright in the United States or any other country by anyone other than the State.
- 9.4. On and after the Effective Date all data, and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason, whichever shall first occur.
- 9.5. The State, and anyone it shall designate, shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, all data.
10. CONDITIONAL NATURE OR AGREEMENT. Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.
11. EVENT OF DEFAULT: REMEDIES.
- 11.1. Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as “Events of Default”):
- 11.1.1 Failure to perform the Project satisfactorily or on schedule; or
- 11.1.2 Failure to submit any report required hereunder; or
- 11.1.3 Failure to maintain, or permit access to, the records required hereunder; or
- 11.1.4 Failure to perform any of the other covenants and conditions of this Agreement.
- 11.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
- 11.2.1 Give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and
- 11.2.2 Give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the Grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and
- 11.2.3 Set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and
- 11.2.4 Treat the agreement as breached and pursue any of its remedies at law or in equity, or both.
12. TERMINATION.
- 12.1. In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the “Termination Report”) describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.
- 12.2. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.
- 12.3. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee’s breach of its obligations hereunder.
- 12.4. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.
13. CONFLICT OF INTEREST. No officer, member of employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or

- approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.
14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement the Grantee, its employees, and any subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, workmen's compensation or emoluments provided by the State to its employees.
 15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit B without the prior written consent of the State.
 16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or subcontractor, or subgrantee or other agent of the Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.
 17. INSURANCE.
 - 17.1 The Grantee shall, at its own expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:
 - 17.1.1 Statutory workers' compensation and employees liability insurance for all employees engaged in the performance of the Project, and
 - 17.1.2 General liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and
 - 17.2. The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Grantee shall furnish to the State, certificates of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy.
 18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure of waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.
 19. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.
 20. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire, if required or by the signing State Agency.
 21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intend of the parties hereto.
 22. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.
 23. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.
 24. SPECIAL PROVISIONS. The additional or modifying provisions set forth in Exhibit A hereto are incorporated as part of this agreement.

EXHIBIT A
SPECIAL PROVISIONS

1. GRANT DOCUMENTS

This Grant consists of the following documents (“Grant Documents”), which are all incorporated herein by reference as if fully set forth herein:

- a. State of New Hampshire Terms and Conditions, General Provisions Form G-1
- b. EXHIBIT A Special Provisions
- c. EXHIBIT B Scope of Services
- d. EXHIBIT C Payment Terms
- e. EXHIBIT D Drug-Free Workplace
- f. EXHIBIT E Lobbying
- g. EXHIBIT F Debarment
- h. EXHIBIT G Americans with Disabilities Act Compliance
- i. EXHIBIT H Environmental Tobacco Smoke
- j. EXHIBIT I Nondiscrimination in Federally Assisted Programs
- k. EXHIBIT J FFATA Compliance
- l. EXHIBIT K RFP 2026-01
- m. EXHIBIT L Subgrantee’s Proposal Response
- n. EXHIBIT M Prime Grant Agreement (FAIN: CPFFN0143)

In the event of any conflict among the terms or provisions of the documents listed above, the following order of priority shall indicate which documents control: (1) Exhibit M, the Prime Grant Agreement; (2) General Provisions as modified by EXHIBIT A “Special Provisions; (3) EXHIBIT B “Scope of Services,” (4) EXHIBIT C “Payment Terms.”

2. PURPOSE OF FUNDS

2.1 Grantee, New Hampshire Electric Cooperative, Inc. will use the grant funds for deploying broadband infrastructure to unserved, eligible project locations, as identified in its RFP proposal response and Best and Final Offer (BAFO), and as reflected in the final list of selected locations approved by the State of New Hampshire.

3. FEDERAL AWARD IDENTIFICATION

This Award is a federal subaward. Grantee is a federal subrecipient of the State of New Hampshire’s Coronavirus Capital Project’s Fund, as identified below:

- 3.1 Grantee’s name (as registered in SAM.gov): New Hampshire Electric Cooperative, Inc.
- 3.2 Grantee’s Unique Entity Identifier (UEI): U23GGNUKBX57
- 3.3 United States Department of the Treasury (“Treasury”) Federal Award Identification Number (FAIN): CPFFN0143
- 3.4 Federal award date: February 3, 2022
- 3.5 Subaward period of performance: 05/20/2026 to 12/01/2026
- 3.6 Subaward budget period: 05/20/2026 to 12/01/2026
- 3.7 Amount of federal funds obligated by this Agreement: \$869,890.00
- 3.8 Total amount of federal funds obligated to the Grantee by the State (including by this agreement) \$56,448,012.40
- 3.9 Total amount of Coronavirus Capital Project Fund funds committed to the Grantee by the State \$50,869,890.00
- 3.10 Program Description: The purpose of the Coronavirus Capital Projects Fund (CCPF) is to provide financial assistance to states, territories, and tribal governments to carry out critical capital projects that directly enable work, education, and health monitoring, including remote options, in response to the public health emergency with respect to the coronavirus disease.
- 3.11 The federal awarding agency for the prime award is the United States Department of the Treasury. The pass-

through entity making this subaward is the State of New Hampshire Department of Business and Economic Affairs, 100 North Main Street, Suite 100, Concord, NH, 03301.

- 3.12 Federal award Assistance Listing Number (ALN) and title: 21.029 Coronavirus Capital Projects Fund
- 3.13 This Award will not be used for Research and Development (R&D).
- 3.14 This award does not have an indirect cost rate because it is exempt from 2 CFR 200 subpart E: Cost Principles.

4. ALLOWABLE USES

Grantee shall use funds solely for allowable purposes as set forth in paragraph 2.1 and as defined in the American Rescue Plan Act of 2021 (“ARPA”), H.R. 1319, Section 9901, for which Grantee has not received payment or reimbursement from any other source.

5. SUBAWARDS, CONTRACTS, AND OTHER AGREEMENTS

- 5.1 To the extent that Grantee is making any contracts, subawards, or other agreements using funds provided under this Agreement, Grantee shall develop and use a template for subawards, contract, or other agreements as applicable that will be subject to review and approval by the State before use to ensure that the subawards, contracts, or other agreements contain adequate provisions that the funds can only be used for allowable ARPA costs and require compliance with 2 CFR 200 and other applicable requirements.
 - 5.1.1 In the event that Grantee enters into any subawards, contracts, or other agreements using funds from this award, Grantee shall ensure that such subawards, contracts, or other agreements contain provisions that grant the State oversight rights that are at least equivalent to the oversight rights reserved to the State under this grant agreement.
 - 5.1.2 Grantee shall explicitly incorporate, or cause to be incorporated, in each subaward, contract, or other agreement the relevant provisions of this Agreement pertaining to site access, oversight, reporting, and compliance or provisions that mirror the intent and purpose of such clauses to ensure that the State retains the same level of oversight over the use of grant funds in the subaward, contract, or other agreement as it does under this Agreement.
- 5.2 Grantee agrees to obtain prior approval from the State for any new subaward, contract, or other agreement made with grant funds.
- 5.3 Existing subawards, contracts, or other agreements do not require prior approval from the State. Copies of existing subawards, contracts, or other agreements shall be submitted to the State upon request.

6. GUIDANCE

- 6.1 All Capital Projects Fund guidance issued by the United States Department of the Treasury is incorporated herein and made part of this agreement as if set forth in full. This includes, but is not limited to, Uniform Guidance 2 CFR 200, Treasury’s *Guidance for the Coronavirus Capital Projects Fund, Coronavirus Capital Projects Fund Compliance and Reporting Guidance, Coronavirus Capital Projects Fund Frequently Asked Questions April 22, 2022*, and *SLFRF and CPF Supplementary Broadband Guidance May 17, 2023*. All guidance is available at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>.
- 6.2 The U.S. Department of Treasury may issue subsequent or further guidance on allowable uses of Coronavirus Capital Projects Fund funds at its website <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/capital-projects-fund>. Any such guidance shall be considered incorporated herein and made part of this agreement as if set forth in full without further notice.
- 6.3 The terms and conditions of the prime grant agreement, as set forth in the State of New Hampshire’s (“State”) Notice of Award (FAIN: CPFFN0143) are incorporated herein and made part of this Agreement as if set forth in full. (See Exhibit L)

7. ADMINISTRATIVE COSTS

- 7.1 Any administrative costs incurred by Grantee shall not be considered eligible costs under this award. Administrative costs, as defined by CPF program guidance, “mean the costs incurred by a Recipient related to the administration of Capital Projects Fund awards, the provision of technical assistance to potential Subrecipients, and compliance with grant administration and audit requirements.” This also includes administrative costs incurred by Subrecipients.

8. REPORTING & MONITORING

- 8.1 The Grantee shall comply with periodic project reporting and financial reporting. The cadence of reporting will be no less than quarterly. The State may request any other project information it deems necessary in compliance with state and federal reporting requirements. The Grantee will comply with any such request in a timely manner.
- 8.2 The Grantee shall comply with any and all subrecipient monitoring processes required by the State. This includes, but is not limited to, completion of desk review questionnaires and other information gathering tools, production of financial and transactional records, internal documents, and any other documentation the State requests, and cooperation with site visits and interviews of Grantee's personnel or the personnel of any subgrantees, contractors, or subcontractors. Subrecipient monitoring will take place monthly, quarterly, or semi-annually based on a risk assessment conducted by the State.
- 8.2.1 The Grantee agrees to promptly take any remedial action required by the State as a result of any errors, omissions, or deficits identified through the reporting and monitoring process.

9. EXTENSION OF AWARD PERIOD OF PERFORMANCE

Grantee shall certify substantial completion of the Project on or before December 1, 2026. Extensions may be granted at the sole discretion of the State.

10. UNIQUE ENTITY IDENTIFIER (UEI) AND ELIGIBILITY REQUIREMENTS.

- 10.1 Pursuant to 2 CFR 25 Grantees must provide a valid Unique Entity Identifier (UEI). EXHIBIT J should be returned completed with the executed Grant Agreement and must be received before project work commences.
- 10.1.1 This requirement shall be passed through to subgrantees, contractors, and subcontractors.
- 10.2 By entering into this agreement, Grantee certifies that it is not suspended, debarred, or otherwise excluded from receiving federal funds. Grantee shall complete the debarment certification included as Exhibit F of this Award.
- 10.2.1 Grantee shall not enter into any subawards without confirming that the subrecipient is not debarred, suspended, or otherwise ineligible. Eligibility can be checked on SAM.gov. This requirement applies to all covered transactions identified by 2 CFR 180 by subrecipients of any tier, and any subaward agreement executed by Grantee shall include a term imposing this requirement upon any subrecipients.
- 10.2.2 Grantee shall not enter into any contracts with a value over \$30,000 without confirming that the contractor is not debarred, suspended, or otherwise ineligible. Eligibility can be checked on SAM.gov. Grantee shall include in any such contracts a term which extends this requirement to subcontractors.

11. REAL PROPERTY & EQUIPMENT

- 11.1 Federal Interest. Any real property or equipment acquired or improved under this Award is subject to a federal interest in property equal to the product of the percentage of Treasury's contribution to the cost of the purchase or improvement and the fair market value of the property. This interest shall persist until December 31, 2034 ("Federal Interest Period").
- 11.2 Title to real property or equipment acquired or improved under the award ("Project Property") vests in the Grantee, subject to the condition that, for the duration of the Federal Interest Period (December 31, 2034), the Grantee and any successors or transferees:
 - 11.2.1 Shall use the Project Property for the authorized purposes of the project in the same manner as they use comparable real property and equipment within their networks in the ordinary course of their business, subject to the rights to disposition provided below;
 - 11.2.2 Shall continue to provide internet service to the service areas and at the standard initially agreed upon by the State and Grantee;
 - 11.2.3 Shall participate in federal programs that provide low-income consumers with subsidies on broadband internet access services;
 - 11.2.4 Shall comply with the requirements of 2 CFR 200.310 (Insurance), which may be satisfied by adequate self-insurance;
 - 11.2.5 Shall comply with the use and management requirements for equipment in sections 200.313(c)(4) and 313(d), which may be satisfied by applying the Grantee's commercial practices for meeting such requirements in the normal course of business (e.g., commercial inventory controls, loss prevention procedures, etc.), provided that

- such inventory controls indicate the applicable federal interest;
- 11.2.6 Shall maintain records of real property that include an indication of the applicable federal interest;
- 11.2.7 May dispose of Project Property in the ordinary course of business when no longer needed to operate the network, such as in order to upgrade equipment and improve facilities, provided that at least the same level of service provided by the network is maintained and there is no material interruption to service and that such upgraded property is subject to the same requirements provided in this guidance as other Project Property;
- 11.2.8 May otherwise sell or transfer Project Property only after provision of notice to Treasury that identifies the successor or transferee and after securing the agreement of the successor or transferee to comply with these requirements and the acknowledgement of the successor or transferee of the federal property interest; and
- 11.2.9 Shall notify the State and Treasury upon the filing of a petition under the Bankruptcy Code, whether voluntary or involuntary, with respect to the Grantee or its affiliates.
- 11.3 Pursuant to 2 CFR 200.316 and in recognition that this project is being undertaken for the benefit of the public being served by the broadband infrastructure, for the duration of the Federal Interest Period, the Grantee must hold Project Property in trust for the beneficiaries of the project.
- 11.4 The Grantee may encumber the property if Treasury receives a shared first lien position in the Project Property, such that, if the Project Property were foreclosed upon and liquidated, Treasury would receive the portion of the fair market value of the of the property that is equal to Treasury's percentage contribution to the project cost.
- 11.5 If the Grantee fails to comply with the provisions of 11.2 through 11.4 above the Grantee shall request disposition instructions for the Project Property pursuant to 2 CFR 200.311(c) or 2 CFR 200.313(e), as applicable.

12. SITE ACCESS

The Grantee agrees to allow the State access to work sites funded through this grant agreement for any purpose, which includes publicity, site verification, and any other purpose as determined by the State.

13. SINGLE AUDIT

Federal single audit requirements shall apply to this grant agreement, as set forth in 2 CFR 200 Subpart F, Audit Requirements. Pursuant to 2 CFR 200.501, for-profit subrecipients are exempt from Single Audit requirements.

14. FIXED AMOUNT SUBAWARD STRUCTURE

This Award is considered a fixed amount subaward pursuant to the fixed amount subaward structure detailed in Treasury's SLFRF and CPF Supplementary Broadband Guidance, published on May 17, 2023, which modifies the standard Uniform Guidance requirements for fixed amount subawards. The SLFRF and CPF Supplementary Broadband Guidance is incorporated by reference into this Agreement. These terms are subject to further clarification and modification by Treasury, and any future guidance provided by Treasury is incorporated by reference into this Agreement without additional notice to Grantee. The following exceptions, modifications, and requirements apply to this Award pursuant to the SLFRF and CPF Supplementary Broadband Guidance:

- Treasury pre-approval is not required for this Award.
- The amount of this Award is not capped at the Simplified Acquisition Threshold.
- Any income earned through activities carried out under this award is not considered program income and may be used by Grantee without restriction.
- This Award is not subject to 2 CFR 200, subpart E: Cost Principles.
- This Award is not subject to the Uniform Guidance procurement standards in 2 CFR 200.317 – 200.327.
- This Award may be subject to a cost-sharing or cost-matching requirement.
- The requirements for the acquisition, use, management, and disposition of real property and equipment shall be as detailed in Section 11 of this Exhibit.
- The Grantee must certify that the project has reached substantial completion on or before December 1, 2026. "Substantial completion" means that the project can fulfill the primary operations that it was designed to perform, delivering services to end-users. At substantial completion, service operations and management systems infrastructure must be operational. Extensions may be requested in writing and will be granted at the sole discretion of the State.

Other than the exceptions and modifications detailed in the SLFRF and CPF Supplementary Broadband Guidance and any other applicable Treasury guidance, Grantee must comply with 2 CFR 200.

15. CLOSEOUT

Closeout shall be completed by December 15, 2026, with extensions granted at the sole discretion of the State, in a manner in compliance with federal guidance. The Grantee must certify that the project has reached substantial completion on or before December 1, 2026 which will begin the closeout process. The closeout process may include, but shall not be limited to, a final performance report and review process, a final compliance monitoring process, a request by the State for any Award-related documentation not yet provided, and a request for payment by Grantee and payment of the Award Amount by the State. The State may request additional documentation, perform site visits, or other methods of verification in order to determine whether the Project is substantially complete. The State may deny payment if it cannot verify substantial completion of the Project. Grantee shall comply with all closeout requirements in a timely manner, and in any case no less than 30 days after a request for a response.

16. ADDITIONAL REMEDIES

The remedies outlined in paragraphs 10, 11, and 12 of the G-1 Standard Terms and Conditions are cumulative of any remedies authorized by federal law, rules, regulations or guidance, including but not limited to 2 C.F.R. 200.339–200.343 (remedies, effects of termination, closeout).

17. INCREASED SEATBELT USE IN THE UNITED STATES

Pursuant to Executive Order 12043, 62 FR 19217 (April 8, 1997), Grantee is encouraged and shall encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented, or personally owned vehicles.

18. REDUCING TEXT MESSAGING WHILE DRIVING

Pursuant to Executive Order 13512, 74 FR 51225 (October 1, 2009), Grantee is encouraged and shall encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving and to establish workplace safety policies to decrease accidents caused by distracted drivers.

**EXHIBIT B
SCOPE OF SERVICES**

1. GRANT SCOPE

1.1 The proposed project submission, as described and approved in EXHIBIT L “Subgrantee’s Proposal Response to RFP 2026-01” ,” is incorporated by reference as if fully set forth herein.

2. PROJECT SUMMARY

2.1 This project will provide access to 72 locations with fiber that will offer speeds of up to 2 Gigabits symmetrical (upload and download).

2.2 The following table identifies locations awarded to the subgrantee under this agreement.

Fabric ID	Municipality	Latitude	Longitude
1414013725	Claremont	43.350571	-72.298479
1527961107	Claremont	43.375818	-72.386489
1552006898	Claremont	43.383587	-72.392195
1552006899	Claremont	43.385702	-72.396834
1552006900	Claremont	43.385763	-72.397663
1552006901	Claremont	43.387311	-72.397002
1552006897	Claremont	43.382752	-72.395534
1090777389	Claremont	43.414779	-72.389441
1090780130	Claremont	43.351921	-72.278768
1527961077	Claremont	43.381050	-72.274395
1527961019	Cornish	43.490801	-72.282434
1041104844	Landaff	44.192242	-71.917890
1552009297	Lempster	43.231862	-72.149052
1041105015	Lisbon	44.237390	-71.903617
1041105018	Lisbon	44.233019	-71.908352
1041105021	Lisbon	44.242529	-71.895262
1090786822	Newport	43.369682	-72.211541
1090789593	Newport	43.360752	-72.227774
1414013634	Newport	43.380666	-72.251807
1552010766	Newport	43.389068	-72.233640
1041108632	Bath	44.148850	-71.965628
1041108711	Bath	44.151191	-71.970291
1041108720	Bath	44.149818	-71.967862
1041108724	Bath	44.151501	-71.971879
1041108891	Bath	44.154431	-72.002295
1041108893	Bath	44.154518	-71.995367
1041108895	Bath	44.154928	-71.993178
1041108954	Bath	44.174492	-71.990268
1041108955	Bath	44.174069	-71.983673
1041109190	Bath	44.146388	-71.966434
1041109200	Bath	44.147082	-71.965740

Fabric ID	Municipality	Latitude	Longitude
1041109210	Bath	44.133602	-71.967490
1414011293	Bath	44.153339	-71.972573
1041109944	Canaan	43.695577	-72.069829
1041110342	Canaan	43.656548	-72.034123
1528099431	Canaan	43.685173	-72.103551
1551923512	Canaan	43.692178	-72.052956
1551923545	Canaan	43.702428	-72.100691
1551923899	Canaan	43.674428	-72.043012
1552006902	Claremont	43.391957	-72.392967
1288284042	Colebrook	44.901311	-71.497135
1288285748	Colebrook	44.889816	-71.510129
1288285749	Colebrook	44.890721	-71.509902
1288285768	Colebrook	44.885702	-71.509979
1288285775	Colebrook	44.888956	-71.496995
1527961026	Cornish	43.500341	-72.350024
1527961027	Cornish	43.500137	-72.350590
1527961028	Cornish	43.503678	-72.294289
1552004205	Cornish	43.509098	-72.344540
1552004263	Cornish	43.482492	-72.357979
1552004313	Cornish	43.497677	-72.267113
1316379036	Danbury	43.464917	-71.893639
1551981516	Franklin	43.478671	-71.701102
1041082316	Grafton	43.551917	-71.962934
1041082318	Grafton	43.551996	-71.962239
1041082327	Grafton	43.552633	-71.963673
1528099936	Grafton	43.554668	-71.968724
1551918817	Grafton	43.553552	-71.972645
1528099884	Haverhill	44.130880	-72.024017
1316591857	Hill	43.540088	-71.776984
1551977701	Hill	43.533278	-71.766512
1527961160	Newport	43.395251	-72.255139
1041112624	Orford	43.875272	-72.159790
1041112625	Orford	43.876257	-72.159207
1041112629	Orford	43.877117	-72.158591
1041112632	Orford	43.879311	-72.164701
1041112635	Orford	43.877831	-72.157102
1041112640	Orford	43.874503	-72.159474
1041112644	Orford	43.876588	-72.157991
1394285781	Orford	43.878626	-72.158329
1414011241	Orford	43.873449	-72.161252
1414011514	Orford	43.878481	-72.159791

EXHIBIT C PAYMENT TERMS

1. AWARD AMOUNT

Grantee shall be paid the full Award Amount of \$869,890.00 upon substantial completion of the project.

2. PRICING STRUCTURE

The State may adjust the pricing structure as needed in order to comply with federal requirements and effectuate the terms and conditions of this Agreement. The State may lower the amount paid to the Grantee in order to conform with federal requirements and the terms and conditions of this agreement, including to ensure that that final amount paid to Grantee reflects a reasonable estimation of actual project costs.

3. PAYMENT REQUEST

Upon substantial completion of the Project, Grantee shall send a payment request to the Office of Broadband Initiatives:

ATTN: Broadband Program Manager
Department of Business and Economic Affairs
100 North Main Steet, Suite 100
Concord, NH 03301
Email: broadband@livefree.nh.gov

Or to the representative designated by the State.

4. PAYMENT METHOD

- 4.1 A single payment shall be made to Grantee upon substantial completion of the Project. “Substantial completion” means that the project can fulfill the primary operations that it was designed to perform, delivering services to end-users. At substantial completion, service operations and management systems infrastructure must be operational. No payment shall occur until the State has verified substantial completion of the Project.
- 4.2 Payments may be made via CHK or ACH. Use the following link to enroll with the State Treasury for ACH payments: <https://www.nh.gov/treasury>.

EXHIBIT D

Drug-Free Workplace

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Grantee's representative, as identified in Sections 1.11 of the General Provisions execute the following Certification:

Certification Regarding Drug Free Workplace

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989, regulations were amended and published as Part II of the May 25, 1990, Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and sub-grantees that is a state may elect to make one certification to the State in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Grantees using this form should send it to:

Department of Business and Economic Affairs
100 North Main Street, Suite 100
Concord, NH 03301

- (A) The Grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about—
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose

grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted—
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency;
 - (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).
- (B) The Grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, State, zip code) (list each location)

579 Tenney Mountain Highway, Plymouth, NH 03264

Check if there are workplaces on file that are not identified here.

New Hampshire Electric Cooperative, Inc.	Upon Governor & Executive Council Approval through December 31, 2026
Grantee Name	Period Covered by this Certification
_____ Joshua B. Holbrook, Chief Broadband Officer	
Name and Title of Authorized Grantee Representative	
<i>Joshua B. Holbrook</i>	5/12/26
Grantee Representative Signature	Date

EXHIBIT E
Lobbying

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Grantee's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

CERTIFICATION REGARDING LOBBYING

Program: Capital Projects Fund

Contract Period: **Upon Governor & Executive Council Approval through December 31, 2026**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee).
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee), the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying."
- (3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, sub-grants, contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Joshua B. Holbrook

Grantee Representative Signature

Chief Broadband Officer

Grantee Representative Title

New Hampshire Electric Cooperative, Inc.

Grantee Name

5/12/26

Date

EXHIBIT F – Debarment

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of 2 CFR 180 and the U.S. Department of the Treasury’s implementing regulation at 31 CFR Part 19, and 2 CFR § 200.214 and § 200.332(a) regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Grantee’s representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS

Instructions for Certification

- (1) By signing and submitting this Agreement, the Grantee is providing the certification set out below.
- (2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the Grantee shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the State determination whether to enter into this transaction. However, failure of the Grantee to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- (3) The certification in this clause is a material representation of fact upon which reliance was placed when the State determined to enter into this transaction. If it is later determined that the Grantee knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the State may terminate this transaction for cause or default.
- (4) The Grantee shall provide immediate written notice to the State, to whom this Agreement is submitted, if at any time the Grantee learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (5) The terms “covered transaction,” “debarred,” “suspended,” “ineligible,” “lower tier covered transaction,” “participant,” “person,” “primary covered transaction,” “principal,” “proposal,” and “voluntarily excluded,” as used in this clause, have the meanings set out in 2 CFR 180.
- (6) The Grantee agrees by submitting this Agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the State.
- (7) The Grantee further agrees by submitting this Agreement that it will include the clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions,” provided by State, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (8) A Grantee in a covered transaction may rely upon a certification of Grantee in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A Grantee may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).
- (9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a Grantee is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (10) Except for transactions authorized under paragraph 6 of these instructions, if a Grantee in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the State may terminate this transaction for cause or default.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS, cont'd**

*Certification Regarding Debarment, Suspension, and Other
Responsibility Matters - Primary Covered Transactions*

- (1) The Grantee certifies to the best of its knowledge and belief, that it and its principals:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - (b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State or local) transaction or a contract under a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
 - (d) have not, within a three-year period preceding this Agreement, had one or more public transactions (federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Agreement.

Joshua B. Holbrook
Grantee Representative Signature

Chief Broadband Officer
Grantee Representative Title

New Hampshire Electric Cooperative, Inc.
Grantee Name

5/12/26
Date

EXHIBIT G

**CERTIFICATION REGARDING THE
AMERICANS WITH DISABILITIES ACT COMPLIANCE**

The Grantee identified in Section 1.3 of the General Provisions agrees by signature of the Grantee's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

By signing and submitting this Agreement the Grantee agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Joshua B. Holbrook
Grantee Representative Signature

Chief Broadband Officer
Grantee's Representative Title

New Hampshire Electric Cooperative, Inc.
Grantee Name

5/12/26
Date

EXHIBIT H

**CERTIFICATION
Public Law 103-227, Part C
ENVIRONMENTAL TOBACCO SMOKE**

Public Law 103227, Part C Environmental Tobacco Smoke, also known as the Pro Children Act of 1994, requires that smoking not be permitted in any portion of any indoor facility routinely owned or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments, by federal grant, contract, loan, or loan guarantee.

The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

By signing and submitting this Agreement the Grantee certifies that it will comply with the requirements of the Act.

The Grantee further agrees that it will require the language of this certification be included in any subawards which contain provisions for the children's services and that all subgrantees shall certify accordingly.

Joshua B. Holbrook

Grantee Representative Signature

Chief Broadband Officer

Grantee Representative Title

New Hampshire Electric Cooperative, Inc.

Grantee Name

5/12/26

Date

EXHIBIT I
ASSURANCE OF COMPLIANCE NONDISCRIMINATION IN FEDERALLY ASSISTED
PROGRAMS
OMB Burden Disclosure Statement

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget (OMB), Paperwork Reduction Project (1910-0400), Washington, DC 20503.

New Hampshire Electric Cooperative, Inc. (hereinafter called the "Grantee") agrees to comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), Title IX of the Education Amendments of 1972, as amended, (Pub. L. 92-318, Pub. L. 93-568, and Pub. L. 94-482), Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), the Age Discrimination Act of 1975 (Pub. L. 94-135), Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284). In accordance with the above laws and regulations issued pursuant thereto, the Grantee agrees to assure that no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity in which the Grantee receives federal assistance.

Applicability and Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Grantee by the State with federal ARPA funds, this assurance obligates the Grantee for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Grantee for the period during which it retains ownership or possession of the property.

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Grantee's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by the State, the Grantee agrees not to discriminate on the ground of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Subrecipient Assurance

The Grantee shall require any individual, organization, or other entity with whom it subcontracts, subgrants, or subleases for the purpose of providing any service, financial aid, equipment, property, or structure to comply with laws and regulations cited above. To this end, the subrecipient shall be required to sign a written assurance form; however, the obligation of both recipient and subrecipient to ensure compliance is not relieved by the collection or submission of written assurance forms.

Data Collection and Access to Records

The Grantee agrees to compile and maintain information pertaining to programs or activities developed as a result of the Grantee's receipt of federal assistance from the State. Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related

information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; and (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program.

The Grantee agrees to submit requested data to the State, the U.S. Department of Treasury or OMB regarding programs and activities developed by the Grantee from the use of ARPA funds extended by the State upon request. Facilities of the Grantee (including the physical plants, buildings, or other structures) and all records, books, accounts, and other sources of information pertinent to the Grantee's compliance with the civil rights laws shall be made available for inspection during normal business hours on request of an officer or employee of the State, the U.S. Department of Treasury or OMB specifically authorized to make such inspections.

This assurance is given in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts (excluding procurement contracts), property, discounts or other federal assistance extended after the date hereof, to the Grantee by the State including installment payments on account after such date of application for federal assistance which are approved before such date. The Grantee recognizes and agrees that such federal assistance will be extended in reliance upon the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Grantee, the successors, transferees, and assignees, as well as the person(s) whose signatures appear below and who are authorized to sign this assurance on behalf of the Grantee.

Grantee Certification

The Grantee certifies that it has complied, or that, within 90 days of the date of the grant, it will comply with all applicable requirements of 31 CFR Part 22 (a copy will be furnished to the Grantee upon written request to the State).

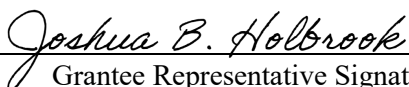
 Grantee Representative Signature	Chief Broadband Officer Grantee Representative Title
New Hampshire Electric Cooperative, Inc. Grantee Name	5/12/26 Date

EXHIBIT J

**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND
TRANSPARENCY ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires grantees of individual federal grants equal to or greater than \$30,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$30,000 or more. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (*Reporting Subaward and Executive Compensation Information*), the State must report the following information for any grant award subject to the FFATA reporting requirements:

- 1) Name of entity
- 2) Amount of award
- 3) Funding agency
- 4) NAICS code for contracts / CFDA program number for grants
- 5) Program source
- 6) Award title descriptive of the purpose of the funding action
- 7) Location of the entity
- 8) Principal place of performance
- 9) Unique identifier of the entity (UEI #)
- 10) Total compensation and names of the top five executives if:
 - a. More than 80% of annual gross revenues are from the federal government, and those revenues are greater than \$25M annually and
 - b. Compensation information is not already available through reporting to the SEC.

Grantees must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of the Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (*Reporting Subaward and Executive Compensation Information*), and further agrees to have one of the Grantee's representative(s), as identified in Sections 1.11 of the General Provisions execute the following certification:

The below named Grantee agrees to provide needed information as outlined above to the State and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Joshua B. Holbrook
Grantee Representative Signature

Chief Broadband Officer
Grantee Representative Title

New Hampshire Electric Cooperative, Inc.

5/12/26

Grantee Name

Date

**EXHIBIT J cont.
CERTIFICATION**

As the Grantee identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The SAM number for your entity is: U23GGNUKBX57

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

 X NO

 YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

 NO

 X YES

If the answer to #3 above is YES, stop

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

Name: _____

Amount: _____

EXHIBIT K
RFP 2026-01

RFP # 2026-01 is incorporated here within.

EXHIBIT L
Subgrantee's Proposal Response

The Subgrantee's RFP proposal response, as originally submitted, together with all subsequent revisions, amendments, and modifications made after the initial submission, is hereby incorporated into this Agreement by reference and shall have the same force and effect as if fully set forth herein.

EXHIBIT M
PRIME GRANT AGREEMENT (FAIN: CPFFN0143)

This page is a placeholder for Exhibit M: Prime Grant Agreement.

State of New Hampshire

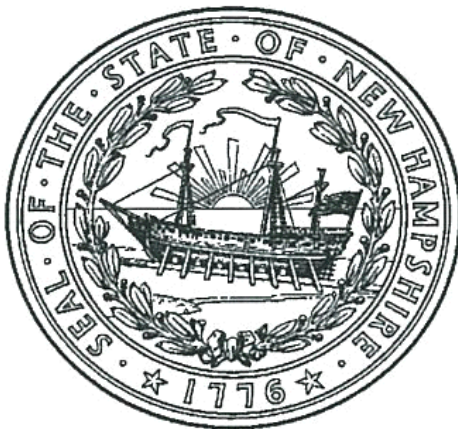
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. is a New Hampshire Consumer Cooperative registered to transact business in New Hampshire on July 19, 1939. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **14410**

Certificate Number: **0007893721**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2026.

A handwritten signature in black ink, appearing to read "D. Scanlan", is written over a faint circular outline.

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORIZATION TO SIGN

Organization:

New Hampshire Electric Cooperative, Inc.

Address:

579 Tenney Mountain Highway
Plymouth, NH 03264

I, Michael Jennings, hereby certify that the following individual is duly authorized to execute and deliver agreements, contracts, certifications, and other legally binding documents on behalf of New Hampshire Electric Cooperative, Incorporated in connection with its business operations, including but not limited to agreements with federal, state, and local government entities.

Authorized Signatory:

Joshua B. Holbrook
Chief Broadband Officer

This authorization includes, but is not limited to, the authority to sign:

- Contracts and grant agreements
- Program participation documents
- Certifications and affidavits
- Amendments and related documentation
- Funding and reimbursement documentation

I certify that I am a duly authorized officer of New Hampshire Electric Coop, Inc, and that the above-named individual holds the position stated and has the authority described above.

Name: Michael Jennings

Title: CEO/President

Signature: 

Date: 5/12/26

This authority **remains valid for thirty (30)** days from the date of this Certificate of Authorization.

NONPROFIT COVER SHEET

A. Entity Name: New Hampshire Electric Cooperative, Inc.

B. Entity's Contact Information for Records Requests (e.g., resumes of key personnel; audited financial statements):

Kristen Taylor – 800-698-2007, taylork@nhec.com

C. List Board of Directors and Affiliations

<u>Name (Identify any additional role(s) in Parentheses)</u> E.g., John Doe (President)	<u>Affiliations</u>
Bill Darcy, Chairman of the Board	Board of Selectman – Benton, NH, Secretary of Benton Board of Planning
Alana Albee, Board Vice Chair	Board Member – Friends of The Libby Museum, Cemetery Trustee – Tuftonboro, Economic Development Committee – Wolfboro, Founding Member Wolfeboro Food Cooperative
Jeffrey Morrill, Secretary	Board Member – Empowering Children & Families
Jerry Stringham, Treasurer	NH House of Representatives
Leo Dwyer, Assistant Treasurer	Board Member Squam Lakes Conservation Trust
Tom Mongeon, Board Member	Facilitator & Coach – Transport Central, Facilitator & Coach – Belknap House, Facilitator & Coach – NH Center for Nonprofit Volunteer Program, Lake Host – NH Lakes Association
Patricia Barbour – Board Member	Advisory Budget Committee -Town of Lee, Capital Improvement Plan Committee – Town of Lee, Revolving Loan Fund Committee – Pease Development Authority, Finance & Investment Committee – Seacoast Health Trustee, Portsmouth Athenaeum
Harry Viens – Board Member	Selectman – Center Harbor, Center Harbor Conservation Commission
Peter Laufenberg – Board Member	Selectman – Town of Thornton, Board Member Mid-State Health, Finance Council - Holy Trinity
Robert MacLoud – Board Member	Board Member – Thornton & Plymouth School Committee, Thornton Town Moderator, Plymouth Rotary, Trustee – Littleton Hospital, State Suicide Prevention Council
John Goodrich – Board Member	Advisory Budget Committee – Town of Littleton, Littleton Community House Restoration Board, Board Member – Northeaster Regional Board Hospital

D. List Key Personnel (Resumes must be available upon request to the person(s) listed in section B or may be attached):

<u>Name</u>	<u>Role</u>	<u>Annual Salary</u>	<u>Amount Paid From This Contract</u>
Michael Jennings	CEO	\$ 420,000	

Joshua Holbrook	Chief BB Officer	\$ 247,000	
Kristen Taylor	CFO	\$ 247,000	

DISCLOSURE OF LEGAL ACTIVITIES INVOLVING THE STATE OF NEW HAMPSHIRE OR ANOTHER GOVERNMENT ENTITY

E. Check one of the following:

- [X] The entity is **not currently or has not been** party to any legal proceeding involving the State of New Hampshire (or any agency or subdivision thereof) or any other state/federal government entity before any adjudicative body in any jurisdiction **OR**
- [] The entity is or has been party to one or more legal proceedings as set forth above. Identify the jurisdiction, court or other adjudicative body, case number, and briefly describe the nature of the proceeding (Attached extra sheet if necessary).
-
-
-

CHARITABLE TRUSTS UNIT COMPLIANCE CERTIFICATION

F. Check one of the following:

- [] is registered and in good standing with the New Hampshire Department of Justice Charitable Trusts Unit (** see note below) **or** has submitted a complete application for registration to the Charitable Trusts Unit and is awaiting a registration determination **OR**
- [X] is not required to register with the Charitable Trusts Unit because it is neither tax-exempt under section 501(c)(3) of the Internal Revenue Code nor engages in charitable solicitations in the State of New Hampshire **OR**
- [] is exempt from registration with the Charitable Trusts Unit because it is a federal or state government, agency, or subdivision or is a religious organization, an integrated auxiliary of a religious organization, or is a convention or association of churches.

** Note: Attached screen shot from the DOJ Registered Charities List found at:

<https://mm.nh.gov/files/uploads/doj/remote-docs/registered-charities.pdf>

FINANCIAL DISCLOSURES

G. Check one the following:

- [X] The organization hired an outside firm to audit its financial statements or to prepare GAAP-compliant financial statements for its most recently completed fiscal year. If so, please ensure that the financial statements and audit results are available to be requested from the contact listed on Page 1 (audited financials may be attached) **OR**
- [] The above does not apply, but the organization filed an IRS Form 990 or Form 990-EZ for its most recently completed fiscal year. Please attach that IRS Form 990 or Form 990-EZ to the submission. (Form 990 Schedule B is not required) **OR**
- [] ***If neither of the above apply***, complete the Income Statement and Balance Sheet below with the following basic financial information from the organization’s most recently completed fiscal year:

1. INCOME STATEMENT

	<u>Revenue</u>		<u>Expenses</u>
<i>Grants</i>	\$	<i>Compensation of officers, directors, and key personnel</i>	\$
<i>Donations</i>	\$		
<i>Program Services Revenue</i>	\$	<i>Other salaries & wages</i>	\$
<i>Interest & Dividends</i>	\$	<i>Payroll taxes & employee benefits</i>	\$
<i>All other Revenue</i>	\$	<i>Occupancy, rent, utilities, and insurance</i>	\$
<u>Total Revenue</u>	\$	<i>Printing, publications, postage, office supplies, and IT</i>	\$
		<i>All other expenses</i>	\$
		<u>Total Expenses</u>	\$

2. BALANCE SHEET

<u>Assets</u>		<u>Liabilities</u>	
<i>Cash & Equivalents</i>	\$	<i>Accounts Payable</i>	\$
<i>Investments</i>	\$	<i>Loans Payable</i>	\$
<i>Real Estate (less any depreciation)</i>	\$	<i>All other liabilities</i>	\$
<i>Other Property & Equipment (less any depreciation)</i>	\$	<u>Total Liabilities</u>	\$
<i>Pledges, grants, accounts receivable</i>	\$		
<i>All other assets</i>	\$		
<u>Total Assets</u>	\$		

G = Good Standing; X = Not in Good Standing; S = Suspended

Reg. No.	Charity Name	Address	City	State	Zip	Status	Report Due
34444	NH Congress of Parents and Teachers-Alton Central School PTSA	C/O 41 School Street	Alton	NH	03809	G	2/14/2027
14109	NH Congress of Parents Atkinson Academy, PTA	17 Academy Avenue	Atkinson	NH	03811	G	12/15/2025
11541	NH Congress of Parents McDonough School PTA	550 Lowell Street	Manchester	NH	03104	X	12/15/2017
14341	NH Congress of Parents Rye PTA	461 Sagamore Road	Rye	NH	03870	X	11/15/2021
18273	NH Congress of Parents, Westmoreland PTA	40 Glebe Road	Westmoreland	NH	03467	G	12/15/2026
16174	NH Congress Parents & Teachers - Dover Middle School PTA	16 Daley Drive	Dover	NH	03820	G	11/14/2026
34868	NH Council for the Social Studies	PO Box 475	Concord	NH	03302	G	5/15/2027
6132	NH Council on Problem Gambling	100 North Main StreetConcord, NH 03301	Concord	NH	03301	G	11/15/2025
4186	NH D.A.R.E. Officers Association, Inc.	326 Mast RoadGoffstown, NH 03045	Goffstown	NH	03045	G	5/15/2026
33054	NH Dance Collaborative, Inc.	1277 Chestnut Street	Manchester	NH	03104	X	5/15/2022
33151	NH Democracy Fund	PO Box 176	Portsmouth	NH	03802	G	5/15/2026
15919	NH Dental Society Foundation, Inc.	23 South State Street	Concord	NH	03301	G	5/15/2026
2667	NH Dental Society Relief Fund	23 South State Street	Concord	NH	03301	G	5/15/2026
32690	NH Department of Corrections Canine Association	281 North State Street	Concord	NH	03301	G	9/30/2026
30167	NH District 1 Little League	14 MCAFEE FARM RDBedford, NH 03110	Bedford	NH	03110	G	2/14/2027
32306	NH District 2 Little League	3 Boyan Place	Portsmouth	NH	03801	G	2/14/2027
11105	NH Down Syndrome Association	PO Box 259	Londonderry	NH	03053	G	11/14/2025
35367	NH Dynasty Flag Football, Inc.	14 Old Chester Rd.	Derry	NH	03038	G	5/15/2026
3515	NH East Youth Hockey Association	PO Box 172	Exeter	NH	03833	G	4/15/2026
5108	NH Educational Opportunity Association	131 Main Street	Durham	NH	03824	X	5/15/2024
16286	NH Electric Co-Op Foundation	579 Tenney Mountain Highway	Plymouth	NH	03264	G	5/15/2026
14340	NH Environmental Educators	PO Box 173	Holderness	NH	03245	G	5/15/2026
16571	NH Excellence in Education Awards	c/o NH Lodging & Restaurant Association 16 Centre Street	Concord	NH	03301	G	11/15/2026
2357	NH Family, Career & Community Leaders Association	56 Berry Road	Derry	NH	03038	X	1/15/2023
17619	NH Farm & Rural Educational Foundation	295 Sheep Davis Road	Concord	NH	03301	G	5/15/2026
1879	NH Farm Museum, Inc	PO Box 644	Milton	NH	03851	G	5/15/2026
17432	NH Federation of Garden Clubs, Inc.	14 King Henry Drive	Londonderry	NH	03053	G	10/15/2026
18413	NH Federation of Humane Organizations, Inc.	c/o Douglas Barry, President 24 Ferry Road	Nashua	NH	03064-8109	G	5/15/2026
11064	NH FFA Foundation	295 Sheep Davis Road	Concord	NH	03301	G	5/15/2026
19407	NH Film Expo - NHFX, Inc.	155 Fleet Street	Portsmouth	NH	03801	X	5/15/2025
31143	NH Fire Service Committee of Merit	33 Hazen Drive	Concord	NH	03305	G	5/15/2026

New Hampshire Electric Cooperative Mission Statement

Mission Statement

The New Hampshire Electric Cooperative aims to deliver affordable and reliable electric and broadband services to its members.

Vision Statement

Empowering our members to thrive through our cooperative commitment to serving their needs.

Source

New Hampshire Electric Cooperative. (2024). About: Mission and vision statements. New Hampshire Electric Cooperative. <https://www.nhec.com>



579 Tenney Mountain Highway
Plymouth, NH 03264-3154
www.nhec.com
603-536-1800 / 800-698-2007

MICHAEL JENNINGS / Interim President & CEO

PROFILE

Over 12 years of experience in electric and fiber engineering and operations. Cooperative minded professional focusing on reliability with concern for the community.

Areas of Expertise:

Capital Construction Projects	Strategic Planning	Broadband Networks
Reliability Planning	Project Management	Customer/Member Relationship Management
Regulatory Compliance	Budgeting and Financial Planning	Team Leadership and Development

Successes and Key Accomplishments:

- Currently oversees all aspects of construction and daily operations for NH Broadband, including marketing, sales, customer care, material management, and finances.
- Managed the deployment of fiber internet in the towns of Sandwich and Acworth, ensuring timely and efficient service rollouts.
- Directed project management and make-ready efforts for the CARES broadband project across Stewartstown, Clarksville, Colebrook, and Lempster.
- Developed the comprehensive NH Broadband business plan, outlining strategic initiatives and growth targets.
- Designed make-ready work for third-party attaching entities, aligning efforts with strategic planning priorities and organizational goals.
- Led storm response and preparedness initiatives, ensuring uninterrupted service and quick recovery in adverse weather conditions.
- Coordinated with municipal authorities and stakeholders, securing necessary permits, and fostering strong community relations.
- Negotiated strategic partnerships with technology providers, resulting in cost savings and access to competitive advantages.
- Expanded service territory and subscriber base to over 5,000 customers, reaching underserved communities and enhancing digital inclusivity.
- Supervised budget management and financial planning, optimizing resource allocation and operational efficiency.
- Trained and mentored staff, enhancing team capabilities and promoting continuous professional development.

Work History:

Interim President & CEO	New Hampshire Electric Cooperative. 2025 – Present
Vice President, Energy Delivery	New Hampshire Electric Cooperative. 2024 – 2025
Vice President, Engineering & Operations	New Hampshire Electric Cooperative. 2023 – 2024
Director of Engineering	New Hampshire Electric Cooperative. 2020 – 2023
Senior Engineering Supervisor	Clay Electric Cooperative. 2016 – 2020
Systems Planning & Strategy Engineer	Public Service of NH / Eversource Energy. 2013 – 2016
Asset Management	Connecticut Light & Power / Eversource Energy. 2012 – 2013

Education:

- MS, Corporate Finance. Southern New Hampshire University.
- BS, Electrical Engineering. University of Hartford.
- BS, General Studies. University of Connecticut.
- State of New Hampshire Registered Professional Engineer.



579 Tenney Mountain Highway
Plymouth, NH 03264-3154
www.nhec.com
603-536-1800 / 800-698-2007

KRISTEN TAYLOR / Chief Financial Officer

PROFILE

Collaborative finance and accounting executive with over 20 years of experience. Versatile leader with capabilities in finance, accounting, strategic planning, and risk management. Dynamic leader of teams and experienced communicator.

Areas of Expertise:

Strategic Planning	Broadband	Capital Expenditures
Budgeting & Forecasting	Contract Negotiation	Internal/External Audit
Financial Planning & Analysis	Rate Design	Capital Credits
Cash & Equity Management	Credit Rating Evaluation	Risk management

Successes and Key Accomplishments:

- Expert presenter of financial and strategic matters to various audiences including board of directors.
- Develop, manage, and report on divisional budgets totaling over \$200m annually.
- Led the development of long-term financial and business planning for broadband subsidiary.
- Secured \$70 million of financing for capital needs.
- Assisted in the implementation of five consecutive energy rate decreases.
- Key leader in the development of the Cooperative’s five-year strategic plan.
- Implemented the Cooperative’s first capital credit program, retiring \$8 million in the first two years.
- Participated in two cost of service studies.
- Responsible for Enterprise Risk Management, Cash and Equity management, Internal and External audit, evaluation of credit rating agency
- Ensure adherence to Generally Accepted Accounting Principles, FASB and FERC standards and requirements.

Work History:

Chief Financial Officer	New Hampshire Electric Cooperative. 2023 – Present
Interim Chief Financial Officer	New Hampshire Electric Cooperative. 2022 – 2023
Financial Services Manager	New Hampshire Electric Cooperative. 2020 – 2022
Rates & Statistical Analyst	New Hampshire Electric Cooperative. 2018 – 2020
Reconciliation Control Analyst, Portfolio Accounting	Wellington Management Company, LLC. 2012-2018
Operations Analyst, Investment Operations	Wellington Management Company, LLC. 2007 - 2012
Sales Audit Coordinator	J.Jill, LLC. 2004 – 2007

Education:

BS, Accounting. Providence College

Volunteer Experience:

Treasurer, Northeast Association of Electric Cooperatives

JOSHUA B. HOLBROOK

ACCOMPLISHED TELECOM EXECUTIVE WITH 20 YEARS OF GO-TO-MARKET AND OPERATIONS LEADERSHIP Specialize in driving growth strategies through product development, sales execution and customer experience enhancements

Go-To-Market | Sales | Customer Experience | Operations | Market Expansion Strategy | Fiber Deployment | Strategy

PROFFESIONAL EXPERIENCE

HILBERT COMMUNICATIONS (dba BUG TUSSEL), GREEN BAY, WI

September 2024 – Current

Fiber and wholesale wireless provider serving the rural Midwest

Chief Operating Officer

Responsible for overseeing day-to-day operations, ensuring seamless service delivery and optimizing the performance of all functional areas including fiber and tower construction, network management, customer experience and sales. Leading the organization through the development of an FTTH program deploying fiber to underserved communities in rural Wisconsin. Responsible for construction and upgrading of a four-state wholesale wireless network that will serve Tier I wireless carriers.

- **FTTH Operations:** Building the fiber organization and processes to optimize the delivery and financial returns of existing and planned fiber networks targeting underserved markets in rural Wisconsin. Centralized process flows and reporting through Salesforce.com. Eliminated most manual process flows and enabled end-to-end visibility and reporting.
- **FTTH Network Planning:** Leading the redesign of planned network deployments in greenfield markets to improve financial returns by focusing on competition, density, adjacency to existing fiber, demographics and cost per home passed. Changed construction philosophy to include aerial fiber and increased in-sourced capabilities to drive down the cost per home passed.
- **Sales Penetration:** Improved sales penetration and product mix of FTTH by redefining pricing and offer tiers, changing product positioning, launching sales training and introducing metrics and dashboards that provide additional insight and accountability. Twelve-month penetration improved from 14% to 20% and adoption of Gig+ tiers increased from 5% to 29%.
- **Business & Wholesale:** Building the business and wholesale unit from the ground-up by developing products, pricing, support organizations, marketing materials and qualified sales targets that will result in business and wholesale revenue being 10% of total fiber revenue by year-end 2026.
- **State & Federal Broadband Funding Programs:** Leading BEAD application process that performed network costing, demand profiling, competitive analysis and business case development that resulted in applications for 267 project units, 24,000 homes and gross build capex of \$200 million.
- **Wholesale Wireless Network Build-out:** Directing the construction and upgrading of a four-state wholesale wireless network of over 500 wireless base stations and towers in support of a \$300 million contract to own and operate the rural network for a Tier I wireless carrier.

ATN INTERNATIONAL (NASDAQ: ATNI), BEVERLY, MA

August 2010 – August 2024

Broadband infrastructure provider with \$750+ million in revenue

Vice President – Commercial Operations

Responsible for overseeing all aspects of commercial activity in ATN markets. Report to the CEO. Responsible for Sales, Marketing, Product, Program Management, Strategic Planning and Fiber Construction. Leading the transformation of incumbent communications provider by aggressively overbuilding the legacy network with fiber, creating an entirely new digital customer experience, rebuilding the product portfolio and redesigning the demand generation engine.

- **FTTH Strategy & Planning:** Developed the company's FTTH strategy from scratch to overbuild existing network and edge out to new areas. Built financial model that illustrated IRR sensitivity to key attributes such as ARPU, penetration and cost per home passed. Collaborated with Board of Directors and Private Equity partner to fund the program.

JOSHUA B. HOLBROOK

- **FTTH Construction:** Led multi-year effort of constructing fiber across multiple geographies with various deployment methods. Established high level network design requirements that struck a balance between up front capital, deferred capital, fiber availability, customer install time and on-going operational costs.
- **Consumer Sales Penetration:** Rebuilt the sales generation engine by building a new door-to-door sales team and event sales team, launching a field sales management platform, redesigning pricing and promotions, recreating the commission structure and relaunching above the line and below the line promotional offers. Drove 12-month sales penetration of 20%+. Achieved 50% penetration for 36-month cohort.
- **Customer Experience:** Led digital investments that simplified and automated the process from purchase through installation. Integrated a new technology stack that enabled online customer qualification, simplified order processing, upsell offer presentation, automated installation scheduling and customer notifications. Increased transactional NPS by 40+ points
- **Enterprise / SMB Product Development:** Introduced Managed and Cloud services that drove revenue growth by transitioning from connectivity led sales to solution selling. Simplified the corporate product portfolio around four solution-sets: connectivity, collaboration, security and cloud. Each solution had streamlined “good, better, best” offer with add-on options. Upsold 26% of legacy base to a bundled suite within 12 months. Year-over-year revenue growth grew from 3% to 6%.
- **Fixed Wireless Edge-Out Strategy:** Developed strategy and operational team to edge-out from existing fiber networks using fixed wireless in rural areas. Selected markets to deploy based on serviceable households, backhaul and transport fiber accessibility, site deployment costs, competition and federal / state grant availability. Built regional account team that drove engagement and sales pipeline with local parties without the need for door-to-door sales.
- **Federal Grants and Programs:** Led the Federal Government Grants team that won \$150 million in grant funding for the construction of rural fiber. Launched SD-WAN solution targeted at rural schools and healthcare clinics (i.e. E-Rate & RHC) using satellite connectivity. Drove \$2.5 million incremental MRR in the first year.
- **Mergers & Acquisitions:** Core member of deal team responsible for assessing industrial logic for potential acquisitions and performing due diligence. Completed 4 acquisitions with past 7 years with combined enterprise value of \$500 million.

S&P GLOBAL, BOSTON, MA

August 2005 – August 2010

Leading market research and management consulting company to Fortune 500 technology companies

Director – Enterprise Mobility Consulting Led the Enterprise Mobility practice. Responsible for driving and delivering go-to-market strategy, product positioning customer segmentation and product development.

UNITY COMMUNICATIONS, INC., BETHESDA, MD

May 2003 – August 2005

Competitive Local Exchange Carrier (CLEC) and VoIP provider serving Enterprise and Consumer customers in 26 mid-sized Southeastern and Midwestern cities

Director of Product and Marketing - Responsible for marketing activities, product development, pricing and profitability for each market. Reported to the CEO.

EDUCATION

Boston University Questrom School of Business, Boston, MA

MBA

University of South Carolina, Columbia, SC

Bachelors of Science in Business Administration

**NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY
PLYMOUTH, NEW HAMPSHIRE**

**CONSOLIDATED FINANCIAL STATEMENTS AS OF
DECEMBER 31, 2024 AND 2023 AND
INDEPENDENT AUDITOR'S REPORT**

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY

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March 25, 2025

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
New Hampshire Electric Cooperative, Inc. and Subsidiary

Opinion

We have audited the consolidated financial statements of **New Hampshire Electric Cooperative, Inc. and Subsidiary**, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, changes in members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of New Hampshire Electric Cooperative, Inc. and Subsidiary as of December 31, 2024 and 2023 and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Hampshire Electric Cooperative, Inc. and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about New Hampshire Electric Cooperative, Inc. and Subsidiary's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of New Hampshire Electric Cooperative, Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New Hampshire Electric Cooperative, Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

McNair, McLemore, Middlebrooks & Co., LLC
McNAIR, McLEMORE, MIDDLEBROOKS & CO., LLC

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31

ASSETS
(In Thousands)

	2024	2023
Utility Plant		
Utility Plant, at Cost	\$ 485,293	\$ 459,690
Construction Work in Progress	55,212	20,389
	540,505	480,079
Gross Utility Plant		
Accumulated Provision for Depreciation	(205,085)	(193,067)
	335,420	287,012
 Other Property and Investments		
Investments in Associated Organizations	10,368	10,734
Nonutility Property, Net	14,203	7,748
Postretirement Benefits Other Than Pensions	699	226
Other	738	830
	26,008	19,538
 Current Assets		
Cash and Cash Equivalents	983	1,501
Accounts Receivable (Net of Allowance for Credit Losses Losses of \$316 and \$393 in 2024 and 2023, Respectively)	22,670	30,568
Materials and Supplies	15,335	12,086
Other	2,651	2,494
	41,639	46,649
 Deferred Debits	 14,492	 7,214
 Total Assets	 \$ 417,559	 \$ 360,413

See accompanying notes which are an integral part of these financial statements.

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31

EQUITIES AND LIABILITIES
(In Thousands)

	2024	2023
Equities		
Patronage Capital	\$ 142,320	\$ 138,738
Other Equities	5,295	5,276
	147,615	144,014
 Long-Term Liabilities		
Long-Term Debt	183,114	124,662
Long-Term Operating Lease Obligations	4,307	4,099
	187,421	128,761
 Current Liabilities		
Current Maturities of Long-Term Debt	9,692	6,709
Current Maturities of Long-Term Operating Lease Obligations	587	297
Lines-of-Credit	24,849	25,303
Accounts Payable	22,952	30,379
Member Deposits	2,172	2,155
Other Current Liabilities	5,393	6,158
	65,645	71,001
 Deferred Credits	16,878	16,637
 Total Equities and Liabilities	\$ 417,559	\$ 360,413

See accompanying notes which are an integral part of these financial statements.

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31
(In Thousands)

	2024	2023
Operating Revenues	\$ 175,460	\$ 183,120
Operating Expenses		
Cost of Power	56,771	76,017
Transmission Expense	29,830	25,206
Distribution Operations	5,812	5,949
Distribution Maintenance	17,589	15,881
Consumer Accounts	2,622	2,538
Consumer Service and Information	129	113
Administrative and General	29,224	28,583
Depreciation and Amortization	14,673	13,474
Operating Taxes	8,121	8,157
Total Operating Expenses	164,771	175,918
Operating Margins Before Interest Expense	10,689	7,202
Interest Expense	8,030	5,733
Operating Margins After Interest Expense	2,659	1,469
Nonoperating Margins	547	109
Other Capital Credits and Patronage Allocations	376	452
Net Margins	\$ 3,582	\$ 2,030

See accompanying notes which are an integral part of these financial statements.

**NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands)**

	Patronage Capital	Other Equities	Total Members' Equity
Balance, December 31, 2022	\$ 138,752	\$ 4,052	\$ 142,804
Net Margins	2,030	-	2,030
Patronage Capital Retirements	(2,044)	1,224	(820)
Balance, December 31, 2023	138,738	5,276	144,014
Net Margins	3,582	-	3,582
Other	-	19	19
Balance, December 31, 2024	\$ 142,320	\$ 5,295	\$ 147,615

See accompanying notes which are an integral part of these financial statements.

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(In Thousands)

	2024	2023
Cash Flows from Operating Activities		
Net Margins	\$ 3,582	\$ 2,030
Adjustments to Reconcile Net Margins to Net Cash		
Provided by Operating Activities		
Depreciation and Amortization	17,457	16,272
Patronage Capital from Associated Organizations	(376)	(452)
Accumulated Provision for Postretirement Benefits	(45)	51
Postretirement Benefit Contributions	(240)	(276)
Change in Deferred Credits	53	(8,010)
Change in Deferred Debits	(7,278)	(6,988)
Change In		
Accounts Receivable	7,898	(2,428)
Materials and Supplies	(3,249)	(6,535)
Other Current Assets	(157)	4
Accounts Payable	(7,427)	7,057
Member Deposits	17	210
Other Current Liabilities	(765)	1,352
	9,470	13,449
Cash Flows from Investing Activities		
Extension and Replacement of Plant	(86,766)	(51,016)
Return of Equity from Associated Organizations	742	792
Proceeds from Grants	15,036	1,692
	(70,988)	(48,532)
Balance - Carried Forward	\$ (61,518)	\$ (35,083)

See accompanying notes which are an integral part of these financial statements.

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(In Thousands)

	2024	2023
Balance - Brought Forward	\$ (61,518)	\$ (35,083)
Cash Flows from Financing Activities		
Advances of Long-Term Debt	70,000	24,500
Principal Payments of Long-Term Debt	(8,565)	(6,207)
Lines-of-Credit	(454)	17,167
Retirement of Patronage Capital	-	(820)
Other Equities	19	-
	\$ 61,000	\$ 34,640
Net Decrease in Cash and Cash Equivalents	(518)	(443)
Cash and Cash Equivalents - Beginning	1,501	1,944
Cash and Cash Equivalents - Ending	\$ 983	\$ 1,501
Supplemental Disclosure of Noncash Financing and Investing Activities		
Establishment of Lease Liability and Right-of-Use Asset	\$ 851	-

See accompanying notes which are an integral part of these financial statements.

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC. AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) Nature of Operations

New Hampshire Electric Cooperative, Inc. and Subsidiary (the Corporation) provides electric and internet services to residential, businesses, governmental, and industrial customers in certain areas within the State of New Hampshire.

New Hampshire Electric Cooperative, Inc.

New Hampshire Electric Cooperative, Inc. (NHEC) is a member-owned, not-for-profit corporation organized to provide electric service to its members. NHEC operates as a cooperative whereby all monies in excess of the cost of providing electric service are capital, at the moment of receipt, and are credited to each member's capital account. NHEC is currently subject to limited regulation by the New Hampshire Public Utilities Commission (NHPUC). NHEC currently serves active service locations throughout 118 communities in New Hampshire.

New Hampshire Broadband, LLC

New Hampshire Broadband, LLC (NHB), a wholly owned subsidiary of NHEC, offers retail broadband services to members and was organized for the purpose of providing fiber-to-the-home broadband access to the full spectrum of online resources, tools, and applications.

(2) Summary of Significant Accounting Policies

Accounting policies of the Corporation reflect practices appropriate to the electric utility industry, retail broadband industry, and generally accepted accounting principles of the United States of America (U.S. GAAP). The records of the Corporation are maintained in accordance with the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission. The following describes the more significant of those policies.

Basis of Accounting

The Corporation's financial statements have been prepared in accordance with U.S. GAAP. The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the *Accounting Standards Codification (ASC)* and related Accounting Standards Updates (ASUs).

Consolidation

The consolidated financial statements include the accounts and results of operations of NHEC and its wholly-owned subsidiary, NHB. All significant intercompany transactions have been eliminated in consolidation.

(2) Summary of Significant Accounting Policies (Continued)

Regulated Operations

NHEC, in its rate-making capacity, has the ability to account for certain revenue and expense deferrals in accordance with *ASC 980*.

In accordance with New Hampshire statute, NHEC members have the option to vote to reduce the level of NHPUC regulation that affects the Corporation. The NHPUC retains limited regulatory jurisdiction for some aspects of NHEC's operations that pertain to the restructuring of the electric industry. All regulatory assets and liabilities associated with energy efficiency, energy assistance, and some aspects of restructuring continue to be regulated by the NHPUC. The board of directors, rather than the NHPUC, regulates NHEC's rates for distribution, transmission, and default energy supply.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Long-Lived Assets

The Corporation evaluates long-lived assets for impairment when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The determination of whether an impairment has occurred is based on either a specific regulatory disallowance or an estimate of undiscounted future cash flows attributable to the assets, as compared with the carrying value of the assets. If an impairment has occurred, the amount of the impairment recognized is determined by estimating the fair value of the assets and recording a provision for loss if the carrying value is greater than the fair value. For assets identified as held for sale, the carrying value is compared to the estimated fair value less the cost to sell in order to determine if an impairment provision is required. Until the assets are disposed of, their estimated fair value is reevaluated when circumstances or events change.

U.S. GAAP requires the present value of the ultimate cost for an asset's future retirement be recorded in the period in which the liability is incurred. The cost should be capitalized as part of the related long-lived asset and depreciated over the asset's useful life. The Corporation has no legal retirement obligations related to its distribution facilities; therefore, a liability for the removal of these assets will not be recorded. Management believes the actual cost of removal, even though not a legal obligation, will be recovered through rates over the life of the distribution assets.

Utility Plant

Construction work in progress (CWIP) consists of construction and retirement costs associated with the Corporation's distribution system. CWIP charges principally include labor and applicable overheads, major materials, and contractor costs.

CWIP is unitized to electric plant in service at cost less related contributions in aid of construction. In general, utility plant is capitalized at the time it becomes part of an operating unit and has been energized. However, certain items of plant referred to as special equipment items (meters, oil circuit reclosers, etc.) are capitalized at the time of purchase along with related estimated cost of installation.

(2) Summary of Significant Accounting Policies (Continued)

Non-Utility Plant

Non-utility plant is capitalized at cost less related contributions in aid of construction. In general, non-utility plant is capitalized at the time it becomes part of an operating unit and is ready to provide related services to members and customers.

Leases

The Corporation determines if an arrangement is a lease at inception. Operating leases are included as a component of utility plant as right-of-use (ROU) assets, other current liabilities, and long-term liabilities on the consolidated balance sheets.

ROU assets represent the Corporation's right to use an underlying asset for the lease term, and lease liabilities represent the Corporation's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the Corporation's leases do not provide an implicit rate, the Corporation uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Corporation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Corporation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Depreciation and Maintenance

Depreciation of distribution plant is provided using composite rates. When property subject to depreciation is retired or otherwise disposed of in the normal course of business, its capitalized cost and its cost of removal less salvage are charged to the accumulated provision for depreciation.

Provision has been made for depreciation of distribution plant at a weighted average straight-line rate of 4.54 percent per annum, except automated metering equipment which is depreciated at 6.67 percent per annum.

Depreciation of general plant is provided on a straight-line and composite basis over the estimated useful lives of the various assets. The rates range from 2.5 percent to 33.0 percent per annum.

The costs of maintenance, repairs, and replacements of minor items of property are charged to maintenance expense accounts.

Cash and Cash Equivalents

Cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

(2) Summary of Significant Accounting Policies (Continued)

Receivables and Allowance for Credit Losses

Accounts receivable includes billed receivables and accrued utility revenue and are stated at the amount management expects to collect. Once an electric consumer or broadband customer's service is shut off and the account is deemed uncollectible, the Corporation writes off the associated accounts receivable. An allowance for credit losses is based on experience and other circumstances which may affect the ability of members to meet their obligations. Accounts considered uncollectible are charged against the allowance. Delinquent receivables are written off based on individual credit evaluations and specific circumstances of the members. Recoveries of accounts receivable previously written off are recorded against the allowance when received.

Credit evaluations are performed on most potential electric consumers before accepting them for service. Depending upon the results of the credit evaluation, a deposit may be required. If an electric consumer does not pay its bill based on the terms of the service agreement, the Corporation may require an additional deposit as a condition of continued service. Expected credit losses are determined on the basis of how long a receivable has been outstanding, current economic conditions and historical loss information.

The allowance for credit loss activity was as follows for the years ended December 31:

	(In Thousands)	
	2024	2023
Beginning Balance	\$ 393	\$ 401
Credit Loss Accruals	74	93
Write-Offs, Net of Recoveries	(151)	(101)
	\$ 316	\$ 393

Materials and Supplies

Materials and supplies are generally used for construction and for operation and maintenance work and are not for resale. Cost is determined by the moving average method of inventory valuation. Materials and supplies are charged to construction or operations at moving average cost when used.

Patronage Capital and Margins

The Corporation is organized and operates under the cooperative form of organization. As such, patronage capital or margins are allocated to patrons on the basis of individual consumption of electric energy.

Under provisions of the long-term debt agreements, until the total equities and margins equal or exceed 20 percent of the total assets of the Corporation, the return to patrons of capital contributed by them is limited. The Corporation's equities were 35.35 percent and 39.96 percent of total assets as of December 31, 2024 and 2023, respectively.

(2) Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Sales of Electricity

Electric revenue is generated from contracts (service agreements) with the Corporation's retail electric customers. This revenue, generated from the integrated service to deliver electricity when and if called upon by the customer, is recognized as a single performance obligation satisfied over time and as electricity is delivered to the customer during the month. Unbilled distribution revenue related to retail sales is accrued at the end of each fiscal period and is included as a component of accounts receivable on the consolidated balance sheets.

Electric revenue is billed monthly to consumers on a cycle basis. The Corporation's electric rates include provisions to permit the board of directors to adjust billings for fluctuations in fuel costs, purchased power costs, and certain other costs. Any underrecovery of wholesale power cost, regional access fees or transmission costs are reflected as a component of deferred debits on the consolidated balance sheets. Conversely, an overrecovery of wholesale power cost, regional access fees or transmission costs are reflected as a component of deferred credits on the consolidated balance sheets. Overrecovery and underrecovery of wholesale power cost, regional access fees, or transmission costs represents amounts due to/from members for power costs which have yet to be billed, or will be billed in the future, as a component of the corresponding power or regional access rates. Overrecovery and underrecovery components to be billed in the future will be applied to "Co-op Power" or "Regional Access Charge" rates based on the source nature of the costs incurred.

Pole Attachments and Joint Facilities

The Corporation has contractual agreements with customers for the attachment of other utility services to existing utility plant which it owns. Revenue is recognized monthly over the term of the agreements. Customers are billed in accordance with the respective contracts; either annually in arrears or semi-annual in advance depending on the type of utility service attached to the poles. Payment is due within 30 days of the bill date.

Broadband

Broadband service revenue is recognized when the applicable service is provided, and control is transferred. During 2023, broadband services began being billed on the first day of the customer's cycle in advance and are recognized during the month as the service is provided in alignment with the customer's receipt of the service. Accordingly, there is no unbilled retail broadband revenue as of December 31, 2024 and 2023.

(2) Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Revenue is comprised of the following for the years ended December 31:

	(In Thousands)	
	2024	2023
Electric Revenue	\$ 166,738	\$ 176,113
Broadband Revenue	3,277	1,211
Pole Attachment and Joint Facility Revenue	3,295	3,621
Other Electric Fees and Charges	1,448	1,500
Other Broadband Revenue	702	675
	\$ 175,460	\$ 183,120

Cost of Purchased Power

NHEC's "Co-op Power" energy service rates reflect estimates of the cost of purchased power, including contract power costs, costs for renewable energy certificates, Independent System Operator of New England (ISO-NE) administered wholesale market costs for energy, capacity costs, ancillary services, and related administrative costs. Retail members who purchase their energy from NHEC are billed through a seasonally adjusted "Co-op Power" rate that is based on projected data for the cost of wholesale power. NHEC's "Regional Access Charge" rates include estimates of ISO-NE regional transmission related costs, local transmission services, and distribution interconnection service costs. These rates also reflect estimates of costs associated with services and administration necessary for members to access energy services from NHEC or competitive suppliers. To the extent that actual costs incurred for a rate period differ from estimates used in setting rates for the period, the differences are deferred and refunded or charged to members in subsequent periods through the periodic rate adjustments as approved by NHEC's board of directors in accordance with New Hampshire statutes.

The Corporation has evaluated its wholesale power contracts and determined them to be capacity contracts that meet the criteria of *ASC 815-10-15-45-51*, qualifying them for the normal purchase and normal sales scope exception from the requirements of derivative accounting and reporting. For these contracts, the Corporation has elected to apply the normal purchase and normal sales scope exception. As such, the cost of power is expensed as consumed.

Investments in Associated Organizations

Investments in associated organizations primarily include investments in other cooperative organizations. Investments in other cooperative organizations represent capital investments made primarily to obtain an economical source of supply, financing, product, or service. Investments in other cooperative organizations are carried at cost plus allocated equities in accordance with *ASC 905-325-30*.

Capital credit allocations from associated organizations are included on the consolidated statement of operations as other capital credits and patronage capital allocations.

(2) Summary of Significant Accounting Policies (Continued)

Investments in Associated Organizations (Continued)

The Corporation's investments in associated organizations include debt securities invested at the National Rural Utilities Cooperative Finance Corporation (NRUCFC) as capital term certificates.

NHEC classifies all of its debt securities as held-to-maturity (HTM). HTM debt securities are those debt securities in which the Corporation has the ability and intent to hold the security until maturity. HTM debt securities are recorded at cost, as there are no associated premiums and discounts to amortize. A decline in the market value of any HTM security below cost that is deemed to be other than temporary, results in an impairment to reduce the carrying amount to fair value. To determine whether impairment is other than temporary, NHEC considers all available information relevant to the collectibility of the security, including past events, current conditions, and reasonable and supportable forecasts when developing estimates of cash flows expected to be collected. Evidence considered in this assessment includes the reasons for impairment, the severity and duration of the impairment, changes in value subsequent to year-end, forecasted performances of the investee and the general market conditions in the geographical area or industry in which the investee operates.

The \$3,317,000 and \$3,414,000 carrying value of the debt securities investments, included in investments in associated organizations, approximated fair value with interest rates ranging from zero percent to five percent at December 31, 2024 and 2023, respectively. The debt securities investments have maturity dates ranging from November 1, 2028 through October 1, 2080. Based on ongoing credit evaluations of these investments, NHEC does not expect payment defaults or delinquencies and has not recorded an allowance for credit losses for these securities as of December 31, 2024 and 2023.

Deferred Debits

NHEC establishes deferred debits for costs associated with the under-recovery of certain tariff rates that are deferred and collected from members through periodic rate adjustments. Deferred debits are regulatory in nature and are approved by either the board of directors or the NHPUC. Deferred debits also include amounts related to the National Rural Electric Cooperative Association (NRECA) Retirement Security Program (RS Plan) that are amortized over a defined period as well as amounts related to postretirement benefits and renewable energy certificates.

Other Regulated Rates

NHEC's tariff rates include an Energy Efficiency System Benefit Charge (EE SBC) and an Energy Assistance Program System Benefit Charge (EAP SBC) at rates set by the NHPUC for all State of New Hampshire jurisdictional utilities. The EE SBC recovers the costs of those NHEC energy efficiency program services that are subject to NHPUC approval. The funds collected through NHEC's EAP SBC are reconciled to the benefits provided to NHEC's income qualified members and any under- or over- recovery of benefits paid to members is received from or submitted to, respectively, the State of New Hampshire which administers the pooled funds of all jurisdictional utilities.

(2) Summary of Significant Accounting Policies (Continued)

Amounts Collected on Behalf of Third Parties

Certain portions of the Corporation's sales are subject to taxes that must be remitted to a third party. When required, the Corporation collects these taxes from customers and remits it to applicable jurisdictions. The Corporation's accounting policy is to exclude the tax collected and remitted from revenues and cost of sales.

Income Taxes

NHEC is exempt from federal and state income taxes under Section 501(c)(12) of the Internal Revenue Code (IRC) which provides, in part, that NHEC derive at least 85 percent of its annual gross income from members to retain the exemption. NHEC expects to meet the requirement for the tax year ended December 31, 2024. Accordingly, no provision for income taxes has been made in the consolidated financial statements. Currently, the Corporation's federal information returns for calendar year 2021 and after are subject to examination by the Internal Revenue Service.

NHB is a wholly-owned subsidiary of NHEC and treated as a disregarded entity for tax purposes and the results of its operations are included in NHEC's information return.

Subsequent Events

In preparing these consolidated financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through March 25, 2025, the date the consolidated financial statements were available to be issued.

(3) Accounts Receivable, Contract Assets, and Contract Liabilities

Billed receivables, contract assets and contract liabilities are as follows as of December 31, 2024 and 2023:

	(In Thousands)		
	2024	2023	2023
	End of Year	End of Year	Beginning of Year
Accounts Receivable, Net			
Billed Receivables - Electric	\$ 16,800	\$ 25,973	\$ 23,286
Accrued Utility Revenue - Electric	5,452	4,494	4,771
Billed Receivables - Broadband	418	101	83
	<u>\$ 22,670</u>	<u>\$ 30,568</u>	<u>\$ 28,140</u>
Contract Assets			
Deferred Debits			
Underrecovery of Wholesale Power Cost	\$ -	\$ 1,195	\$ 6,568
Braintree Electric Light	3,021	3,615	4,183
BEA Grant Performance Bond	485	727	970
Underrecovery of Regional Access Fees	1,991	-	-
	<u>\$ 5,497</u>	<u>\$ 5,537</u>	<u>\$ 11,721</u>
Contract Liabilities			
Overrecovery of Energy Efficiency	\$ 3,811	\$ 3,177	\$ 2,560
Electric Renewable Portfolio Standard (RPS)	1,603	628	1,001
Social and Environmental Responsibilities	204	63	504
Overrecovery of Wholesale Power Cost	357	-	-
Overrecovery of Regional Access Fees	-	376	650
	<u>\$ 5,975</u>	<u>\$ 4,244</u>	<u>\$ 4,715</u>

(4) Utility Plant

Listed below are the major classes of the electric utility plant as of December 31:

	(In Thousands)	
	2024	2023
Distribution Plant	\$ 411,884	\$ 400,583
Generation and Transmission Plant	5,011	5,011
Right-of-Use Assets - Operating Lease	4,894	4,237
General Plant	63,504	49,859
Electric Plant in Service	485,293	459,690
Construction Work in Progress	55,212	20,389
	\$ 540,505	\$ 480,079

(5) Investments in Associated Organizations

Investments in associated organizations consisted of the following as of December 31:

	(In Thousands)	
	2024	2023
National Rural Utilities Cooperative Finance Corporation		
Capital Term Certificates	\$ 3,317	\$ 3,414
Capital Credits	6,367	6,685
Other		
Capital Credits	684	635
	\$ 10,368	\$ 10,734

(6) Deferred Debits

Deferred debits are comprised of the following as of December 31:

	(In Thousands)	
	2024	2023
Braintree Electric Light	\$ 3,021	\$ 3,615
BEA Grant Performance Bond	485	727
Underrecovery of Wholesale Power Cost	-	1,195
Underrecovery of Regional Access Fees	1,991	-
Major Storm Restoration	7,765	1,524
Other	1,230	153
	\$ 14,492	\$ 7,214

During 2022, the New Hampshire Business and Economic Affairs (BEA) Agency entered into an agreement with NHEC for the planning, construction, and installation of all necessary broadband infrastructure and equipment for providing access to broadband for unserved properties in the state of New Hampshire funded by the Coronavirus Capital Projects Fund of the US Department of the Treasury in the amount of \$50,000,000. The agreement was approved by the Governor and Executive Council of New Hampshire. The Corporation received \$15,000,000 in funding for the year ended December 31, 2024. In accordance with practices appropriate to the utility industry, the Corporation applied the funds as contribution in aid of construction to related utility and non-utility plant. As of December 31, 2024, the Corporation had received cumulative funding totaling \$30,000,000.

(7) Deferred Credits

Deferred credits are comprised of the following as of December 31:

	(In Thousands)	
	2024	2023
Regulatory Liability - Postretirement Benefits	\$ 301	\$ 24
Overrecovery of Tariff Rates	5,975	4,244
Regulatory Liability - Depreciation Study	10,602	12,369
	\$ 16,878	\$ 16,637

(7) Deferred Credits (Continued)

In 2018, NHEC revised its depreciation rates for certain utility plant based on the results of a depreciation rate study conducted. The revised depreciation rates reflect longer estimated useful lives and greater net salvage values. As a result of this depreciation rate study, the NHEC reduced accumulated depreciation and amortization and recognized a regulatory liability. The liability is being recognized as depreciation expense annually over a period of twelve years.

NHEC establishes deferred credits for costs associated with the over-recovery of certain tariff rates that are deferred and refunded to members through periodic rate adjustments. Deferred credits are regulatory in nature and are approved by either the board of directors or the NHPUC. Deferred credits also include amounts related to postretirement benefits and regulatory liabilities that are amortized over a defined period established at the inception of the credit.

(8) Patronage Capital

Patronage capital is comprised of the following as of December 31:

	(In Thousands)	
	2024	2023
Assignable	\$ (3,394)	\$ (2,519)
Assigned	155,759	151,302
	152,365	148,783
Cumulative Retirements	(10,045)	(10,045)
	\$ 142,320	\$ 138,738

(9) Debt

Long-Term Debt

Long-term debt consists of mortgage notes payable to the National Rural Utilities Cooperative Finance Corporation (NRUCFC) and the Federal Agricultural Mortgage Corporation (Farmer Mac). The notes are secured by a mortgage agreement among the Corporation, NRUCFC and Farmer Mac. Substantially, all the assets of the Corporation are pledged as security for long-term debt of the Corporation. The notes generally have maturity periods ranging from 5 years to 35 years and are payable on a monthly and quarterly installment basis. The notes contain certain affirmative and negative covenants, including maintenance of certain financial ratios as defined in the agreement. At December 31, 2024 and 2023, the Corporation was in compliance with the covenants.

Holder of Note	Weighted Average Interest Rate as of December 31, 2024	(In Thousands)	
		2024	2023
NRUCFC - Electric	4.96%	\$ 121,028	100,913
NRUCFC - Broadband	6.04%	61,134	18,827
NRUCFC - Farmer Mac	4.04%	10,644	11,631
		192,806	131,371
Maturities Due Within One Year		(9,692)	(6,709)
		\$ 183,114	\$ 124,662

Principal maturities of long-term debt are as follows:

(In Thousands)	
Year	Amount
2025	\$ 9,692
2026	10,149
2027	10,464
2028	10,400
2029	7,183
Thereafter	144,918
	\$ 192,806

(9) Debt (Continued)

Long-Term Debt (Continued)

The Corporation has \$74,500,000 in unadvanced loan funds on commitment from NRUCFC as of December 31, 2024. Availability of the funds is contingent on the Corporation's compliance with one or more preconditions set forth in the mortgage agreements.

Cash payments of interest totaled approximately \$7,471,000 and \$5,084,000 for the years ended December 31, 2024 and 2023, respectively.

Lines-of-Credit

The Corporation has a \$20,000,000 unsecured perpetual revolving line-of-credit with NRUCFC with an outstanding balance of \$14,189,000 and \$17,064,000 at December 31, 2024 and 2023, respectively. The line-of-credit with NRUCFC carries a variable rate of 6.50 percent as of December 31, 2024.

The Corporation has a \$20,000,000 unsecured revolving line-of-credit with NRUCFC with an outstanding balance of \$5,487,000 and \$4,851,000 at December 31, 2024 and 2023, respectively. The line-of-credit with NRUCFC carries a variable rate of 6.50 percent as of December 31, 2024.

The Corporation has an unsecured revolving line-of-credit with NRUCFC with an outstanding balance of \$5,173,000 and \$3,137,000 at December 31, 2024 and 2023, respectively. The facility had an available amount of \$20,000,000 for the year ended December 31, 2023, and was modified during 2024 to carry an available amount of \$5,500,000. The line-of-credit with NRUCFC carries a variable rate of 6.50 percent as of December 31, 2024. The purpose is to provide interim financing for the construction of the broadband project.

The Corporation has a \$15,000,000 unsecured revolving line-of-credit with NRUCFC with an outstanding balance of \$-0- and \$251,000 at December 31, 2024 and 2023, respectively. The line-of-credit with NRUCFC carries a variable rate of 6.50 percent as of December 31, 2024. The purpose is to provide interim financing for power supply.

During 2024, the Corporation also established a \$30,000,000 unsecured revolving line-of-credit with NRUCFC with no outstanding balance as of December 31, 2024. The line-of-credit with NRUCFC carries a variable rate of 6.50 percent as of December 31, 2024. The purpose is to provide interim financing for the construction of the broadband project.

Letters-of-Credit

Various NHEC's power supply contract counterparties rely on NHEC's for primary performance credit support. NHEC has executed agreements with NRUCFC for the issuance of letters-of-credit specifically for power supply agreements should primary or back-up collateral be demanded to meet the performance requirements for some power supply and other agreements. The total authority under these facilities is \$30,000,000. The letters-of-credit outstanding under these facilities totaled \$4,000,000 for the years ended December 31, 2024 and 2023. Annual fee expenses for the master facility and issuance of these letters approximated \$76,000 and \$77,000 for December 31, 2024 and 2023, respectively and are recovered through the members' rates.

(9) Debt (Continued)

Letters-of-Credit (Continued)

NHB is required to obtain and maintain a letter of credit equivalent to one year of support for each year of participation in the Rural Digital Opportunity Fund (RDOF). The Corporation has executed agreements with NRUCFC for the issuance of letters-of-credit specifically for RDOF support as required by Universal Service Administrative Company in the amount of \$1,959,000 and \$1,306,000 for the years ended December 31, 2024 and 2023, respectively. Annual fee expenses for the master facility and issuance of these letters approximated \$11,000 and \$8,000 for December 31, 2024 and 2023, respectively.

In addition, NHEC is required to provide a letter-of-credit to Eversource (formerly known as Public Service of New Hampshire). This requirement is in accordance with the third party attachment agreement with Eversource in order for NHB to attach to Eversource poles within Eversource's service territory. The amount of the letter-of-credit is based on the number of poles that are expected to be utilized under the agreement. The Corporation has executed agreements with NRUCFC for the issuance of letters-of-credit for this purpose in the amount of \$450,000 for the years ended December 31, 2024 and 2023. Annual fee expenses for the master facility and issuance of these letters approximated \$4,000 and \$3,000 for December 31, 2024 and 2023, respectively.

Allowance for Funds Under Construction

The allowance for funds used during construction represents the cost of borrowed funds used for construction of utility plant. The allowance is capitalized as a component of the cost of utility plant. The Corporation capitalized \$1,640,000 and \$616,000 of interest as of December 31, 2024 and 2023, respectively.

(10) Leases

The Corporation has entered into various lease obligations for towers under direct operating leases. The leased towers have been recorded as right-of-use assets and are amortized on a straight-line basis of 2-30 years.

The outstanding obligations for the years ended December 31, 2024 and 2023 totaled \$4,894,000 and \$4,396,000, respectively. The discount rate utilized was a risk-free rate of 4.18 percent with maturity dates extending to December 2054. The weighted average remaining lease term for the Corporation's operating leases was 16.24 and 11.49 years as of December 31, 2024 and 2023, respectively. The charge to rental expense under these leases totaled \$372,000 and \$579,000 for the years ended December 31, 2024 and 2023, respectively.

(10) Leases (Continued)

The following is a schedule of future minimum payments required under the leases together with the present value as of December 31, 2024:

<u>Year Ending</u>	<u>(In Thousands)</u> <u>Amount</u>
2025	\$ 587
2026	598
2027	598
2028	615
2029	476
Thereafter	<u>3,454</u>
Total Minimum Lease Payments	6,328
Less Amount Representing Interest	<u>(1,434)</u>
Present Value of Minimum Lease Payments	<u><u>\$ 4,894</u></u>

(11) Retiree Benefits

Pension Plan (Defined Benefit)

Pension benefits for substantially all employees of the Corporation are provided through participation in the NRECA RS Plan, a defined benefit plan qualified under Section 401 and tax-exempt under 501(a) of the IRC. The plan sponsor's employer identification number is 53-0116145 and the plan number is 333.

A unique characteristic of a multiemployer plan compared to a single employer plan is that all plan assets are available to pay benefits of any plan participant. Separate asset accounts are not maintained for participating employers. This means that assets contributed by one employer may be used to provide benefits to employees of other participating employers.

The Corporation's annual contributions to the program represented less than 5 percent of total contributions made to the plan by all participating employers and are equal to the amounts recorded for pension cost. Contributions were \$3,446,000 and \$3,167,000 for the years ended December 31, 2024 and 2023, respectively.

In the RS Plan, a "zone status" determination is not required, and therefore not determined, under the Pension Protection Act (PPA) of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the RS Plan was between 65 percent and 80 percent funded at January 1, 2024 and 2023 based on the PPA funding target and PPA actuarial value of assets on those dates.

Because the provisions of the PPA do not apply to the RS Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the plan and may change as a result of plan experience.

(11) Retiree Benefits (Continued)

Pension Plan (Defined Contribution Plan)

The Corporation also provides additional employee benefits to substantially all employees through a sponsored defined contribution Savings Plan (401-k). In this defined contribution plan, the Corporation's contributory portion of costs of this plan totaled \$924,000 and \$870,000 for the years ended December 31, 2024 and 2023, respectively.

Postretirement Healthcare Benefits

The Corporation provides healthcare benefits and life insurance to qualified retirees. The Corporation follows U.S. GAAP for postretirement benefits other than pensions. This standard requires cooperatives to recognize the estimated future cost of providing healthcare and any other postretirement benefits on an accrual basis.

The status of the Corporation's postretirement healthcare plan as of December 31 is detailed as follows:

	(In Thousands)	
	2024	2023
Accumulated Benefit Obligation - Beginning of Year	\$ (2,015)	\$ (2,155)
Service Cost	(65)	(62)
Interest Cost	(95)	(101)
Changes in Actuarial Assumptions	266	26
Benefits Paid	240	276
Accumulated Benefit Obligation - End of Year	(1,669)	(2,016)
Fair Value of Plan Assets - Beginning of Year	2,242	2,054
Actual Return on Plan Assets	126	188
Employer Contribution	(240)	(276)
Actual Distributions	240	276
Fair Value of Plan Assets - End of Year	2,368	2,242
Funded Status - End of Year	\$ 699	\$ 226

(11) Retiree Benefits (Continued)

Postretirement Healthcare Benefits (Continued)

Amounts recognized on the consolidated balance sheets consisted of the following as of December 31:

	(In Thousands)	
	2024	2023
Component of Long-Term Liabilities	\$ -	\$ -
Component of Other Property and Investments	699	226
	\$ 699	\$ 226

Net postretirement benefit cost consisted of the following for the years ended December 31:

	(In Thousands)	
	2024	2023
Net Postretirement Benefit Cost		
Service Cost	\$ (65)	\$ (62)
Interest Cost	(95)	(101)
Amortization of Actuarial Assumptions	115	214
	\$ (45)	\$ 51

Amounts recognized as a component of regulatory assets and liabilities:

	(In Thousands)	
	2024	2023
Deferred Actuarial Components - Beginning of Year	\$ 24	\$ (114)
Amortization of Prior Service Cost	(4)	(4)
Actuarial Gain (Loss)	281	142
Deferred Actuarial Components - End of Year	\$ 301	\$ 24

The Corporation's accumulated postretirement benefit obligation and net periodic postretirement benefit cost are calculated using various actuarial assumptions and methodologies. The assumptions include discount rates, medical trend rates, mortality rates, and other factors. Actuarial assumptions are reviewed on an annual basis.

The components of net periodic postretirement benefit cost, other than the service cost component, are included in the line item nonoperating margins for the years ended December 31, 2024 and 2023.

(11) Retiree Benefits (Continued)

Postretirement Healthcare Benefits (Continued)

The Corporation has elected to recognize actuarial gains and losses and other changes in obligation as a component of regulatory assets and liabilities. As a result, the Corporation does not recognize other comprehensive income related to actuarial changes in assumptions.

The Corporation does not anticipate contributing funds to the plan during the year ended December 31, 2025, other than the current year amount paid for retirees.

The following table shows key assumptions used for the measurement of obligations for the plan as of December 31:

<u>Description</u>	<u>2024</u>	<u>2023</u>
Discount Rate on Net Postretirement Benefit Cost	5.35%	5.50%
Discount Rate on Net Postretirement Benefit Obligation	6.05%	5.35%
Expected Return on Plan Assets	4.86%	4.94%
Medical Trend Rate		
Initial	9.98%	9.98%
Ultimate	4.75%	5.00%
Fiscal Year Reached	2031+	2028+

The following benefits are expected to be paid:

(In Thousands)	
<u>Year</u>	<u>Amount</u>
2025	\$ 231
2026	199
2027	207
2028	201
2029	192
2030-2034	680

(11) Retiree Benefits (Continued)

Postretirement Healthcare Benefits (Continued)

The following table sets forth the weighted-average asset allocations of the Corporation's postretirement healthcare benefits at December 31, 2024 and 2023.

<u>Year</u>	<u>Cash</u>	<u>Bonds</u>	<u>Equities</u>	<u>Total</u>
2024	4.00%	57.00%	39.00%	100.00%
2023	5.00%	58.00%	37.00%	100.00%

The Corporation employs a total-return investment approach whereby a mix of equities and fixed income investments is used to maximize the long-term return of plan assets for a prudent level of risk. The current asset allocation adheres to the Corporation's overall investment strategy for plan assets. Plan assets are measured at fair value (See Note 14).

(12) Commitments and Contingencies

Power Contracts

NHEC procures wholesale energy, capacity, ancillary services, and renewable energy certificates (together, "bundled energy service") from a variety of resources. These resources are available in New England's deregulated competitive wholesale capacity, energy, ancillary services, and renewable attributes markets. They are purchased to meet the needs of NHEC members who elect, or default to, NHEC's "Co-op Power" bundled energy service option rather than choosing to purchase energy service from retail competitive suppliers or community power aggregations.

NHEC's wholesale procurement arrangements include bilateral purchase agreements of various term lengths, with various suppliers, for various products or combinations of products. Current resource portfolio contract terms are from one month up to 20 years. The longest remaining contract term ends in 2038. These products may include daily, weekly, monthly, seasonal, or annual, on-peak and off-peak fixed volume or load following energy. Bilateral contract pricing may be fixed or indexed and may include optionality. NHEC may also meet a portion of its wholesale requirements through contract arrangements tied to the output of specific generating plants or demand resources and may engage in ownership of such resources. NHEC uses competitive bidding and direct negotiation to establish terms, conditions, and pricing of its bilateral wholesale procurements. NHEC may participate with other entities in joint or group procurement.

To the extent NHEC's wholesale requirements are not fully met through bilateral contract arrangements or ownership, they are met through NHEC's participation in the New England Power Pool markets administered by ISO-NE, such as the day-ahead and real-time energy markets and the forward capacity market that imposes an obligation on load serving entities to provide or make payments for capacity.

(12) Commitments and Contingencies (Continued)

Power Contracts (Continued)

Should a significant number of NHEC's members choose to purchase competitively supplied power or community power aggregations instead of purchasing Co-op Power from the Corporation, NHEC would still have the obligation to purchase the power contracted for bilaterally. If such contracted volumes exceed NHEC's needs, NHEC would sell any excess contracted power into the marketplace. However, management does not anticipate the likelihood of this happening and if so, such an event is not expected to be long in duration, as the volume of members who do not purchase Co-op Power from the Corporation has been relatively limited and consistent, and NHEC manages its bilateral procurements taking into account members' use of competitive suppliers and community power aggregations as it changes over time.

NHEC is subject to New Hampshire Statute RSA Chapter 362 F, an "Electric Renewable Portfolio Standard" (RPS). The law requires providers of electricity, including utilities and competitive providers, to acquire Renewable Energy Certificates (RECs) equal to a specified percentage of their energy from four classes of state qualified resources. By statute, some of the percentages increase over time. RSA Chapter 362F establishes guidelines for resource qualification for the creation of RECs allowing for the trading of these renewable attributes to meet annual RPS obligations by mid-June of the following year. Finally, the law establishes standards and prices for alternative compliance payments (ACP) made by electricity providers in lieu of REC acquisition in certain circumstances. Final REC transactions for 2024 are not required to be completed until June 15, 2025, as a function of relevant RPS rules, but the Corporation anticipates meeting most of its 2024 obligations through unit contracts and REC purchases.

The approximately 9 percent of 2024 RPS obligations that may not be met by REC purchases include Thermal RECs (6 percent) and Class III Biomass and Landfill Gas RECs (3 percent). Thermal RECs are obtained from renewable energy resources that do not produce electricity but produce useful thermal energy. The New Hampshire Department of Energy (NHDOE) conducted an investigation beginning in January 2025 to consider if the Class III REC obligation should be reduced due to unavailability of those RECs. The NHDOE determined by order dated March 5, 2025 that the 2023 Class III obligation should be set at 1 percent, reduced from the 8 percent originally established in the RPS legislation. NHEC expects to make ACP to meet its obligations not met by REC purchases.

To deliver energy from the New England regional wholesale markets to NHEC's retail distribution network, it settles Regional Network transmission services from multiple providers through ISO-NE, and Local Network transmission service is provided by Eversource Energy (formerly Northeast Utilities), Vermont Electric Power Company, Green Mountain Power, and National Grid. Interconnection and delivery service is provided by Eversource Energy pursuant to FERC regulated contracts and tariffs.

Fiber Network Assets

During 2020, the New Hampshire Governor's Office of Strategic Initiative issued Broadband Expansion Program Grants (Grants) funded by the Coronavirus Aid, Relief, and Economic Security Act Coronavirus Relief Fund. NHEC was awarded two Grants to provide high-speed broadband internet service to certain unserved properties and received grant proceeds of \$3,407,000 and \$3,283,000 during 2020. The Corporation is subject to certain requirements, including establishing individual property connections to connect customers, for a period of five years after the completion of the projects. The total estimated cost of the Project is \$9,500,000, of which \$6,690,000 was received in Grants funds and the remaining costs to connect customers are expected to be funded by NHEC.

(12) Commitments and Contingencies (Continued)

Fiber Network Assets (Continued)

During 2022, the BEA Agency entered into an agreement with NHEC for the planning, construction, and installation of all necessary broadband infrastructure and equipment for providing access to broadband for unserved properties in the state of New Hampshire funded by the Coronavirus Capital Projects Fund of the US Department of the Treasury in the amount of \$50,000,000. Accordingly, the corporation is responsible for the following:

1. A performance bond for the duration of the Grant Agreement and for 3 months following acceptance of the Project by the State (“Acceptance”).
2. Broadband access to Unserved Properties in New Hampshire as identified by NHEC in their response to RFP proposal dated July 29, 2022.
3. Designed to deliver upon completion, service that reliably meets or exceeds symmetrical download and upload speeds of 100 Mbps.
4. Must be completed, including all financial reporting closeout documents as soon as possible, but no later than December 31, 2026.
5. Ongoing operations and maintenance of the system will be the sole responsibility of the NHEC.
6. Low-cost option offered at speeds that are sufficient for a household with multiple users to simultaneously telework and engage in remote learning. Any future, low-cost option mandated by the federal government would negate this requirement. Effective June 1, 2024, funding under the Affordable Connectivity Program ended. Accordingly, the ACP discounts received by eligible households ended as of that date and those customers no longer receive discounts under the program.
7. Project and Expenditure Report (P&E): A quarterly report to provide information on the Project funded, obligations, expenditures, project status, outputs, performance indicators, address list modifications, and other information.

During 2023, NHEC received an approval of award through the United States Department of Agriculture (USDA) ReConnect funding program through a joint recipient award with the Town of Sandwich in the amount of \$1,650,000. Accordingly, the fiber network asset project must encompass approximately 100 miles of main line fiber passing approximately 1,100 broadband serviceable locations. The Corporation had satisfied the requirements of the award as of December 31, 2023 and the award funds were included as a component of accounts receivable as of December 31, 2023. The Corporation received full payment of the award amount in 2024.

Contingencies

NHEC is involved in various legal proceedings incidental to the conduct of its normal business operations. NHEC was involved in a contract dispute in the amount of \$11.9 million which is included in accounts receivable in the 2023 consolidated balance sheets. A settlement was reached during the year ended December 31, 2024 related to the disputed amount. The results of the settlement did not have a material adverse impact on the financial condition of the Corporation.

(13) Concentrations of Credit Risk

Financial instruments that potentially subject the Corporation to concentrations of credit risk consist principally of cash and cash equivalents and consumer accounts receivable. The Corporation maintains its cash balances in financial institutions; cash balances throughout the year periodically exceed federally insured deposit limits of \$250,000. At December 31, 2024, the amount exceeding insured limits totaled \$1,278,000.

The Corporation serves consumers in the state of New Hampshire. The geographic concentration of the Corporation's consumers results in a concentration of credit risk with respect to the collection of accounts receivable. Credit evaluations are performed on most potential customers before accepting them for service. Depending upon the results of the credit evaluation, a deposit may be required.

(14) Fair Value of Financial Instruments

Fair Value Hierarchy

The Corporation records certain financial and nonfinancial assets using fair value measurements. The Corporation uses a hierarchical disclosure framework that prioritizes the level of market price observability to measure investments at fair value.

The guidance establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

- Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Corporation has the ability to access.
- Level 2. Valuations based on quoted market prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities.
- Level 3. Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following valuation techniques are used to estimate the fair value of each class of financial instrument:

- (1) *Market approach*. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities (including a business) and deriving fair value based on these inputs.
- (2) *Income approach*. The income approach uses valuation techniques to convert future amounts (for example, cash flows or earnings) to a single present amount (discounted). The measurement is based on the value indicated by current market expectations about those future amounts.
- (3) *Cost approach*. The cost approach is based on the amount that currently would be required to replace the service capacity of an asset (often referred to as current replacement cost). This approach assumes that the fair value would not exceed what it would cost a market participant to acquire or construct a substitute asset or comparable utility, adjusted for obsolescence.

(14) Fair Value of Financial Instruments (Continued)

Fair Value Hierarchy (Continued)

<u>Description</u>	<u>Level</u>	(In Thousands)	
		<u>December 31, 2024</u>	<u>December 31, 2023</u>
Postretirement Benefit Plan Assets	(1)		
Cash and Money Markets		\$ 95	\$ 106
Short-Term Bond Fund		1,233	1,195
Stock Index Fund		319	269
Value Fund		114	113
Small-Company Stock Fund		363	336
International Value Fund		244	223
		<u>\$ 2,368</u>	<u>\$ 2,242</u>