

Cape & Vineyard Electric Cooperative Meeting of the Board of Directors
Meeting Minutes
March 25, 2010

Members Attending: E. Mark Zielinski, Martin McDonald, Maggie Downey, John Cunningham, Michael Richardson, Peter Hefler, Peter Cabana, Charles McLaughlin, Kitt Johnson

Lindsay Stranger, Joe Soares, Ron Collins, Audrey Eidelman and Jeff Bernstein were present.

Public Present: none

The thirtieth meeting of the Board of Directors of the Cape & Vineyard Electric Cooperative convened at 9:35 am.

M. Downey opened the meeting, in the absence of the President, and determined that the Board will meet as Executive Committee, as there was no quorum present to meet as a whole.

D. Gardner listened to the meeting via phone, and did not participate.

I. Meeting Minutes- 2/18/10

On a motion by Mark Zielinski and seconded by John Cunningham, the Board voted to approve the meeting minutes of February 18, 2010, as amended. Approved 3-0-0.

II. Executive Session Minutes – 12/17/09 and 1/28/10

On a motion by Mark Zielinski and seconded by John Cunningham, the Board voted to approve the Executive Session minutes for 12/17/09 and 1/28/10. Approved 3-0-0.

III. Membership Application

M. Downey stated that she received the application, but is waiting for the check for membership fee. She announced that Heather Harper will be the Director for Falmouth. *On a motion by John Cunningham and seconded by Mark Zielinski, the Board approved the membership application for the Town of Falmouth, pending the receipt of the membership fee, with Heather Harper as the Director for Falmouth. Approved 3-0-0.*

M. Downey mentioned that Chatham placed joining CVEC on the upcoming Town Meeting warrant

C. McLaughlin arrived at 9:43 am.

IV. Treasurer's Report

M. Zielinski stated that he is working on revising the pro-forma for Brewster and Harwich. CVEC received a lesser amount from the MTC grant, than what they had modeled. The prices for later years are not able to be decreased as much as it originally was, due to some assumptions changing. He stated that the preferred financing model right now is CREBS.

He presented the updated Treasurer's Report to the Board.

J. Bernstein stated that the price for towns will be reviewed annually based on previous year's results.

K. Johnson arrived at 10:04 and M. Downey stated that they are now meeting as Board of Directors as there is a quorum present.

V. Member Net Metered Power Sales Agreement

- A. J. Bernstein stated that most of the document is identical to the Host Community Power Purchase Agreement. Cape Light Compact gets 10% of production, the host community gets a percentage of the load up to 90%, and the remaining percentage is divided up among the rest of the members. P. Cabana wants an incentive for the towns for implementing Energy Efficiency measures, etc. K. Johnson would like an agenda item on CVEC's role on additional incentives for members reducing electric consumption. M. Downey stated that she would put this on the next meeting. J. Bernstein reviewed an example of allocation of electricity for Harwich. K. Johnson stated that the towns would end up paying more if they try to do the turbine themselves. Trying to separate special benefits will be difficult. M. Zielinski prefers a percentage rather than a specific number. K. Johnson stated that he is having a hard time following the discussion as there are no visuals available. This is a complicated topic and he needs numbers. C. McLaughlin asked that in the event there is underproduction, does the host community get the entire output, and is the host locked into the percentage even if their usage increases. M. Downey stated that for this project the host is locked into the percentage based on what the usage was at the time of contract execution. P. Cabana wants to use percentages. J. Cunningham stated that the host community should have the load taken care of. M. McDonald mentioned that the perception of the towns is that their full load will be taken care of. M. Downey stated that they need to get input from Brewster and Harwich on these issues regarding usage and percentage. The discussion was tabled until the next meeting for more information and meeting with the towns.
- B. M. Downey stated that the Town of Orleans has to take the Member Power Purchase Agreement to Town Meeting for a vote.

VI. MA Clean Energy Center Grants

M. Zielinski stated that they have asked the Clean Energy Center (CEC) that the \$200,000 award be used for design and engineering services. He has a letter in to Martha Broad at CEC.

XIV. Other Business

C. McLaughlin stated that they should think about getting legislation allowing CVEC projects from being exempt from OKH oversight, and need to think about getting this done for potential future projects.

VIII. Brewster and Harwich Wind Projects

- B. *On a motion by Kitt Johnson and seconded by Peter Cabana, the Board voted to assign the CREBS allocation for CVEC to MA Development. Approved 8-0-0.*

M. Richardson left at 12:25 pm.

- A. M. Downey stated that Weston & Sampson's 2 main priorities are to finalize the sites for both projects and then work on the other tasks listed on the Scope of Work.
- C. M. Downey stated that they have done everything as requested for the RUS application and will need to set up a meeting with RUS to make sure everything is complete.
- D. M. Downey stated that Liz Argo worked in collaboration with other companies who bid on the Request for Qualifications. She has put a proposal together for community outreach etc for CVEC. The budget consists of maintaining the website, assistance with community forums for a total of \$10,180.
*On a motion by Peter Cabana and seconded by Mark Zielinski, the Board voted to enter into a contract with Liz Argo to perform the scope of work identified in her proposal for 1 calendar year, with a not to exceed amount of \$10,180.
The Board amended the motion for a not to exceed amount of \$12,000 for community outreach.
Approved 8-0-0.*

IX. Harwich Wind Project

- A. M. Downey stated that they will be holding a community wind forum on Saturday 4/17 at the Harwich Community Center. She will ask Jim Merriam if he wants BCK at Town Meeting on 5/3.
- B. M. Downey stated that the sites for the turbines are being finalized by Weston and Sampson.

X. Brewster Wind Project

- A. M. Downey stated that the site is being finalized by Weston and Sampson. The Board held a discussion regarding the cell phone tower.
- B. M. Downey stated that Town Meeting is on 5/3. J. Cunningham will ask Charlie Sumner if he wants BCK there.

XI. PV Project

- A. R. Collins stated that 4 of 8 projects are complete. Both Eastham projects are online, and both of the Brewster projects are waiting for NSTAR. He had a meeting regarding the Dennis DPW building, because they need to reinforce the steel roof for the PV panels. He reported that they are still waiting for a letter from the Cogen company for the Barnstable High School. Barnstable and Harwich are engineered systems, and are about a month away from receiving the systems.
- B. M. Downey asked a third party to evaluate our PV contracts and make sure that they were financially beneficial. The consultant gave suggestions for future transactions.
- C. M. Downey stated that they are looking at 2 pieces of property for ground mounted PV, 1 is in Mashpee, and 1 in Provincetown. She told the Board that they should think about RUS financing with an investor who would use the tax equity credit. She stated that they are looking into the cost of ground mounted PV and will analyze the economics. She mentioned that they can still pursue ConEdison *Solutions* for Phase 2, but the Terms and Conditions may change. C. McLaughlin wants the tax equity package discussed at the next meeting, so that they can start looking for investors.

On a motion by Mark Zielinski and seconded by Charles McLaughlin, the Board voted to authorize BCK to do a legal analysis for procurement procedures for PV and to put a plan and budget together for tax equity to implement those projects, with a not to exceed amount of \$3000. Approved 7-0-1, with Kitt Johnson abstaining.

XII. Executive Session

A. *On a motion by Peter Cabana and seconded by John Cunningham, the Board voted to go into Executive Session at 2:04 pm for the purpose of discussing power supply contract negotiations and sale or value of real property and to return to open session, and allow Jeff Bernstein, Audrey Eidelman, Joe Soares, Lindsay Stranger, and Ron Collins to be present.*

On a motion by John Cunningham and seconded by Mark Zielinski, the Board voted by roll call to return to open session at 2:19 pm.

B. M. Downey stated that Upper Cape Technical High School got a wind turbine to only serve their load, and is going through a local bank for financing, as they have a CREBS allocation. They have asked if CVEC would be interested in discussing financing their turbine and in turn they would consider giving CVEC a lease of land for 1 additional turbine. CVEC could build up to a Vesta V90. If CVEC wanted to proceed they would sign a Letter of Intent with Upper Cape Tech. P. Cabana is in favor of this. K. Johnson asked if there was anyway that Upper Cape Tech could put a hold on our turbine, and if so he doesn't want to pursue. C. McLaughlin stated that it must be a binding comprehensive package. M. Downey stated that CVEC would have to do its own analysis and permitting for the turbine. M. Zielinski stated that the lease amount should be nominal.

XIII. Electric Account Verification

M. Downey repeated again that the Directors need to verify their municipal electric accounts.

XIV. Other Business (continued)

C. McLaughlin stated that there is private property next to the Town of Barnstable landfill that is being offered to the Town for renewable energy use. He would like an agenda item for offshore wind, for a future CVEC meeting.

P. Cabana suggested that CVEC meet with the MV Commission and Cape Cod Commission to see what everyone is working on.

XIII. Next Meeting Date

M. Downey asked the Board if they could reschedule the April meeting to April 29th.
Next meeting 4/29 at 9:30 am.

On a motion by Peter Hefler and seconded by Kitt Johnson, the Board voted to adjourn the meeting at 2:30 pm.