

Cape & Vineyard Electric Cooperative Board of Directors Meeting  
Meeting Minutes  
April 21, 2009

Members Attending: E. Mark Zielinski, Barnstable County, Margaret Downey, Cape Light Compact, Barry Worth, Town of Harwich, John Cunningham, Town of Brewster, Peter Cabana, Town of Tisbury

Cape Light Compact Executive Committee Members Attending: Kitt Johnson, Charlotte Striebel, Bill Doherty

Lindsay Stranger, Rebecca Zachas were present.

Public Present: none

The nineteenth meeting of the Board of Directors of the Cape & Vineyard Electric Cooperative convened at 10:10 am.

II. Joint Meeting with Cape Light Compact Executive Committee, Preliminary Discussion on Requesting Funding Assistance from the Cape Light Compact

K. Johnson wanted to clarify the purpose of the meeting and if there were any votes that were going to be taken. M. Downey stated that the meeting had been posted for both the CLC Executive Committee and CVEC Board of Directors, and that this was a joint meeting. M. Zielinski stated that the Board of Directors wanted to have a dialogue with the Cape Light Compact regarding funding from Cape Light Compact, as well as other entities. CVEC has utilized money, and is running out of money in order to develop projects. He stated that the Board of Directors came up with the idea of a revolving fund, which means that once projects develop money, CVEC would replenish the funds that were borrowed. M. Zielinski stated that they need to hire a staff person which would cost approximately \$100,000 with benefits etc, they need approximately \$200,000 for pre-construction costs for the Brewster project, and need approximately \$100,000 for legal fees. He stated that they have spent time and resources getting the PV project moving forward and the wind project in Sandwich is showing some progress. M. Downey stated that her and M. Zielinski met with Carter Wall from MTC, and proposed a revolving fund with MTC. She stated that the Board of Directors wanted to have a preliminary discussion with the Executive Committee, before bringing it before the CLC Governing Board. M. Zielinski stated that they are on a tight timeframe, and that at the last Board of Directors meeting, they took some money to hire someone part time to get projects going. CVEC has to be ready when projects are at the point that CVEC needs to take them over. B. Doherty stated that the Commissioners are concerned about adding head count to the County. M. Zielinski stated that they have an Administrative Services Agreement and the new employee would be reimbursed to the County from CVEC. M. Downey added that there are no overhead charges such as computer, office space etc. She stated that the CLC Power Supply collects a mil adder which is under the responsibility of the CLC Governing Board. She also stated that the CVEC Board of Directors voted at the last

meeting to meet with the CLC Executive Committee. M. Zielinski stated that CVEC has to be careful with what it charges because the customers are the municipalities. K. Johnson stated that he wanted to know the projections and when the pool would be self sufficient and how the money would be repaid. M. Zielinski stated that the Board of Directors wanted to know what information is needed in order to present to the Cape Light Compact Governing Board. He stated that they do have other financial entities that they are working with, and that CLC needed to understand the risk that they may not be paid back. M. Zielinski stated that he and M. Downey were working on a business plan. B. Doherty stated that if CLC is supporting CVEC, then they need to support the projects as well. M. Zielinski stated that they are trying to do services by building renewable energy, and that there is no fail safe. M. Downey reminded the Executive Committee that this is very similar to when the Cape Light Compact was formed. They used County funds to start and weren't sure if CLC would work. She stated that there is a huge danger by sitting on ratepayers funds. J. Cunningham stated that there is a risk in not funding CVEC. There is momentum that CVEC has built and they risk not being ready when the Towns are ready to hand over projects. There is a question in Brewster, about what happens if CVEC stumbles? C. Striebel stated that she was surprised at how far along towns like Brewster are, and asked if CVEC would need more money in the future. M. Downey stated that if MTC comes through with funding, then they may not need to come back to CLC for money. M. Zielinski stated that CVEC has been successful, especially with the PV project, and have documented success. He stated that CVEC has thought about that they have and will be doing. M. Downey stated that the repayment would be built into the financing costs with RUS. M. Zielinski said that some of their decisions/funding are project specific. K. Johnson said that he wants more understanding of the dynamics. M. Downey stated that CLC couldn't do renewable energy, which is why CVEC was established. They will work on a business plan, but stated that there would not be reasonable assurances.

C. McLaughlin arrived at 11:05.

### III. Executive Session

*On a motion by Charles McLaughlin and seconded by E. Mark Zielinski, the Board voted by roll call to go into Executive Session at 11:10 am to discuss competitively sensitive information pursuant to G.L. c. 34, §9G(8) and G.L. c. 39, §23B(10) and to return to open session after discussion, and to allow for Rebecca Zachas, Charlotte Striebel, Kitt Johnson and Lindsay Stranger to be present during the Executive Session. Zielinski-yes, McLaughlin- yes, Downey- yes, Cabana- yes, Cunningham- yes, Worth- yes*

*On a motion by Mark Zielinski and seconded by Charles McLaughlin, Board voted by roll call to return to open session at 12:45 pm. Zielinski-yes, McLaughlin- yes, Downey- yes, Cabana- yes, Cunningham- yes, Worth- yes*

### I. Approval of Minutes

*On a motion by John Cunningham and seconded by Barry Worth, the Board voted to approve the open session meeting minutes from March 27, 2009. Approved 6-0-0*

*On a motion by E. Mark Zielinski and seconded by Charles McLaughlin, the Board voted to approve the Executive Session minutes from March 27, 2009, as amended. Approved 6-0-0*

#### IV. Executive Session

*On a motion by Charles McLaughlin and seconded by E. Mark Zielinski, the Board voted by roll call to go into Executive Session at 12:55 pm to discuss the sale or value of real property and to return to open session after discussion and to allow for Rebecca Zachas, and Lindsay Stranger to be present during the Executive Session. Zielinski-yes, McLaughlin- yes, Downey- yes, Cabana- yes, Cunningham- yes, Worth- yes*

*On a motion by Mark Zielinski and seconded by Charles McLaughlin, Board voted by roll call to return to open session at 1:05 pm. Zielinski-yes, McLaughlin- yes, Downey-yes, Cabana- yes, Cunningham- yes, Worth- yes*

#### V. Brief Update on Net Metering Proceeding at DPU

M. Downey reported that DOER stated that the Green Communities Act does not state that the load has to be behind the meter. She stated that there is a hearing on Monday 4/26 on net metering, and CLC will stated that this will impact projects greatly, if they don't allow virtual net metering. DPU is misinterpreting the information in the Green Communities Act. C. McLaughlin stated that they could do a declaratory judgment action in Superior Court, and that he is willing for Barnstable to send a letter to the DPU, stating that the Town of Barnstable would not be able to do projects without virtual net metering. M. Downey stated that it would be helpful to have that letter for the hearing, so that they could read it into the record. She will send the DOER comments to the Board of Directors. She stated that they asked for clarification on whether or not you need a substantial load at the site, or if a light bulb account could be set up. M. Downey stated that the Tariff 2<sup>nd</sup> draft of the regulations came out on Friday, and Larry Chretien stated that the utilities are trying to take the REC's.

#### VI. Treasurer's Report

M. Zielinski stated that there was nothing to report.

#### VII. Vote: Rescind the Previous Vote to Adopt the Administrative Services Agreement between the CVEC and County (the older version was approved)

*On a motion by E. Mark Zielinski and seconded by John Cunningham, the Board voted to rescind the previous vote on March 27, 2009, to adopt the Administrative Services Agreement between the CVEC and County. Approved 6-0-0*

#### VIII. Vote: Adopt the Administrative Services Agreement between the CVEC and County

*On a motion by E. Mark Zielinski seconded by John Cunningham, the Board voted to adopt the Administrative Services Agreement between CVEC and Barnstable County. Approved 6-0-0*

#### IX. Update on CES/CVEC PV Project

M. Downey stated that everyone has the latest version of documents, and that ConEd is ready to sign. She stated that the documents have to be signed in a specific order. ConEd will do site visits, and then do a press conference at the site to roll out the program. B. Worth stated that the Harwich School Committee and the Board of Selectmen are on board with the PV project at the Elementary School. M. Downey stated that CVEC can only benefit its members, and that they would need \$100 million to put PV panels on all the roof space that has been identified. She stated that she would get the schedule of the next steps to the Board of Directors.

#### X. Town of Brewster Wind Project

A. M. Downey stated that she interviewed Ron Collins, and was impressed with his abilities. She stated that he has already attended a Brewster wind meeting. She stated that he was concerned with being classified as a consultant as the liability insurance is too great. M. Downey stated that he would work for \$40/hr, part-time (19 hours), and that he currently works in Orleans as a project manager with the DPW. J. Cunningham stated that he introduced him to the Energy Committee at the wind meeting.

*On a motion by Charles McLaughlin and seconded by Peter Cabana, the Board voted to rescind the vote from March 27, 2009 to hire an outside consultant. Unanimously approved.*

*On a motion by Margaret Downey and seconded by Charles McLaughlin, the Board voted to hire Ron Collins on a temporary, part time (19 hours) basis, not to exceed 6 months through the Administrative Services Agreement with Barnstable County, and not to exceed \$24,999.*

M. Zielinski stated that the County would bill CVEC for the costs associated with the employee. M. Downey stated that he will work from home, so there is no overhead costs, and that all he has asked for are business cards and an email address. C. McLaughlin asked if he would be reimbursed for travel expenses.

*Amendment: To pay reimbursements for travel expenses, which is to be included in the not to exceed \$24,999. When the fund has been depleted, then his services will end.*

*Margaret Downey and Charles McLaughlin accepted the amendment.*

*Unanimously approved as amended.*

B. J. Cunningham stated that the Energy Committee accepted the Black and Veatch study. The Committee voted to recommend 4 sites to the Board of Selectmen, with up to 4 turbines. He stated that they should go with 2 turbines. The town will have to hold several public hearings to get the input on site selection, and that it is important for the Energy Committee to get the Board of Selectmen to support this. M. Downey stated that she wants a letter from the Selectmen that this project will be developed through CVEC, and recognizing that the lease still has to go through Town Meeting. She stated that she would draft a letter for the town. J. Cunningham stated that he is concerned that the town will not say anything until agreements and the price are negotiated. M. Downey stated that the next stage to cover permitting costs is to go to MTC.

#### XI. Review Status of New Members and projects

M. Downey stated that the Falmouth Town Meeting voted to join CVEC, and that Bourne and Provincetown were working on it. She stated that Sandwich, Mashpee, Yarmouth, Orleans, Eastham and Truro would be taking it up at the upcoming Town Meetings.

## XII. Other Business

### A. Business Plan

M. Downey and M. Zielinski stated that they are working on the Business Plan.

### B. Handling Requests from Outside Entities re: joint projects

C. McLaughlin suggested that they wait 6 weeks or so for more members, and then have a subcommittee to interview the companies. P. Cabana suggested inviting one of the groups in at the end of the next meeting to see what they have to say.

## XIII. Next Meeting Date

### A. Selecting set date for meetings

M. Downey stated that they should pick a consistent day of each month to meet. The Board decided on the third Thursday of every month at 9:30 am. The next meeting will be on Thursday, May, 21, 2009 at 9:30 am.

### B. Meet as Directors or Executive Committee

C. McLaughlin said to post the meeting as all directors, until more members are on board.

## Other Business

M. Downey gave an update on NRECA, and showed a sample of letterhead that was created for CVEC.

B. Worth stated that the annual land and wind seminar was held last Friday by Waquoit Bay National Estuarine Reserve. He had gone to give an update on CVEC, and showed up before the afternoon presentations were given and had told M. Amsler that he was there. He was not allowed to give an update to the large group, only to about 10 or 15 people after everyone had left for the day.

P. Cabana stated that they need to discuss off shore wind generation.

C. McLaughlin asked for a list of the current Board of Directors.

*On a motion by E. Mark Zielinski and seconded by Peter Cabana, the Board voted to adjourn the meeting at 2:40 pm.*