

Cape & Vineyard Electric Cooperative
Meeting of the Executive Committee
Executive Session Meeting Minutes
May 23, 2012
10:08 a.m.

Present were: Charles McLaughlin, President/Director/Executive Member, Barnstable
E. Mark Zielinski, Treasurer/Director/Executive Member, Barnstable County
Maggie Downey, Clerk Director/Executive Member, Cape Light Compact
Peter Cabana, Dukes County Director
John Checklick, Falmouth Director/Executive Member
Barry R. Worth, Harwich Director at Large/Executive Member
John Jannell, Orleans Director

Counsel Present: Jeff Bernstein, Esq. BCK Law

Staff Present: Ron Collins, Project Manager
Liz Argo, Consultant
Barbara Austin, Administrative Assistant

Absent: Paul O'Keefe, Bourne Director
Chuck Hanson, Brewster Director
John Scott, Chatham Director
Martin McDonald, Eastham Director
David Gardner, Provincetown Director
Steve Gavin, Yarmouth Director
Richard White, Dennis Director
Vacant, Edgartown Director
Michael Richardson, Mashpee Director
Bill Straw, Tisbury Director
James Killion, Sandwich Director
Steve Gavin, Yarmouth Director
Tim Twombly, West Tisbury Director

A. Round II PV Procurement Strategy Discussion (confidential and competitively sensitive information), if needed.

E. Mark Zielinski discussed the memo from John Jannell and the Town of Orleans regarding the Request to Modify Orleans Landfill Power Sales Agreement.

John reported 3 items requested by the Town:

1. Right of Ownership
2. Legal changes of Warranty and Default Clause
3. Copy of CVEC's contract agreement with Broadway

John stated that items 2 & 3 are details however; the right of first refusal was the town's main concern.

The Executive Committee along with Jeff Bernstein discussed and agreed there are no issues with the requests from the Town of Orleans.

10:10 Maggie Downey arrived.

Further discussion was made on transaction costs and the need for CVEC to preserve the adder. The option to purchase the PV system on the 7th, 10th, 12th or 15th anniversary of the effective date of the EMS Agreement was also discussed.

E. Mark Zielinski shared it would be acceptable to replicate the language of the Town of Barnstable agreement for the Town of Orleans.

E. Mark Zielinski motioned the Executive Committee to vote to approved counsel to finalize and approve the language to replicate the Town of Barnstable language for the Town of Orleans agreement, seconded by Barry Worth, approved 5-0-0.

Jeff Bernstein and the Executive Committee discussed Broadways request to include an additional right in their agreement which includes that in the event CVEC defaulted, Broadway can step in to CVEC's shoes and collect from the individual town members. Broadway also want section 2.1 of the PDA put back in the agreement for financial purposes.

Charles McLaughlin moved, that the Executive Committee authorize the President and Clerk to execute a Power of Attorney to the EMS Agreement which includes limited rights on the part of Broadway and its successors and assigns to act as attorney-in fact in the case of a CVEC default with respect to Sections 3.1 (Sale and Purchase), 3.2 (Take-or-Pay for Net Energy Delivered to Point of Delivery) and 6.2(e)(Buyer's Obligations - Net Metering) of the Inter-Governmental Net Metered Power Sales Agreement between CVEC and host towns and also with respect to Section 2.1 (Leased Premises) of the Inter-Governmental PDA and that such rights to act as attorney-in-fact continue for the remainder of the period while CVEC is in default under the EMS Agreement, seconded by Barry Worth, approved 5-0-0.

E. Mark Zielinski reported that he and Audrey met with NStar and presented how CVEC works regarding allocation and its members. Mark said the meeting went well and NStar was

sympathetic to CVEC's needs and issues. NStar realized if they move forward with allocations it will be a huge undertaking for them.

Ron Collins shared that ACE wants movement from NStar.

Jeff reported Audrey will schedule a meeting with NStar on the interconnection issue.

Motion to adjourn made by Maggie Downey at 11:17 a.m. and seconded by Charles McLaughlin.