

Cape & Vineyard Electric Cooperative, Inc.
EXECUTIVE COMMITTEE AND FINANCE COMMITTEE MEETINGS
OPEN and EXECUTIVE SESSION MINUTES
Thursday, December 7, 2023 ZOOM

1. Call to Order

a. Roll Call & Identification of persons attending remotely though Zoom

William Lake called the meetings to order at 8:32am

Executive Committee: Bill Lake-present, Alanna Nelson-present, Mariel Marchand,-present

Charles McLaughlin-Absent, Mark Forest-Absent

Finance Committee: Charles McLaughlin-Absent, Bob Wirtshafter-Present, Chuck Hanson-Present

b. Public comment

None.

2. Approval of Minutes, Executive Committee & Finance Committee 9.7.23

Upon a motion a second, the committees voted to approve the public meeting minutes.

Executive Committee: Bill Lake-yes, Alanna Nelson-yes, Mariel Marchand-yes, Charles McLaughlin-Absent, Mark Forest-Absent

Finance Committee: Charles McLaughlin-Absent, Bob Wirtshafter-yes, Chuck Hanson-yes

3. President's Report

William Lake reported that new directors had been appointed: Catherine Walton-Bourne and Paul Coteus- Sandwich. Mark Farber of Truro resigned.

4. Treasurer's Report

a. FY 23 Audit Status

CVEC has completed all of its required schedules which are under review by the auditors.

b. FY 24, 2rd Quarter Report

Legal Fees continue to be controlled but required due to the projects in Round 4 and 5. See Attachment A.

c. Vote to invest in 8-month CD with Cape Cod Five Cent Savings Bank

CVEC successfully negotiated with RWE, formerly Con Ed, a waiver of the \$100,000 deposit required for Round CVEC-7. There was discussion about investing these newly released funds. The Cape Cod Five is offering 4.5% on an 8-month CD

Upon a motion a second, the committees voted to authorize the Treasurer and Executive Director to move \$200,000 of operating funds the Cape Cod Five..

Executive Committee: Bill Lake-yes, Alanna Nelson-yes, Mariel Marchand-yes, Charles McLaughlin- Absent, Mark Forest-Absent

Finance Committee: Charles McLaughlin-Absent, Bob Wirtshafter-yes, Chuck Hanson-yes

5. Director's Report

d. Operations Status

- i. CVEC's lease is up in January 2024. Unless otherwise directed by CVEC's President, the Director will offer the landlord the same base rent with a 2% escalator after a 3 year period, along with renewal options.

- ii. CVEC will send Annual Reports to all members and participants as well as current project developers
- iii. John Abe of Sunwealth, which has several projects with CVEC, has been invited to speak at CVEC's Annual Meeting.

e. Project Status

- i. BESS Status, and Vote to Expend Funds for DYRSD-DYHS Switchgear
Ameresco informed CVEC that the existing switchgear at the DY High School is not suitable for use with the new battery as it has been retrofitted for many years. The Yarmouth electrical inspector and DYRSD's electrician are required to sign off on Ameresco's (Fall River Electric's) proposal for replacement. The battery cannot be connected without new switchgear. The estimated minimum cost for the gear itself is \$45,000. CVEC intends to request reimbursement for these new costs from the MADOER as they are not currently in the approved DOER budget, or CVEC's budget. This will affect CVEC's FY 24 net income.

Upon a motion a second, the committees voted to authorize the Director to effect a change order with Ameresco to purchase new switchgear.

Executive Committee: Bill Lake-yes, Alanna Nelson-yes, Mariel Marchand-yes, Charles McLaughlin- Absent, Mark Forest-Absent

Finance Committee: Charles McLaughlin-Absent, Bob Wirtshafter-yes, Chuck Hanson-yes

6. Other Business

There was no other business.

7. Executive Session- Executive & Finance Committees

- a. Roll Call, and Notice of Reconvening or Adjourning

William Lake announced that the Executive Committee would reconvene in public session for the sole purpose of adjourning and noted that there was no longer a quorum of the Finance Committee. No members of the public were present.

Executive Committee: Bill Lake-yes, Alanna Nelson-yes, Mariel Marchand-yes, Charles McLaughlin- Absent, Mark Forest-Absent

Finance Committee: Charles McLaughlin-Absent, Bob Wirtshafter-Absent, Chuck Hanson-yes

- b. Approval of Minutes, Executive Committee and Finance Committee, Exec Sessions, 9.7.23.

Executive Committee: Bill Lake-yes, Alanna Nelson-yes, Mariel Marchand-yes, Charles McLaughlin- Absent, Mark Forest-Absent

Without a quorum of the Finance Committee, approval of the minutes was tabled.

Finance Committee: Charles McLaughlin-Absent, Bob Wirtshafter-Absent, Chuck Hanson-yes

- c. Discussion on matters pursuant to MGL c. 30A, s.21 (a) 10: To discuss trade secrets or

confidential, competitively sensitive or other proprietary information provide in the course of activities conducted by an electric cooperative organized pursuant to s. 136 of said c.164:

1. Status of CVEC-7 Offer to Purchase System

RWE/ConED withdrew its offer to for CVEC to purchase the CVEC-7, indicating that the price offered did not match their balance sheet figures. CVC will inquire of CVEC-7 members if they wish to extend the PPAs per contract terms.

2. CVEC Procurement Program : Round 6 , and Round 7 Strategy

After discussion, CVEC will publish a Round 7 offering sheet to be distributed to members and participants, and possible new participants. See Attachment B

3. Adjournment of Executive Session

8. Adjournment of Open Session

Upon a motion and second the Executive Committee voted to adjourn the Executive Session and Open Session after reconvening.

Bill Lake-yes, Alanna Nelson-yes, Mariel Marchand-yes,

Adjournment 9.50 am

Exec Comm Approved

___ 5.9.24 _____

Fin Comm Approved

5.9.24 _____

3. **President's Report**

4. **Treasurer's Report**

- a. **FY 23 Audit Status**
- b. FY 24, 3rd Quarter Report
- c. Vote to invest \$100,000 in 8-month CD with Cape Cod Five Cent Savings

Cape & Vineyard Electric Cooperative, Summary Balance Sheet		2:37 PM
As of December 5, 2023		12/05/2023
ASSETS		Accrual Basis
		Dec 5, 23
Current Assets		
Checking/Savings	1,154,838.96	
Accounts Receivable	482,957.99	
Other Current Assets	1,715.42	
Total Current Assets	1,619,512.37	
Fixed Assets	580,139.45	
TOTAL ASSETS	2,199,651.82	
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	303,617.64	
Other Current Liabilities	96,320.40	
Total Current Liabilities	401,938.04	
Long Term Liabilities	514,969.95	
Total Liabilities	916,907.99	
Equity	1,282,743.83	
TOTAL LIABILITIES & EQUITY	2,199,651.82	

Cape & Vineyard Electric Cooperative, Inc. Profit & Loss		1:54 PM
July through September 2023		12/05/2023
		Accrual Basis
		Jul - Sep 23
Ordinary Income/Expense		
Income		
Total 40000 - Project Passthru Income	898,705.76	
41000 - Program Income		
44300 - Member Services Income	8,582.50	
44450 - On Peak Hrs Income-C/Power	10,239.43	
Total 41000 - Program Income	18,821.93	
Total 45000 - Adders	69,125.51	
Total Income	986,707.20	
Gross Profit	986,707.20	
Expense		
Total 60000 - Project PPA Exp	897,592.28	
62000 - Project Other Exp		
62737 - On Peak Commission	2,830.69	
62732 - Legal Fees - Projects	6,002.50	
Total 62000 - Project Other Exp	8,833.19	
Total 62000 - New Project Exp	1,175.00	
62790 - Payroll Expenses		
62401 - Salaries		
62401.5 - Business Administrator	2,514.90	
62401.3 - Administrative Staff	6,923.25	
42401.1 - Executive Director	39,043.20	
Total 62401 - Salaries	48,481.35	
62403 - Payroll Taxes	6,337.94	
Total 62790 - Payroll Expenses	54,819.29	

62500 - Operating Expenses		
62405 - Payroll Processing Fees		260.17
62710.0 - Legal Fees - General		7,989.50
62730 - Bank Fees		0.00
63800 - Board Expenses		48.83
63500 - IT Expenses		391.30
62770 - Dues and Subscriptions		829.99
62745 - Insurance Expense		
62750 - Insurance - Public Utility		3,567.60
62751 - Worker's Comp Insurance		60.33
Total 62745 - Insurance Expense		3,627.93
62800 - Other/Miscellaneous		49.74
63600 - Office Rental		3,360.00
63450 - Office Supplies		1,643.24
62705 - Professional Fees		
62710 - Legal Fees		0.00
62710 - Legal Fees - Other		0.00
Total 62710 - Legal Fees		0.00
Total 62705 - Professional Fees		0.00
66900 - Reconciliation Discrepancies		0.44
62760 - Travel Expense		283.63
62785 - Utilities- Cable		595.42
Total 62500 - Operating Expenses		19,080.19
Total Expense		981,499.95
Net Ordinary Income		5,207.25
Other Income/Expense		
Other Income		
44500 - Interest Income		2,095.00
Total Other Income		2,095.00
Other Expense		
81000 - State Income Tax		456.00
Total Other Expense		456.00
Net Other Income		1,639.00
Net Income		6,846.25

We invite you to participate in
Cape & Vineyard Electric Cooperative's
Round 7 Renewable Energy Joint Solicitation for
Solar PV/ Battery
Spring 2024

MEMBERS AND PARTICIPANTS ARE ASSURED THAT THEIR PROJECTS
WILL RECEIVE A WIDER RANGE OF BIDS TO OBTAIN THE LOWEST ENERGY PRICE.
THE ADDITIONAL TIME IT TAKES TO BE A PART OF A JOINT SOLICITATION OFFERS GREATER LONG-TERM BENEFITS.

- **CVEC will do the work for you.** As a regional energy partner, CVEC takes the collaborative approach to improve each participant's negotiating position. CVEC bundles projects in a "Round" to achieve economies of scale and to strengthen the buying power of each participant. We have seen greater competition when developers are able to bid on multiple projects. CVEC leverages the electric cooperative procurement statute on your behalf. You don't have to utilize MGL c. 25A or c. 30B.
- **CVEC acts on your behalf to Evaluate, Procure, and Negotiate the project and provide contract oversight.** We free up your time so you can focus on your constituents. We oversee the resource and risk management for these projects. Portfolio management is under one roof.
- **CVEC leverages its good working relationships,** particularly with Eversource which is responsible for scheduling the services to energize your project. Having local contact with their team will be even more important when the Cape begins its major upgrade of transmission lines and substations in the coming years. CVEC works cooperatively with Eversource to ensure that CVEC projects are given priority status.

By developing a project with CVEC, you will benefit from the following:

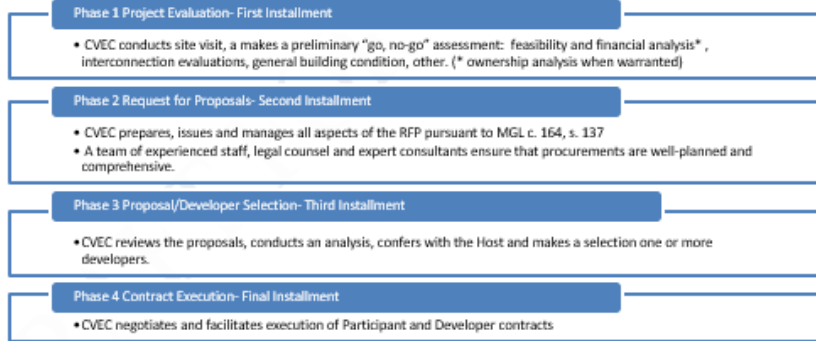
- **The expertise of the Massachusetts Municipal Wholesale Electric Company (MMWEC),** an integral CVEC partner and a MA political subdivision that has been delivering wholesale electric supply, developing projects and managing many of the state's municipal light plants for over 20 years. MMWEC is offering their technical expertise to your projects.
- **The expertise of KO Law, PC attorneys** who has been developing renewable energy contracts alongside CVEC from the beginning.
- **A statutorily-authorized, compliant procurement program** under MGL c. 164, s. 137. Under CVEC's current project structure, your organization and CVEC will enter into an Intergovernmental Agreement for CVEC to lease the property and resell the energy to you, and CVEC and the developer will enter into a Power Purchase Development Agreement for the developer to sublease the property and for CVEC to buy the project energy. This means there is no capital outlay for you. This also means that there are very limited responsibilities for you as CVEC is the project intermediary.

- **The benefits of combining your project with other projects** from across the Cape, the Islands, and SE MA under one procurement program for you to derive economies of scale for procurement costs (administrative and legal) and to realize multiple competitive bids. As a government entity, we are reimbursed for costs; we do not make a corporate profit.
- **The benefits of shared experiences and knowledge** among other governmental entities as well as an understanding of the current utility interconnection issues and future costs impacting the Cape & Islands, and Marion/Fairhaven. CVEC has \$6MM of projects under its belt.
- **Project management, including developer oversight.** CVEC can manage the project over its life if you choose. For this lifetime service, there are two fees: A one-time Procurement Fee payable in installments, and an Administrative Fee which is added to the cost of energy each month. Your involvement is focused in the beginning on site construction coordination and then again at the end of the 20-year term. Each month, CVEC will send you an invoice for the costs of energy plus CVEC's administrative fee, where applicable.

Get things started by:

- Executing a Letter of Interest with CVEC to Participate in Round 7 <https://cvecinc.org/wp-content/uploads/2023/12/CVEC-Round-7-Procurement-Letter-of-Interest.pdf>
- Determining if CVEC becomes the long-term administrator of the project or if your organization will manage the project. CVEC's adder to the long-term administration in Year 1 is \$.006/kWh for Round 7.
- Executing a Commitment Letter to CVEC to participate in the Procurement Program once CVEC has confirmed its participants

CVEC Round 7 Procurement Process and Fee Schedule



Fee Schedule 11.1.23 All costs include administration, oversight, legal fees and project construction coordination.

	1-2 Projects	3-5 Projects	Over 5 Projects
Phase 1	\$3,500	\$3,000	Contact us for pricing
Phase 2	\$2,500	\$2,000	
Phase 3	\$1,500	\$1,000	
Phase 4	\$ 500	\$ 500	
Total	\$8,000 per project	\$6,500 per project	

In-house training if your organization prefers to manage the project instead of CVEC: \$750.00

Project Name	System Size (kW-DC)	Module Manufacturer	Module Model	# of Modules	Inverter Manufacturer	Inverter Model	# of Inverters	System Location	System Address
Stonybrook Elementary	100.98	Suntech	STP 270-24/Vb-1	374	Satcon	PVS-100	1	Roof	384 Underpass Rd, Brewster, MA 02631
Barnstable High School	130.68	Suntech	STP 270-24/Vb-1	484	Satcon	PVS-135	1	Roof	744 W Main St, Hyannis, MA 02532
Harwich Elementary School	103.95	Suntech	STP 270-24/Vb-1	385	Satcon	PowerGate Plus 100kW	1	Roof	263 South St, Harwich, MA 02645
Bourne Middle School	142.56	Suntech	STP 270-24/Vb-1	528	Solectria	PVI 60kW; PVI 82kW	2	Roof	77 Waterhouse Rd, Bourne, MA 02532
Eastham DPW	80.40	Suntech	STP 200-BLK	402	Solectria	PVI 60kW; PVI 13kW	2	Roof	555 Old Orchard Rd, Eastham, MA 02642
Eastham Elementary	100.80	Suntech	STP 200-18/Ub-1	504	Solectria	PVI 82kW; PVI 15kW	2	Roof	200 School House Rd, Eastham, MA 02642
Eddy Elementary	100.98	Suntech	STP 270-24/Vb-1	374	Satcon	PVS-100-ZUL	1	Roof	2298 Main St, Brewster, MA 02631