

**Cape & Vineyard Electric Cooperative, Inc.**  
**EXECUTIVE COMMITTEE AND/OR FINANCE COMMITTEE**  
**OPEN SESSION MINUTES**

**Thursday, May 9th, 2024 8:30 AM EST**

1. Call to Order

a. Roll Call & Identification of persons attending remotely

President Lake called the Finance Committee meeting to order at approximately 8:36 am. And shortly thereafter he called the Executive Committee meeting to order at 8.42 am.

*Roll call:*

*Executive Committee: W. Lake- present, A.Nelson-present, M. Marchand-present, M. Forest-absent*

*Finance Committee: C.Hanson-present, R.Wirtshafter-present*

Public comment- David Anthony, Representing Barnstable (but not yet appointed). Mr. Anthony has over 25 years of involvement with every renewable energy projects for the Town and stated that he is awaiting his appointment from the Town. He has been involved with CVEC since 2006 and represents the Town at the Cape Light Compact.

Liz Argo, Argo Consulting stated that she would like CVEC to include monies to budget reconsider paying her for maintaining a website that has information about the Energy Committees. The President indicated the Committees would review.

2. Approval of Minutes

a. Executive Committee and Finance Committee Open Session and Executive Session Minutes. 12.7.23

*Upon a motion and second, the Executive Committee approved the minutes with an amendment to indicate that Ms. Marchand was present at the initial roll call.*

*Exec Committee: W. Lake-yes, A.Nelson-yes, M. Marchand-yes*

*Finance Committee: C.Hanson-yes, R.Wirtshafter-yes*

3. President's Report

a. Announcement of Retirement/New Directors: Towns of Edgartown, Sandwich, Barnstable

President Lake informed the Committees that Eric Mettler has replaced Alan Strahler as director for Edgartown, Paul Coteus has replaced Laura DeGregorio in Sandwich, and Charles McLaughlin will be replaced by David Athony.

b. Strategic Planning

President Lake informed the Committees that he, former director McLaughlin and the Executive Director met to discuss developing materials for CVEC to begin a strategic planning process. As an attorney with first-hand knowledge of CVEC at its beginnings, Mr. McLaughlin will work to gather and review key documents and the like.

c. Discussion/feedback of Holding In-person Annual Directors Meeting

The Committee members discussed that an in—person meeting would be beneficial for any strategy discussions. Members Marchand and Nelson stated that they had never attended an in-person meeting during their tenure. The Annual Meeting is tentatively scheduled for September 24<sup>th</sup>. Staff and leadership will discuss options.

#### 4. Treasurer's Report

##### a. Preliminary Financial Reports Ending 3.31.24

Taken as a first agenda item, Treasurer Wirtshafter indicated that CVEC's financial statements as of the third quarter were in good shape. The unforeseen (and previously approved) cost of the switchgear for the battery project reduces net income as projected; however, CVEC will seek reimbursement of this expense from the MA DOER.

##### b. FY 25 Budget: Discussion and Vote

Treasurer Wirtshafter noted a number of key changes to the budget: Lower Forward Capacity Market Income projected, an additional source of income from Direct Pay for the battery under the Inflation Reduction Act, and increasing the salary for a Business and Project Administrator.

*Upon a motion and second, the Executive Committee approved the proposed FY 25 Budget to recommend to the full Board (attached).*

*Exec Committee: W. Lake-yes, A.Nelson-yes, M. Marchand-yes*

*Upon a motion and second, the Finance Committee approved the proposed FY 25 Budget to recommend to the full Board.*

*Finance Committee: C.Hanson-yes, R.Wirtshafter-yes.*

#### 5. Director's Report

##### a. CVEC Operations

###### i. BESS:

###### a) Ratification of Assignment of BESS ISA from Ameresco to CVEC

*Upon a motion and second, the Committee voted to ratify the assignment executed by the Director to transfer the ISA with Eversource for the battery to CVEC.*

*Exec Committee: W. Lake-yes, A.Nelson-yes, M. Marchand-yes*

###### b) Selection of Direct Pay Accounting Firm

*Upon a motion and second, the Committees voted to engage Baker Tilly to assist CVEC with applications for Direct Pay with the IRS for the battery.*

*Exec Committee: W. Lake-yes, A.Nelson-yes, M. Marchand-yes*

*Finance Committee: C.Hanson-yes, R.Wirtshafter-yes*

*The Finance Committee adjourned.*

###### c) Property Insurance Update

The Director stated that the property insurance for the battery costs will remain significantly lower through the Public Utility Risk Management group than through private markets.

###### ii. CVEC Project Rounds: CVEC-7, Rounds 1-5, including report on Allocation of NMCs, and DLS Ruling on Prevailing Wage

The Director provided a copy of the MA DPU response to CVEC's inquiry about the status of approval of the Cape & Islands Study. In April, the MA DPU indicated that the approval would be in the "near term". She informed the Committees the towns of Yarmouth, Mashpee and Sandwich which have projects

pending in the C&I Study met w/ DSD and CVEC a number of times and that CVEC issued DSD A Request for Assurances to have more clarity with regard to the status of each project, including the loss of several project positions in SMART; i.e., Yarmouth Parcel E, Sandwich HS Parking Lot, Sandwich Forestdale School, Sandwich Oakridge School, Mashpee Coombs Schol Roof and Canopy, and Sandwich Hollows Golf Course. DSD has been asked to refresh the financials using current projections. CVEC has told DSD that transparency is paramount. CVEC is monitoring the length of time since these projects were originally contracted to ensure that they do not become stale.

CVEC obtained a ruling from the MA Department of Labor and Workforce Development that its projects, as described in for Round 6, are all subject to the Prevailing Wage. CVEC obtained the comment to confirm the application of the law.

For projects which receive net metering credits which are in turn shared among offtakers, CVEC has encountered a new situation in which Hosts have transferred properties to other CVEC members. Eversource informed CVEC that the title to the NMC belongs with the Host. CVEC needs to review its offtaker agreements in which the offtakers pay a revenue share to the Host in conjunction with those projects. In a particular situation, the Town believed that it had "paid" for the NMC and wanted the original Host to reimburse it. Eversource indicated that it is constrained by the Tariffs. Director Marchand stated that she was aware of possible changes to the tariffs and NMCs and will share an applicable information with CVEC.

iii. Round 6, Cape Projects, and Reissuance of Round 6 for Martha's Vineyard projects.

Upon request of W. Tisbury, Tisbury and Martha's Vineyard Airport, CVEC intends to reissue the RFP for the projects as there was not awardee from Round 6. CVEC conditionally awarded the Orleans DPW solar project to Ameresco. The Director's observations for the round included noting a declining number of developers interested in developing the small to mid-size projects and the high costs notwithstanding the infusion of incentives from the federal incentive act. She opined that CVEC may wish to consider its original model of building large-scale projects that are more likely to yield a greater response and benefit to the members.

- c. Approval of Assignments: DYRSD assignments to: Yarmouth, Mattacheese School; Dennis-Wixon  
*Upon a motion and second, the Committees voted to approve the Assignments of the Mattacheese School from DYRSD to Yarmouth, and of the Wixon School from DYRSD to Dennis.*  
*Exec Committee: W. Lake-yes, A.Nelson-yes, M. Marchand-yes*

6. Other Business

There was no other business.

7. Executive Session- Executive Committee

a. Roll call and Notice of Reconvening or Adjourning

*Upon a motion and Second, the Executive Committee voted to adjourn the open session meeting for the reasons stated below and to reconvene only for the purpose of adjourning..*

*Exec Committee: W. Lake-yes, A.Nelson-yes, M. Marchand-yes*

Members of the public left the Zoom meeting.

b. Discussion on matters conducted by a cooperative subject to MGL c. 164, s. 136, and pursuant to MGL c. 30A, s.21 (a). i- Round 6 Analysis, ii-collaborative opportunities-PowerOptions, iii-project development alternatives-status

8. Adjournment

*Upon a motion and second, the Committees voted to adjourn open session.*

*Exec Committee: W. Lake-yes, A.Nelson-yes, M. Marchand-yes*

Adjourned 9:52 am.

Approved \_\_\_\_\_5.23.24\_\_\_\_\_