

Cape & Vineyard Electric Cooperative Executive Committee
Executive Session Minutes
August 19, 2010

Members Attending: E. Mark Zielinski, Martin McDonald, Maggie Downey, John Cunningham, Kitt Johnson, Paul O'Keefe, Barry Worth, Peter Cabana, Charles McLaughlin, Peter Hefler, John Scott (voted in at this meeting)

Lindsay Stranger, Joe Soares and Jeff Bernstein were present.

Public Present: Richard Elrick, Mark Forest, David Anthony

On a motion by Barry Worth and seconded by Peter Cabana, the Board voted by roll call to go into Executive Session at 9:44 am for the purpose of discussing confidential and proprietary information related to power supply negotiations, to return to open session, and to allow Jeff Bernstein, Joe Soares, Lindsay Stranger, Mark Forest, Richard Elrick and David Anthony to be present.

Proposed Ground Mounted PV at MMR

M. Downey stated that the draft document for the Massachusetts Military Reservation proposed PV project, is not a public document. She stated that M. Forest is working with MMR on renewable projects and called her to see if CVEC would be interested in the project. M. Forest said that the military base is very expensive to run and that there are a lot of opportunities for renewable projects. At some point there could be 4-6 more wind turbines on the north side of the base. Currently, there is interest in an 8.6 MW ground mounted PV project. He stated that the landfill is capped and would like to situate the PV on it. M. Downey made it clear to MMR that CVEC is a cooperative and would need to bring this back to the board, which is why it is being discussed today. She mentioned that this would be good for RUS, for CVEC long term business plan.

S. Gavin stated that the business that he works for may bid on this project, and asked if he should recuse himself. J. Bernstein said yes, but that he could stay in the meeting with no participation or voting. S. Gavin recused himself from discussions and voting, and remained present in the room.

M. McDonald asked who would own the project and would CVEC sell the power to MMR. J. Bernstein explained the tax benefits and Solar REC's. He stated that CVEC could finance the projects and lease it to a private developer, or they could have a pre-paid service contract, which is better for tax credit benefit. M. Zielinski asked how much power the base needs. M. Forest stated that they need just under 5 MWh a year. M. Downey stated that they are also planning on installing more turbines, which would decrease their usage. NSTAR, currently, is at the cape for net metering applications. M. Forest stated that the base is one of the most expensive bases to run in US, and the most expensive cost is electricity. They are hoping to fund this project without using military and other government funds. He would like to aggressively pursue this. M. Forest mentioned that he knows the federal people well, as they have worked on several projects together. M. Zielinski stated that he is enthusiastic about the project. He will probably ask the entity to sign a Letter of Intent, so that CVEC doesn't do all of the work to have someone else get the project. C. McLaughlin stated that he is concerned about the legal costs associated with this, and inquired about getting a grant from the feds etc.

On a motion by Peter Cabana and seconded by Peter Hefler, the Board voted to authorize staff to work on the analysis of the PV project and present to the military in September. Approved 10-0-0, with S. Gavin recusing.

M. Forest left the meeting

Town of Barnstable Ground Mounted PV Project

M. Downey stated that she has been contacted by several towns, which have had developers contact them regarding renewable energy projects.

M. Zielinski stated that CVEC needs to make sure that a Letter of Intent is signed when analyzing potential projects with towns, to protect CVEC. M. Downey stated that net metering needs to work in order for these projects to work. J. Bernstein stated that there are a couple of different options for the RFP. He stated that there could be a liability protection for the town through CVEC, if net metering is not available. Erin O'Toole believes that an RFP could be issued in September, with an award in November. C. McLaughlin wants to know what is better for the town, doing a project on their own, or going through CVEC. J. Bernstein said that there is a lot of risk involved if the town does a project on its own. If CVEC does the project, then they assume the risk. M. Downey stated that they have an existing RFP with ConEdison *Solutions* because the RFP issued last year included 2 phases of PV installations. M. Zielinski mentioned that the roof mounted PV was a lot of work, for not a lot of return, but wants to pursue the landfills systems. M. Downey has a few towns that have approached her for ground mounted PV systems on landfills.

RFP Strategy

M. Downey stated that one option is for a developer to lease the property and then the developer would finance the project. The second option is for CVEC to buy project after operation with RUS financing. C. McLaughlin wants a package on PV sent out days before the next meeting, to allow time for review. M. Downey asked the Board members to go back to their town and see if there is any interest in participating in a CVEC wide RFP for ground mounted PV on a landfill or other large open space.

Cape Wind

M. Downey stated that the Executive Committee met this morning on Cape Wind. They voted that CVEC considered the proposal in good faith and that they cannot finance or net meter the project. She will contact Cape Wind with that vote.

On a motion by Mark Zielinski and seconded by Peter Hefler, the Board voted by roll call to come out of Executive Session and return to open session at 11:55 am .