

CAPE & VINEYARD ELECTRIC COOPERATIVE
CVEC STRATEGIC PLANNING SESSION 2025
 OPEN MEETING POSTED at www.cvecinc.org

THURSDAY, MAY 8, 2025 8:30 AM – 4 PM VIRTUAL AND IN PERSON (PREFERRED)

Location: Cape Light Compact

I. Welcome and Roll Call 8:45 am- 9 am

William Lake, President called the meeting to order at 8:45 am.

Roll Call: * denotes remote attendance:

Aquinnah	William Lake	Present	Harwich	Glenn Miemic	Absent
Barnstable	David Anthony	Present	Marion	Alanna Nelson	Absent
Barnstable County	Mark Forest*	Present	Mashpee	Wayne Taylor	Absent
Bourne	Catherine Walton	Present	Nantucket	Lauren Sinatra	Absent
Brewster	Charles Hanson	Absent	Oak Bluffs	Dion Alley	Absent
Cape Light Compact	Mariel Marchand	Present	Orleans	Ronald Collins	Present
Chatham	Robert Wirtshafter	Present	Provincetown	Braden Witt	Present
Chilmark	Stephen Lewenberg *	Present	Sandwich	Paul Coteus	Present
Dennis	Tom O'Connor	Absent	Tisbury	Daniel Phelan	Absent
Dukes County	Tain Leonard- Peck	Absent	Truro	Vacant	
Eastham	Mike Sarcione *	Present	West Tisbury	John Christenson	Absent
Edgartown	Eric Mettler	Present	Yarmouth	Joseph Baker*	Present
Falmouth	Rosemary Carey	Absent			

- a. Members of the public present: Introductions of National Rural Utilities Cooperative Finance Corporation (“NRUCFC”) Team, Audrey Eidelman Kiernan, Esq., Outside Special Counsel, Charles McLaughlin, Wister Wood (representing Marion), and Colin Odell (representing Brewster).

II. What is CVEC’s origination and purpose?

Audrey Kiernan, Esq. Special Counsel made a presentation to the Directors. A copy of which is attached.

III. **What does CVEC do?**

Maria Marasco, Executive Director made a presentation to the board, a copy of which is attached.

IV. **Survey Results**

William Lake, President was unable to make this presentation due to time constraints. A copy of the results is attached.

V. **A Look to the Future: What’s Happening Around the US**

Jan Ahlen from NRUCFC made a presentation of what is happening around the country.

VI. **Strategic Planning Overview**

Lindy LaChance and Colleen Taylor of NRUCFC discussed the scope of the discussions for the afternoon.

VII. **Conversation Sessions**

- a. **What should CVEC do for the next 5-10 years, and**
- b. **What do individual towns want to do w/ their current projects?
What else could CVEC do over the next 10-15 years?**
- c. **What role should CVEC have in the region?**
- d. **Think Out of the Box**

VIII. **Cultivating a Cooperative Spirit**

Lindy LaChance discussed that enhanced communication is a critical factor in organizational success and stated that coming together in this working format was productive. He stated that he heard comments about the need for more staff and resources and opined that the members seemed generally agreed about developing additional projects or programs.

IX. **Next Steps for CVEC**

William Lake said that the directors will receive the meeting notes and suggested that we continue the discussions with smaller working groups over the summer.

X. **Adjournment**

Upon a motion and second, the meeting adjourned at approximately 4 pm.

Aquinnah	William Lake	Yes	Harwich	Glenn Miemic	Absent
Barnstable	David Anthony	Yest	Marion	Alanna Nelson	Absent
Barnstable	Mark Forest*	Left mtg	Mashpee	Wayne Taylor	Absent

County Bourne	Catherine Walton	yes	Nantucket	Lauren Sinatra	Absent
Brewster	Charles Hanson	Absent	Oak Bluffs	Dion Alley	Absent
Cape Light Compact	Mariel Marchand	Yes	Orleans	Ronald Collins	Yes
Chatham	Robert Wirtshafter	Yes	Provincetown	Braden Witt	Yes
Chilmark	Stephen Lewenberg *	Yes	Sandwich	Paul Coteus	yes
Dennis	Tom O'Connor	Absent	Tisbury	Daniel Phelan	Absent
Dukes County	Tain Leonard-Peck	Absent	Truro	Vacant	
Eastham	Mike Sarcione *	Yes	West Tisbury	John Christenson	Absent
Edgartown	Eric Mettler	yes	Yarmouth	Joseph Baker*	yes
Falmouth	Rosemary Carey	Absent			

Approved: _____ 6.12.25 _____

Attachments:

- KO Law presentation
- CVEC presentation
- Survey Results
- Meeting notes 5.28.25

Cape and Vineyard Electric Cooperative
PRESENTATION BY A KIERNAN, ESQ. KO LAW PC.

- ❖ **Organization Date:** September 12, 2007
- ❖ **Organizational Authority:** G.L. c. 164, §136 (Electric Cooperatives) and G.L. c. 156B (Business Corporations)
- ❖ **Special Legislation:** January 4, 2011, to confirm application of specific sections of G.L. c. 156B to support CVEC project development efforts (e.g., allow CVEC to obtain Certificates of Good Standing, etc.)
- ❖ **Authorization of Net Metering Capacity Transfers to CVEC:** August 3, 2012, Section 30 of Chapter 209 of the Acts of 2012, to allow municipal members of CVEC to transfer any or all of their 10 MW net metering host customer capacity to CVEC provided the net metering credits from such net metered facilities are allocated to CVEC or its members
- ❖ **Bylaws:** Most recently revised February 17, 2020
- ❖ **Purposes from Articles of Organization:**
 - Develop and/or own renewable and non-renewable electric generation facilities
 - Procure and/or sell long-term electric supply or other energy-related goods or services at competitive prices to members
 - In furtherance of the foregoing, carry on any lawful business permitted for a corporation organized under G.L. c. 164, §136 and G.L. c. 156B
- ❖ **Functions, Policies and Goals from Bylaws:**
 - Exploring appropriate options for acquiring the best market rate for electricity supply
 - Promoting and supporting the development of renewable energy resources
 - Providing and enhancing consumer protection by improving quality of service and reliability
 - Utilizing and encouraging conservation and other forms of energy efficiency
- ❖ **Requirements Pursuant to G.L. c. 164, §136 Include, but are not Limited to:**
 - Organize and conduct business primarily for the mutual benefit of CVEC's members as patrons of the cooperative
 - To be managed by a board of no less than 3 directors
- ❖ **Powers Pursuant to G.L. c. 164, §136 Include, but are not Limited to:**
 - To sue and be sued
 - To purchase, own and sell real and personal property
 - To make contracts and incur liabilities
 - To borrow money, issue notes, bonds, certificates of indebtedness and other obligations and receive funds from members
 - To purchase and sell, resell or supply energy or other services
 - To sell electricity to consumers

❖ **Private Letter Ruling from IRS:** May 29, 2008

- CVEC's income is exempt from federal income tax - CVEC derives its income from the exercise of an essential government function and the income accrues to one or more political subdivisions of the State within the meaning of Internal Revenue Code ("IRC") Section 115(1)
- CVEC is an instrumentality of its members (for purposes of IRC Section 170(c)(1)), and contributions made to CVEC exclusively for a public purpose may be deductible by a donor as charitable contributions to the extent allowed under IRC Section 170
- CVEC is a constituted authority under Section 1.103-1(b) of the Income Tax Regulations and is eligible to issue bonds under IRC Section 103 on behalf of its members
- CVEC may only enter into joint ventures or partnerships with organizations that are also tax exempt under Section 115 of the IRC

❖ **Membership is Open To:**

- Any municipality or county or political subdivision thereof
- Any body politic that meets the requirements of IRC Section 115
- The governing board of each member must authorize its membership

❖ **Member Rights and Obligations:** Adopted August 11, 2008

- Initial membership fee of \$25
- Capitalization contributions or financial guarantees for specific projects determined in accordance with the Bylaws and pro rata share of projects
- Any contractual commitments to CVEC
- No liability for debts of CVEC unless debts were lawfully contracted for

❖ **Project Development Purposes Include, but are Not Limited To:**

- Projects may be for renewable or non-renewable electric generation, battery energy storage systems, energy conservation and energy efficiency
- Projects must be undertaken primarily for the mutual benefit of CVEC's members as patrons of the cooperative
- Onsite energy generation for Member host (long-term contracts for net metering, alternative on-bill credits, etc.)
- Excess energy generation for Members (long-term contracts for net metering, alternative on-bill credits, wholesale energy sales, etc.)
- Renewable energy certificate ("REC") generation (long-term contracts or for sale to the electric distribution company - e.g., as part of a Solar Massachusetts Renewable Target ("SMART") project)

❖ **Project Development Structures Generally Include:**

- CVEC as owner: CVEC secures project finance and contracts with a contractor to construct the project and undertakes the operation and maintenance ("O&M") services
- Private developer as owner: CVEC procures and contracts with a private developer to finance and construct a project, private developer provides O&M services

- CVEC Member as owner or joint owner with CVEC: CVEC Member or CVEC Member and CVEC secure project finance and contract with a contractor for construction of the project and CVEC provides the O&M or CVEC/CVEC Member contracts with a contractor to provide O&M services

Cape and Vineyard Electric Presentation
Summary by M.Marasco, Executive Director
Powerpoint presentation available upon request

- CVEC currently operates as essentially an asset management organization, with having to provide basic accounting support and contract oversight for its many projects. Many of the projects are nearing maturity which presents itself with many issues about next steps, such as extensions, decommissioning and alternatives. CVEC did not build in sufficient revenue programming to sustain itself beyond 2033 unless Round 1 and Round 2 projects are extended for another 5 years under current municipal law and charges Round 1 an administrative fee for which it has not for several years. Alternatively, CVEC needs to look at new projects, new programs or new business models.
- Generally, CVEC Supports the development of solar and battery systems owned by third-party developers for its members and participants on municipal property and provides asset management services and resells the energy to its member and participant.s
- Any MA government entity which can enter into an intergovernmental agreement or an energy-related contract, generally.
- Any municipality or county or political subdivision thereof, or body politic that meets the requirements IRS Code § 115 (government tax-exempt income) is eligible to apply for membership.
- Recently, CVEC used MA grant funds to purchase its own stand-alone battery.
- CVEC also provides electric utility bill services to certain members. For a short period, CVEC assisted towns with the MA EVIP Fleets and EV Make Ready incentive programs.
- CVEC Contract Highlights:
 - CVEC is purchaser of energy from the developer and the reseller of energy to the member/participant.
 - Developers (Eversource) provide monthly production information to CVEC, send invoices to CVEC, and maintain projects. For Rounds 1-7, there is a minimum Guaranteed Annual Output.
 - Each project has a Decommissioning provision- typically a fund.
 - Each project (except CVEC 7) has a purchase option provision. CVEC engaged NREL to perform a preliminary analysis. Details to follow.

- Developers provide links to their dashboards, showing production and other data.
<https://cvecinc.org/programs-resources/production-data-new/>
- Types of projects:
 - For Round 1 and 2 Projects with and without offtakers, CVEC is the Host customer and receives the cash value of the net metering credits generated, deducts the fixed developer cost and the adder for Round 2 projects only, deducts and pays the Revenue Share portion of projects with allocatees (Round 2 only) and disperses those funds in the proportionate shares.
 - For Round 1 and 2 Net Metering Projects with and without offtakers, CVEC receives the Eversource monthly statement and Developer invoice, and allocates the Net Metering Credits, developer costs, revenue share (where applicable) and CVEC's administrative adder and sends out invoices to the allocatees for their proportionate share of costs. CVEC is responsible to change the Schedule Z for these projects through a new Eversource web-based portal. The offtakers are responsible to notify CVEC of any requested changes.
 - For the remainder of the projects in Rounds 3-5, these projects are all behind the meter. CVEC receives the developer invoice each month for the cost of the kWh produced and, in turn, invoice the CVEC member for the costs and the CVEC administrative fee or adder.
 - CVEC is also responsible for maintaining the decommissioning funds for Round 2. Each developer has a deposit account with the Cape Cod 5 and is required to make annual deposits which CVEC tracks.
 - CVEC is responsible to conduct annual financial audits.
 - CVEC is now responsible for a 250 KW battery at the regional emergency shelter at the DY High School. The project is now enrolled in incentive programs and has been operating for a year.
 - CVEC also participates in the Forward Capacity Market for Round 1 and a number of Round 3 and 4 projects.
 - CVEC has received 2 technical grants: CESA Battery Configuration Assessment, and the National Renewal Energy Laboratory Evaluation of Options for CVEC Solar Landfill Projects.

The following chart depicts when CVEC Contracts (and Revenue) will terminate, currently. The chart depicts the importance of strategic planning at this point in time. .

CVEC Board of Director Survey Results
17 Responses out of 25 requested

Please describe CVEC in your own words.

- formed by almost all the Cape Cod municipalities primarily to build, own, and operate solar and related facilities on behalf of its members.
- founded with the purpose of helping municipal entities on the Cape and Vineyard develop renewable energy facilities and receive the financial benefits of renewable energy development.
- an agency trying to promote renewable energy projects in member towns
- A Cape-wide quasi-government organization to help place solar and other energy related equipment on municipal buildings and properties to reduce or eliminate municipal electricity bills.
- an intermediary between cape towns desiring new solar facilities, solar installers, and Eversource.
- a cooperative organization that assists municipalities in purchasing renewable energy for the benefits of their residents.

What is your level of understanding of CVEC's mission and goals:

42% GOOD

As a director of CVEC for your town/county, how do you see your role?

46%- Attending CVEC meetings and representing my town/county

40% - Other

6% Reporting back the town/county of CVEC activities

6% Generally understanding how CVEC contracts work

Do you have an area(s) of expertise that you'd like to offer CVEC as it develops a new strategic plan? If yes, please describe.

- energy markets, power supply pricing, MA DPU regulatory activity around electric sector modernization and solar (to some extent)
- residential solar/storage, electric vehicles and chargers
- Profession focus on energy efficiency and renewable energy including technical, economic, and policy expertise
- technology business strategic planning in private sector.
- Trained as a physicist, for nearly 20 years
- electrical and renewable energy field working for manufacturers for 20+ years. I've put many strategic plans together and would be glad to assist as CVEC develops a new one.
- MCPPO, Town budget manager, planner
- grassroots climate organizing and a (former) member of my town's Energy Committee.

CVEC Advantages

- Significant cost savings and predictability, education, collaboration, and a chance to produce innovative projects jointly or singularly. CVEC allows all communities to rely on CVEC staff and expertise that members do not have in-house. “
- VEC provides towns with renewable energy. “
- "I see the benefits but have been unable to persuade my town to work with CVEC on the recent firehouse install, and planned school installations. I think a person with more experience working with CVEC should make a presentation to our Sustainability Specialist and/or Select Board. “
- "An information resource, an expertise resource and assistance that our Town does not have.“
- "Advocacy support for local and regional electric distribution planning and grid resiliency planning“
- "Joint purchase provides expertise, and better leverage for town seeking solar.“
- "Potentially the ease and lower cost of group procurement”

What could CVEC do better

- "More interactions with the municipal leaders and managers in the towns. Appearances before Select Boards, the Cape and Islands Municipal Leaders Association etc....
- More press and publicity on projects. “
- “Helping towns better manage their solar credits and understand the CVEC "process" and benefits “
- "A clear path forward of how they can solve municipal solar/battery options and communication of these offerings would probably help.“
- Play a more significant role in organizing and managing future renewable energy. Could the cooperative also support the various town energy committees with innovative energy demand and monitoring solutions, resiliency, and repowering old sites. “
- "I'm not aware of anything at the moment.“
- An onboarding process would have been helpful at the beginning. i.e. an online training or a group training with directors who have experience with CVEC, to tell us how they got it done. It took me a very long time to get up to speed (at least a year) and I'm still not super comfortable being the CVEC expert in my town. “
- "Make any required changes to that whatever failures in CVEC contributed to our four projects being cancelled never happens again. Preferably multiple safeguards will be put in place. I think CVEC could be more aggressive in digging into the extraordinary hookup fees being requested up front by Eversource. “
- "Concerned that CVEC is in competition with 3rd party renewable energy/storage providers/operators, etc. Not sure how CVEC becomes competitive and the "go to" resource for Municipalities and School Districts? Was this the State's intent in justifying CVEC? Not clear what influence CVEC has with DPU and utilities?“
- “Work with utility Co.”

On what type of projects should CVEC focus?

36% ongoing solar and battery projects

34%	End of term options for existing projects
0%	No more projects. It's time to wind down.
10%	Focus on more battery projects, similar to DY HS
5%	I'm not sure
13%	Other

On what types of projects should CVEC focus? Comments to previous question:

- "CVEC's ability to execute, develop, finance, and manage its current and potential projects should be discussed very early in this effort. The Board's realistic examination of this opportunity and its resulting conclusion/s must be the first order of business. All else will follow from that effort."
- "Grants and projects. The work of CVEC should be expanding. "
- "The towns - municipal managers - need help in identifying, applying for, securing and managing renewable energy
- "We wish CVEC made it easier to manage our solar credits, we have one account with \$200,000 dollars of credit on it. "
- "It would be helpful to know of Eversource's and the Commonwealth's vision for solar on the cape and islands. Do they wish more, or are they ambivalent? "
- "Not sure I am sold on battery projects"
- "Keep on with current work"

Collective Procurement: What services should CVEC provide your town/county?

- 17 % Solar and Battery procurement
- 7 % Clean Heating and Cooling collective Procurement
- 19% Net metering credit procurement
- 9 % Clean Vehicle Procurement

What advantages does CVEC offer your town/county?

- "A resource to help the town develop renewable energy. Towns do not have energy managers to help develop and manage projects. "
- "Expertise in procurement & management of solar projects"
- "We seem to save some money from solar credits but its VERY hard to tell how much"
- "Aggregation"
- "Networking, regional advocacy "
- "Potentially, eased procurement, but it hasn't worked out yet."

What could CVEC do better for your town/county to help achieve town/county energy goals?

- "I think it needs to become more widely known. "

- "Pricing has to be competitive and easy to explain. "
- "More training on the CVEC benefits and managing them"
- "Tame Eversource!"
- "It's doing everything it can do now."
- "Assisting Nantucket to benefit from new regulations that may now permit the trading of net-metering credits across EDCs (i.e. Nantucket Electric). Also, understanding how Nantucket's distribution network may be impacted or benefit from Eversource grid modernization planning."
- "Suggest projects that lower costs to residents and improve resiliency "

Do you think there is a role for CVEC to specialize in regional renewable energy? If so, please explain.

- "Adequate financing is crucial. I would put this exploration at the top of the to-do list. Joint guarantees by members, prioritizing distribution of project cashflow, MassDevelopment and/or Commonwealth backstopping of CVEC's signature, etc., etc. could greatly advance CVEC's efforts to hire, finance, and guarantee performance of potential projects."
- ""yes, to the extent that the demand CVEC represents is meaningful in the regional context."
- "CVEC does specialize in R.E. That's the right lane."
- "For smaller communities, CVEC is a wealth of experience with a strong network that supports energy goals."
- "I think our town can generate all the renewable energy it needs"
- "Yes! See above. We are still unclear on what Nantucket's solar capacity is, and how to effectively plan for this limit."
- "Yes, if competitive, promote Community solar "

Around the Room – Town Updates & Feedback

Barnstable (Dave)

- Dependent on revenue; see project as revenue not renewable
- interested in extending projects.
- new projects or enhance revenue

Orleans (Ron)

- No Land.
- Small-cap landfill: wants to keep it operational.
- CVEC is not a top priority.

Edgartown (Eric)

- Focused on local generation and green energy use.
- Interested in public education.

- Projects are well-maintained and viable beyond the 25-year statute.
- Exploring small additional projects on public buildings.
- Ameresco development - PPA arrangement, funds straight to town
- Expressed dissatisfaction with CVEC.

Aquinnah (Bill)

- Solar project: using what they produce and plan to repower when depleted.
- Microgrid seen as a natural next step.

Provincetown (Braden)

- Generally happy with CVEC, except for a red stain from a solar array that caused a roof leak.
- Looking to expand solar; has sufficient battery storage.
- Police station and downtown parking areas have room for solar.
- Shared services - staff up to help with grant writing and administration

Sandwich (Paul)

- Two small solar projects (previously had four).
- Big CVEC supporter, but cost is now prohibitive. Interconnection costs.
- Interested in rejoining CVEC.

Bourne (Catherine)

- Negative experience from a middle school project; developer issue but reflects on CVEC.
- Town does not currently participate due to lack of education.
- Sees opportunities for new projects.
- Interested in tax advice for public offtakers.
- Opportunities to market CVEC and educate the public.

Brewster (Colin)

- Three large solar projects (1.5 MW); two schools part of original tranche.
- Covers ~100% of own load.
- Major offtaker of other CVEC projects.
- Financial viability is key decision criterion.

Marion

- Highest priority is education.
- Saving money with solar and wants to do more.
- Eversource interconnection costs are a barrier.
- May be the first town in MA to opt out of Green Communities.

Eastham (Mike)

- Needs to expand for wastewater at Landfill site (facing slope).
- More interested in financials than operations.
- Wastewater expansion will require 1 MW and is expected to grow.

Yarmouth (Joe)

- Town is happy with current status
- Feels towns are not connected through CVEC; everyone individual projects
- Transactional relationship with Eversource; engage as CVEC not individual.
- CVEC could increase cooperation working as vendor and consultant.

Chilmark (Steve)

- Working on project with Aquinnah
- Wants CVEC to increase relationship with Eversource
- See CVEC as an organization that gets things done.

Chatham (Bob)

- Many project opportunities
- Decide what not to do
- How increase staffing, resources, capabilities. Grow beyond one person.
- Fix current issues.

Key Themes & Strategic Considerations

Partnerships & Collaboration

- Unify as a board then go to select boards
- Explore partnerships for microgrids.
- Collaborate with other entities, contractors.
- Consider staffing up and grant writing support.
- Fiber infrastructure, 501(c)3 mentioned.

Communication & Transparency

- Communication gaps noted; towns see the challenges and associate CVEC though developer issue (e.g., Provincetown roof leak).
- Differentiate from Cape Light Compact – explain.
- Need to better communicate value, successes, savings and carbon benefits.

- Provide talking points to board members.
- Use social media and host town manager events.
- Develop case studies and roadshows.
- Bring in success story speakers and testimonials.

Governance & Administration

- Address organizational growth and future planning (expand beyond the cape?).
- 22 on Board now but there are 44 communities.
- Improve governance, administration, and efficiency.
- Consider whether CVEC should act as a developer.
- Consider increased services such as grant writing and administration.
- Ensure towns are insulated from financial risk.
- Joint procurement remains a core function.
- Evaluate membership fee adequacy (\$25).
- Increase board meeting frequency with shorter, topic-driven agendas.
- Develop a succession plan for current one-person leadership model.
- Create committees to research ideas and report back to group as expert.

Financial Strategy & Scale

- Need for scale to negotiate better deals.
- Focus on member towns to drive new projects.
- Representation at the state level to address Eversource regulations.
- Consider partnerships with:
 - Clean Energy Center
 - Power Options, Inc.CVEC
 - MassDevelopment
 - Climate Action Committees
- Explore bonds and other funding mechanisms (CFC).
- Evaluate investment in own projects vs. finding partners.
- Consider expansion to admin/acctng fee for service
- EV Charging – additional revenue stream?

Technology & Innovation

- Embrace new technologies like microgrids.
- Identify and address challenges such as Eversource interconnection.
- Continue historical procurement model or innovate?
- Lease resiliency capabilities (e.g., batteries).
- Engage with interconnection committees.