

Cape & Vineyard Electric Cooperative Meeting of the Board of Directors

Meeting Minutes July 21, 2011

The Board of Directors of Cape & Vineyard Electric Cooperative, Inc. met in Regular Session on Thursday, July 21, 2011 at 9:35 a.m. in Conference Room 11/12 at the Barnstable Superior Courthouse, 3195 Main Street, Barnstable, Mass.

Present were: Charles McLaughlin, President, Barnstable
Mark Zielinski, Treasurer, Barnstable County
Maggie Downey, Clerk, Cape Light Compact
Barry Worth, Director at Large, Harwich
John Cunningham, Director at Large, Brewster
S. Kitt Johnson, Edgartown Director
Martin McDonald, Eastham Director
Peter Cabana, Dukes County Director
Bill Straw, Tisbury Director
Paul O'Keefe, Bourne Director
John Scott, Chatham Director
Steve Gavin, Yarmouth Director
John C. Checklick, Falmouth Director

Counsel Present: Jeff Bernstein, Esq. BCK Law

Staff Present: Ron Collins, Project Manager
Karen Loura, Administrative Assistant
Liz Argo, Consultant

Absent: Richard White, Dennis Director
Michael Richardson, Mashpee Director
John Jannell, Orleans Director
David Gardner, Provincetown Director
Tim Twombly, W. Tisbury Director
Vacant, Sandwich Director

Others Present: Richard Elrick, Barnstable Energy Coordinator
Preston Ribnick, Wellfleet resident

1. Public Comment

P. Ribnick said he changed his attitude about Wind Energy due to evidence that turbines cause adverse health effects. He asked CVEC to be more inclusive. He requested that CVEC to look at evidence in an article he agreed to email to someone.

2. Approval of Meeting Minutes:

The Board reviewed the following Meeting Minutes:

- March 17, 2011 Executive Session Meeting Minutes,
- April 21, 2011 Executive Session Meeting Minutes
- June 16, 2011 Regular & Executive Session Meeting Minutes.

Executive Session Meeting Minutes will be considered for acceptance during Executive Session.

June 16, Regular Session Meeting Minutes

The Board agreed to make corrections in attendance to reflect that John Scott as absent, Ed Lewis, Peter Norton and Charles Sumner are from Brewster not Harwich and remove names from the roll call vote to enter into Executive Session because they do not have voting authority and to add Steve Gavin who was present and voting.

K. Johnson moved the Board vote to accept the June 16, 2011 Open Session Meeting Minutes as amended, seconded by J. Cunningham. With no further discussion, the Board voted unanimously in favor with J. Checklick abstaining.

3. Presentation on CVEC Financial Statements for the Period of Inception through June 30, 2010 by Chris Rogers, Sullivan & Rogers.

Chris Rogers then provided an overview of the CVEC Financial Statements. He said this was CVEC's first audit since its inception on 9/12/07. Information was provided timely and was well organized. He said it was a very smooth 1st audit. Only receipt of a letter from the Board remains before the final, bound statement is issued.

Chris Rogers explained the difference between GASB (audits built upon a government's basis of accounting) and FASB (all/full accrual accounting). CVEC will follow FERC Chart of Accounts System even though it is not required to. Atty. J. Bernstein requested a note be made to indicate it is not required.

4. Phase I Ground Mounted PV Project Update

M. Downey provided a contract status update on each of the 7 Towns participating in Phase I. Edgartown (3) sites, Brewster, Chatham, Eastham, and Harwich are done. Tisbury's legal description will be completed tomorrow and Barnstable is pulling together documents needed.

Barnstable, Tisbury and Edgartown need to identify a "day-to-day" contact person and submit the person's name to M. Downey. .

The Town will be named on the Permits as the landowner. DEP requires all of its' permits to be signed by the Town. It is a requirement of DEP for landfills. CVEC reviews all permits prior to filing.

CVEC reviewed the timeline for Edgartown Pennywise. Atty. Bernstein informed the Board the documents are not public until all Towns are complete.

K. Johnson said he hopes Barnstable and Tisbury will be signed by 7/25/11 and he gave a brief history of the Katama Farm land.

5. Other Communications

C. McLaughlin raised the issue of the Assembly of Delegates and their role in CLC & CVEC oversight. Their recent vote taken was insufficient to be a majority. There has been a request from the County Commissioners to host an informational workshop which he supports adding CVEC needs to clear the air.

C. McLaughlin recommended the credentials of the volunteer members of CVEC be assembled and that the Cape Light Compact be invited to answer any questions from the Delegates.

Atty. Bernstein informed the Board that an Ethic's Ruling is pending which may possibly be received in the fall.

C3TV will televise M. Downey & C. McLaughlin on The Journal on Sunday. Other radio broadcasts were listed.

C. McLaughlin said Water Districts and DY High School are looking to participate in Phase II Solar Project. He suggested CVEC reach out to involve Water Districts.

M. Zielinski raised the topic of "remote participation" at meetings. We are awaiting regulation promulgation from the Attorney General. M. Zielinski said he will write comments from the County and also from CVEC and he recommended the Directors also look at it for their towns.

There was discussion about Phase I Ground Mounted systems and the revenue flow and possible scenarios.

Assuming Nstar cashes out, when net-metering check is received, will CVEC net out PPA and send reconciliation statement.

K. Johnson understood CVEC would switch to issue a net check to the Towns with a reconciliation statement.

Atty. Bernstein said CVEC could advance invoice Town.

K. Johnson asked for a plan to have working capital; determine amount needed for a float and determine how to fund it.

M. Downey said the topic of funding will be on the August Meeting Agenda for the Board to determine which of the potential funding sources to pursue.

Brewster & Eastham have projects below 1MW and are class 2 (60-999 kW) generators. Nstar was asked and they said the regulations are the regulations. The Board considered

allocation.

M. Zielinski said he prefers that it be allocated.

M. Downey asked if CVEC would like Brewster to ask Counsel to write to DPU asking to be cashed out. M. Zielinski said we have to be cognizant of our resources and be sensitive about them within the budget. CVEC came to the consensus that DPU would be asked if Brewster & Eastham could be treated as Class 3 for the purpose of calculating the net metering credits. Nstar has chosen to cash out. ACE will bill CVEC for kW and CVEC will receive a statement from Nstar.

P. O'Keefe asked who the DOER-required, independent verifier is for this project. M. Downey said it is ACE's responsibility on this project.

S. Gavin mentioned a 2nd wind tower for pave paws erected in the vicinity of the Sagamore Bridge.

6. Proposed Executive Session

At 11:50 K. Johnson moved to enter into Executive Session pursuant to MGLA Chapter 30A, Section 21 (a) 3 and Section 10, seconded by P. Cabana and voted unanimously in favor by roll call vote. Counsel & Staff were authorized to remain.

Respectfully submitted,

Karen E. Loura
Administrative Assistant