

**Cape & Vineyard Electric Cooperative, Inc.**  
**Executive Committee &/or Finance Committee REMOTE**  
**Thursday September 18, 2025**  
**Open Session Minutes**

**1. Call to Order**

- a. Roll Call & Identification of individuals attending remotely  
The President called the Finance Committee to order at 8.40 am.  
*R.Wirtshafter-present, C.Hanson-present, D.Anthony attendance later in meeting-present*

The President called the Executive Committee to order at approximately 8.45 am.  
*W. Lake-present, Alana Nelson-present, M.Marchand-absent, M.Forest-absent, D.Anthony-present*

- b. Public comment- 3 minutes  
There were no members of the public in attendance.

**2. Minutes**

- a. Approval Open Session Minutes, 5.22.25

*Upon a motion and second from each of the committees, the Committees approved the minutes.*

*Executive Committee: W. Lake-yes, Alana Nelson-yes, M.Marchand-absent, M.Forest-absent, D.Anthony-yes*

*Finance Committee:*

*R.Wirtshafter-yes, C.Hanson-yes, D.Anthony-yes*

**3. President's Report**

- a. **Strategic Planning Meeting Update**

W. Lake informed the committees that over the summer CLC informed CVEC that it was undertaking a review as to whether or not it is an option for CLC to "reclaim" CVEC. Since CVEC and CLC use the same attorneys KO Law, CVEC assented to the review. W. Lake indicated that CLC's review is investigatory. Since the inquiry aligned with CVEC's Strategic Planning process to evaluate all options, CVEC went ahead and provided information, holding back slightly on its own strategic planning in anticipation of CLC's findings. W. Lakes intends to talk to Maggie Downey at CLC to follow up.

D. Anthony disclosed that his is currently the temporary chairman of CLC. He recognized the benefits of exploration on this matter and sees many parallels with the organizations. He would like to see CVEC be able to retain its identity. R.Wirtshafter disclosed that he is a regulator for CLC and would likely need to step down if the organizations merged. He also recognized the obvious overlaps of the two organizations. A.Nelson indicated that Marion would want to know how the town would fit in to CLC; e.g., whether it could become a member.

- b. **Nominations for Elected Positions.**

W. Lake informed the Committees that Chuck Hanson (who left the meeting) was stepping down from the Clerk's position but will remain on the Finance Committee.

- c. **Member Updates**

W. Lake reported that Glenn Memiec of Harwich stepped down as Director due to personal reasons. The

position is not yet filled. Vacancies remain in Truro

d. **Recommendation and Vote- To Provide Health Care/Employee Benefit**

W. Lake stated that the Executive Director has been effective and has worked on many project and recommended approval of CVEC covering her Medicare Health premiums currently at \$4, 863.6 per year. There was discussion as to whether or not the amount should be part of salary or employee benefits.

*Upon a motion and second, the Committee approved the following:*

*To provide the Executive Director with employee benefits to cover her Medicare premiums in the amount of \$4,863.60 for FY 25 by reallocating that amount from salaries (Business Administrator) to Employee Benefits, The President is authorized to make the final classification based on the payroll company's input as to whether the amount should be an increase in salary or a separate employee benefit.*

*Executive Committee: W. Lake-yes, Alana Nelson-yes, M.Marchand-absent, M.Forest-absent, D.Anthony-yes*

*Finance Committee: There was no longer a quorum of the Finance Committee as R. Wirtshafter had left the meeting at approximately 9:30 am.*

4. **Treasurer's Report**

a. **Preliminary Financial Reports Ending 6.30.25.**

Reports are attached. CLA has yet to complete it review and entries for depreciation and other reporting is not yet complete.

b. **CleaResult FCM- Capacity Scarcity Condition Penalty June 2025**

On Tuesday, June 24th, ISO-NE experienced a large shortage event (known as a Capacity Scarcity Condition (CSC)). The event occurred between 5:35 PM and 8:35 PM. A CSC occurs when the energy demand exceeds the energy supply. Therefore, Forward Capacity Market participants are relied on to supply this high energy demand. Because the occurrence was in the evening, CVEC's solar projects were unable to meet its obligations (40% output), and CVEC was penalized \$89,579.22 which will be deducted from its annual payment, leaving a balance due to CleaResult of \$13,609.16. CVEC met with CleaResult's representatives who indicated that the ISO-NE is aware of this peculiarity to penalize a solar project for when it is not able to produce; ie., when the sun is going down. The Director stated that she will invite CleaResult to explain more fully to the board.

c. **Discussion and Vote- To Restrict Certain Funds for the Decommissioning of CVEC's BESS**

CVEC's BESS will terminate in year 10, i.e., May 31, 2034. At that point, it is anticipated that the system could be either decommissioned or refurbished. There are decommissioning funds established for all CVEC's projects, except the CVEC-7. To ensure that there will be funds available in Year 10 if/when the BESS may be decommissioned, it is advisable for CVEC to restrict certain funds so that they will be available in Year 10. (If at that time, CVEC wants to refurbish the BESS, it can change the use of funds.) CVEC has available funds currently invested in CD of \$200,000 face value and could segregate funds on it books as a subaccount of these funds, or another account. There was discussion on whether there should be incremental funding over time.

- d. *Upon a motion and second, the Committee approved the following:  
To establish a decommissioning fund for CVEC's BESS in the amount of \$75,000. The fund will be established under CVEC's operating account or CD account. Such funds shall be restricted and subject only to change, including but not limited to an increase or decrease in funding levels or change of use, by the Executive Committee then in place.*

*Executive Committee: W. Lake-yes, Alana Nelson-yes, M.Marchand-absent, M.Forest-absent, D.Anthony-yes*

## 5. Director's Report

### a. CVEC Operations

#### i. **BESS & BESS Tour**

The Director stated that CVEC made its second lease payment to DYRSD in the amount of \$6,500. CVEC still needs to evaluate impact on the High School's energy bills as the battery is charged through the school. CVEC has asked the District Superintendent if the High School Principal would like to schedule a tour/information session. And CVEC will schedule an site tour for the directors. W. Lake suggested CVEC invite the DOER Commissioner who was unable to attend the first scheduled ribbon-cutting event last year.

#### ii. **CVEC Project Rounds**

CVEC is undertaking a review of the Production Pool allocations in light of W. Tisbury's notice that they have accumulated a significant amount of net metering credits. Production Pool contracts are based on kWh. W. Tisbury, for example, has not been able to absorb all the credits and must go through CVEC to make any changes to the allocations. CVEC is working with Eversource and will complete its review shortly.

The Yarmouth Senior Center and Chatham Recreation Center Project, which both include batteries, have been taking several years to complete. Most recently, the Town of Yarmouth required the developer to change the battery pad. Despite delays in the receipt of the batteries, the delays seem to be with final construction. A.Nelson stated that she is aware of other delays primarily due to the installation of batteries as "new" and subject to change by town building departments. There was consensus that coming up with model guidelines is an area on which CVEC could focus for the benefit of its members.

#### iii. **Town of Yarmouth Service Contract**

The Committee discussed concern over providing bookkeeping services to pay any member's utility bills and came to the consensus that this activity is outside the scope of that mission for several reasons: 1- Not Energy-Related: Bookkeeping is an administrative/financial service. It is not directly tied to developing, owning, or selling electric supply or REC contracts. 2-Potentially Private Benefit: A cooperative organized under the Massachusetts Electric Co-op Law and Corporation Law must act primarily for the mutual benefit of members collectively, not to provide individualized clerical services for one member. Offering bookkeeping for a single member could create concerns about using cooperative resource for private benefit although it is a fee-for-service activity, and 3-Risk of Mission Drift: Engaging in services not clearly tied to energy procurement/supply could raise regulatory, governance, or tax concerns. It might also blur the line between cooperative functions and outside business services. Unrelated Business Income, UBIT, is generally triggered by the amount of income for that service as a percentage of

the total income. As of right now, the income derived from Yarmouth is nominal and unlikely to trigger an IRS audit. The Committee discussed the importance of focusing on core responsibilities. It was mindful to allow Yarmouth sufficient time to take over its own bill paying.

**b. Proposed Programming- Discussion**

The Director presented a proposal to offer members a fine-scale data layer report characterizing solar feasibility in each town. The Director asked the Committee to read the proposal and provide comments.

**c. Clean Energy Group Webinar- CVEC Battery Project**

CVEC will make a presentation at a Clean Energy Group webinar on October 8<sup>th</sup> at 1 pm regarding CEG's analysis of the advantages and disadvantages of utility-scale FTM batteries versus individual batteries at town locations.

**6. Other Business**

There was no other business.

**7. Executive Session- Executive, &/or Finance Committees**

The Executive Session was tabled until there was a quorum of the Finance Committee.

**8. Adjournment**

Upon a motion and second, the meeting adjourned at 10:19 am.

Approved \_\_\_\_\_ 3.5.26 \_\_\_\_\_