

Cape & Vineyard Electric Cooperative, Inc.

EXECUTIVE COMMITTEE MINUTES

REMOTE MEETING VIA ZOOM

Thursday, February 24, 2022 08:30 AM

1. Call to Order

a. Roll Call & Identification of persons attending remotely

CVEC's President Lake called the meeting to order at 8:30 am.

Roll call: Present: William Lake, President; Jennifer Rand, Vice President; Charles McLaughlin, Barnstable; Mark Forest, Barnstable County; and Mariel Marchand, Cape Light Compact.

In attendance: Maria Marasco, Executive Director. Bill Straw, Tisbury. (left meeting at Item 3). Melinda Loberg, Tisbury (left meeting at end of public session). Jennifer Cook, CLA (left meeting at conclusion of presentation).

Admitted as member of public and removed upon is exposing himself: Taylor Jones, unknown, entered the meeting during the CLA presentation and was removed during meeting for abusive behavior. [CVEC reported the adult content abuse to Zoom on 2.23.22.]

b. Public comment

There was no public comment.

The Chair tabled Items 2 and 3 to proceed to Item 4a.

FY 21 Audit, Item 4,a: Jennifer Cook, Signing Director, State and Local Government, for Clifton Larsen Allen presented the final audit comments to the Executive Committee. A copy of the presentation is incorporated by reference into these minutes.

Tisbury Landfill, Item 7, a: William Straw and Melinda Loberg representing Tisbury's Climate Committee indicated that they would like to explore the purchase options available to the Town which become available at the termination the corresponding EMS and other related contracts. If CVEC does not exercise its purchase option, the town may exercise. President Lake recommend forming an advisory committee to consider the multiple purchase options coming up in 2024 and beyond until contract termination. The Executive Director stated that a good deal of research had already been started to provide the Advisory Committee with a good foundation.

2. Approval of Minutes

a. Executive and Finance Committee Minutes- November 23, 2021

Upon resuming the agenda, President Lake tabled the approval of these minutes.

3. President's Report

a. New CVEC Directors

President Lake noted that Dion Alley has replaced Richard Toole as Oak Bluffs Director and Bill Straw will replace Jay Grande. He indicated that there are still director vacancies for Eastham, Harwich and Yarmouth.

b. Board meeting schedule, and Special Meeting for Board of Directors

President Lake indicated that at the Annual Meeting, the full board did not approve a meeting schedule, and that by calling a special meeting, the full board could then meet and determine its schedule.

Upon a motion by Jen Rand and a second by Charles McLaughlin, the board approved the following:

To call a special meeting of the CVEC Board of Directors for the purpose of scheduling a Spring meeting April 21, their establishing a future schedule, as well as any other items by the members calling the meeting to order as permitted under CVEC By-law S. 3.3.

W. Lake- yes, J.Rand-yes, C. McLaughlin, Mark Forest-yes, Mariel Marchand-yes.

c. DPU 22-22, NSTAR rate hike proposal

President lake stated that he, C. McLaughlin and M.Marasco have scheduled a meeting with Eversource on February 28th to inquire about the impacts of the proposed rate hikes under the above-captioned Notice. He indicated that it was too late for CVEC to file a petition to intervene, but could file a late petition, but not too late

to file comment. M. Marchand stated that CLC is working with consultants regarding the impact of the filings, and C. McLaughlin stated that Barnstable has a consultant as well.

d. Strategic Planning Opportunity

President Lake stated that CVEC is a member of the National Rural Utilities Cooperative Finance Corporation (CFC) which offers strategic planning facilitation services. He and M. Marasco will have an initial call to define the scope of the facilitation, and CVEC intends to schedule a 1-day planning session before July, based on proposed dates of CFC's availability.

e. CVEC Legal Representation

President Lake stated that BCK Law is winding down its operations and that Erin O'Toole and Audrey Eidelman Kiernan, et al., have started a new firm KO which will be representing CVEC.

4. Treasurer's Report

a. FY 21 Audit- Presentation by Clifton Larsen Allen

See item above.

b. FY 22 Financial Statements as of 12.31.21-

M.Marasco presented CVEC's 12.31 21 financial statements and indicated that she will present these on a quarterly basis to better reflect the timing variants that CVEC has with respect to its purchase power costs. She reviewed the actual versus budget numbers indicating that the income from the battery project is delayed until Eversource approves and Ameresco completed the project, that Legal Fees for Round 6 are over budget due to significant revisions of CVEC's existing contracts and underestimation of costs, and that many accounts are well under budget.

She continued with giving the Committee an overview of CVEC's banking relationship and indicated that CVEC would be shifting ACH transactions to Cape Cod Five to consolidate activities. Greenskies has agreed to amend the Control Deposit Agreement to move funds to Cape Cod Five, and staff will be working out the details.

c. Banking Resolution: Cape Cod Five Cent Savings, TD Bank, Eastern Bank

M. Marasco advised the Committee that Eastern Bank wanted evidence of the Executive Director's authority to administer the Escrow Agreement among Century Bank (predecessor to Eastern; G&S Solar Installers and CVEC relative to the decommission funds for Round 2. CVEC's clerk has already certified CVEC's By-laws relative the Executive Director's authority to act. The new resolution amends the prior banking resolution to replace Century with Eastern Bank, and to clarify CVEC's ability to properly administer the Escrow Agreement for which the named parties have changed, G&S no longer exists, systems have been assigned and not accounted for, and the funds are not up to date.

Upon a motion by J.Rand and second by C.McLaughlin, the Committee approved the following:

To reauthorize Bill Lake, President and Robert Wirtshafter, Treasurer as CVEC' authorized banking representatives and to authorize M. Marasco to administer the banking relationships, including the Escrow Agreement with Eastern (formerly Century) Bank.

W. Lake-yes; J. Rand-yes; C.McLaughlin-yes; M. Forest-yes; M. Marchand-yes.

5. Director's Report

a. CVEC Operations

M. Marasco encouraged the Committee to look at the new website design and provide to her suggestions for content. CVEC issued a January newsletter to its directors and will be issuing another in March.

With regard to the ongoing improvements to the accounting systems. M. Marasco indicated that she has taken a hands-on approach as well as reached out to Eversource for example, to help resolve issues identified in the audit, such as the bulk deposit and transfer of ACH cash-out projects. Eversource has been helpful to provide detail.

CVEC is working with them and its bank to ensure that Eversource's back-up detail actually reaches CVEC.

With regard to CVEC's databases, M. Marasco stated she continues to untangle the many data repositories that CVEC uses to make its project calculations before entering that data into Quickbooks with the goal to have all the data accessible in a real-time basis. She stated that with some thought, she has been able to adapt the QB system

and to make reports and billing documents more customer friendly. In addition, CVEC is transitioning from USPO mailing to email, saving time and money, and hopefully being more customer friendly.

b. FY 21 Annual Report

M. Marasco stated that she will incorporate the final audited financial statements into the draft and asked the committee to provide any comments or edits to the report which

c. DOER Grant/DYRSD DY Highschool Project

M. Marasco stated that Ameresco and CVEC are still awaiting approval from Eversource but is hopeful that they will approve a solution to prevent the use of a recloser (due to the size of the solar PV and battery systems) which would allow Eversource to shut off electricity to the school. She is hopeful that the approval is imminent. President Lake said given the scope of the project, a dedicated advisory committee, along with himself and M. Marasco, would be useful.

Upon a motion by C. McLaughlin and second by J. Rand, the Committee approved the following:

To authorize a DOER Grant/DYRSD Battery Advisory Committee.

W. Lake-yes; J. Rand-yes; C. McLaughlin-yes; M. Forest-yes; M. Marchand-yes.

6. Project Reports

a. Status of Rounds 4, 5 and 6 Projects, including projects in Utility Distribution Studies

M. Marasco raised concerns about the potential of very high interconnection costs for the R4 and 5 projects in Eversource's distribution studies. J. Rand stated that CVEC alone should not bear any additional costs. C. McLaughlin inquired and M. Marasco responded that she attended the last study meeting and capital costs were estimated per project, including substation and wire upgrades, with average costs estimated at \$500/ kW AC. As soon as the final costs for each project are determined, CVEC will work closely with developers and those affected towns to keep the projects viable. C. McLaughlin recommended a peer review of those additional costs.

b. Oak Bluffs Elementary School, Ratification of PPA Amendment and Consent to Collateral Assignment

To accommodate the extended final construction phase for the Elementary School Solar PV and battery project, as mutually agreed to by both the Town and Greenskies in writing and received by CVEC, the Committee approved the following;

Upon a motion by J. Rand and second by C. McLaughlin, the board approved the following:

To ratify execution of the 3rd Amendment to the PPA and the related Consent to Assignment for the Oak Bluffs Elementary School solar PV and battery project by CVEC's President and Clerk on or about 2.17.22.

W. Lake-yes; J. Rand-yes; C. McLaughlin-yes; M. Forest-yes; M. Marchand-yes.

c. Decommissioning Rounds 2 & 3

The materials provided the Committee are incorporated by reference.

7. Other Business

a. Town of Tisbury Purchase Option Rights for Tisbury Landfill

See item above.

b. Other Purchase Option Rights

See item above.

c.

d. Other

There were no other items discussed.

8. Executive Session

a. Roll call vote and notice of reconvening/adjourning.

President Lake announced that the board would go into Executive Session for the following items and would not reconvene in open session. He further stated that the exemption under section is being utilized because the Committee intends to discuss "confidential, competitively-sensitive or other proprietary information as an energy supplier" and that public disclosure at this time would have an adverse effect on CVEC's ability to conduct its business.

- b. Executive Session Minutes, November 23, 2021
- c. Discussion of matters conducted by a cooperative consisting of governmental entities organized pursuant to section 136 of said chapter 164, pursuant to MGL c. 30A, s. 21 (a) 10
 - 1. Round 6 contract negotiations
 - 2. Opportunity to advance renewable energy projects, Vineyard Power Cooperative, Inc.
- d. Discussion of matters relative to litigation if an open meeting may have a detrimental effect on litigation position, pursuant to MGL c. 30A, s. 21 (a)3, IT Project
With only Committee members and the Executive Director remaining on the call and upon a motion by J. rand and second by C.McLaughlin, the Committee voted to enter into Executive Session to discuss the items above under the applicable exemptions and to reconvene in open session only for the purposes of adjourning the meeting.
W. Lake-yes; J. Rand-yes; C.McLaughlin-yes; M. Forest-yes; M. Marchand-yes.

9. Adjournment

Upon a motion and second, the Committee voted to adjourn immediately after adjourning from Executive Session.
W. Lake-yes; J. Rand-yes; M. Forest-yes; M. Marchand-yes.

Approved 4.14.22

Deemed a public record: _____