



## CAPE LIGHT COMPACT

**Date of Meeting:** Executive Session- September 14, 2011

**Attendance:** D Anthony, P Cocolis, J Cunningham, W Doherty, M Downey, F Fenlon, J Flynn, J Hodgkinson, K Hubby, K Johnson, D Keuch, T Mayo, B Crowell, R Schofield, J Soares, B Worth, W Worthington, R Zweig

Extended discussion related to CVEC policy, and its contract implications, which was initially conceived so that 10% of the energy produced from a renewable energy project (or the economic value of such 10%) developed by CVEC will be the share allocated to CLC. Up to 90% if required by town load needs will go to the member town which is sponsoring the project. This was the method used to develop the Pro-Forma for both the Harwich and Brewster Wind projects.

Phase I of the Solar installations currently contracted to ACE however, are being developed with all the output being credited to the sponsoring town. This exception to the CVEC policy was approved by the CVEC Directors due to the fact that the project is being developed by a third party, tax equity investor and due to the Green Communities Act net metering provision is essentially a financial transaction and not an energy contract. CVEC has no ownership unless and until it exercises a buy-out option eight to ten or more years into the project life

Phase II Solar, if completely subscribed, is probably going to be in the range of 66MW and the question of the 10% has not been finalized, but is likely to be treated in the same manner as Round I. However, CVEC administrative and operational costs related to Phase II may be funded in the form of an adder adjustment on the net metered power purchase agreements between CVEC and each member.

CVEC has operated with grants by CLC of \$2 million and the coop will continue to need grants for at least several years in future. The Board discussed whether to continue to provide grants for CVEC operational expenses.

The result of this discussion was agreement that the CLC will continue to provide grants as requested for the next three fiscal years (FY13, FY14, FY15) and at that point, it would be expected that CVEC would be cut free and be able to provide for its own needs.

Upon motion by W Worthington, seconded by J Cunningham, the board returned to open session at 517PM