

CAPE LIGHT COMPACT
Executive Session
November 12, 2008 335PM- 410PM
UPDATED 4 /9/14

M Downey explained the reason for this executive session was to discuss possible litigation regarding DPU-08-88 which relates to the Canal Plant operating out of merit due to integrity of the transmission system and the resulting Uplift Charges which are paid for users of the energy.

M Downey reviewed the background as it related to a total Cape outage in December 2005. Since then ISO-NE has agreed that this plant will operate out of merit and that all users in the SEMA would pay. To date, over \$350 Million has been so charged.

Municipal Light Plants in MA have objected to this and feel they should not be responsible to pay. Their desire is to create a new Lower SEMA load zone by ISO-NE which would serve to have Cape and some small area in southeast Mass be responsible for all these charges. There would be a huge impact on our Cape & Islands area and it could lead to having no suppliers willing to take this burden on and still want to serve Cape.

M Downey recommended that experts on ISO be brought in to determine what our options are and to develop recommendations for the Compact to follow.

Motion by John Hodgkington, seconded by K Johnson: *Moved that the Board support staff efforts to hire expert consultants, develop recommendations and work with the Power Supply Advisory Committee, bring recommendations back to the Board.* Approved unanimously

Barry R Worth
Secretary