

Minutes
Vineyard Power Board Meeting
VP/VEP Offices
April 12, 2013

Present: Rex Jarrell, Paul Pimentel, Ron Dagostino, and Dan Seidman
Calling in: Ted Bayne, Bill Lake, Rosalie Kerr, and Janet Orosz
Non-Board: Richard Andre (calling in) and Erik Pekar
Absent: Warren Doty

The meeting opened at 10:32 am.

1. The Minutes of the 2/8/13 Board Meeting were accepted.
2. PV Project status (Richard and Erik):
 - Federal 1603 Treasury grants came in (~\$90k and ~\$300k) for Cronigs I and Aquinnah. We are contesting a \$7k reduction for the inverter shed at Aquinnah. We sold a third of our first SRECS at \$220/MW, less than ½ of what we hoped. The low SREC price, primarily, has required us to retain some of the grant proceeds originally intended for investors to cover loan payments so our return to investors is late. That action is within our contractual rights, necessary and prudent but nonetheless disappointing.
 - Chilmark town meeting April 22nd may take up the matter of the landfill PV project. VP should have a representative at that meeting [Ron attended but there was no discussion]. The Town Manager expects to issue an RFP by May 15 which means award date as early as July. NSTAR changed its max rating of the array to 175kW (up from 100kW) which means a \$1.15 million development price tag for Chilmark. That may be too high for our financial backer. Another investor offered to pay off the Aquinnah loan with the Edgartown National Bank; could we use that offer to assist in the Chilmark or Airport projects?
 - Airport and county sites were discussed with some confusion over scope and size noted. We discussed County bonding and revenue accounting related to financing PV at the airport/county. What we know indicates it will be complex and carry some significant restrictions. There is a new "Morris" model for raising money with municipal bond underwriting that is praised; Richard is pursuing the application.
 - CLC/CVEC politics were discussed. According to their own website, CLC has collected \$2.7M in a legal \$.001/kWh surcharge from Cape and Islands ratepayers since 2008 and given that money to CVEC in a series of operating grants that require no reporting of its use. Are we eligible for such grants?
3. Erik did a status update of the wind project. We are working on a joint development agreement with Offshore MW. Now is the time to leverage our value as a community

stakeholder; after the auction, our value will decline. We are also trying to gain status as a member-at-large for MV in the BOEM process and on the Task Force to further identify us as having the MV community franchise.

4. Membership program. Discussed poor experience with the calling campaign including no return calls from messages left and generally unresponsive conversations when you could reach people (no \$ is a frequent rejoinder). Several board members promised to take another crack at their call lists. We also agreed to explore some new schemes including showing a movie at the new theater and reinstating the Membership Committee.

5. Updated D&O Insurance coverage. We bought it at the original price mentioned in our previous meeting. For those who volunteered, it's time to pony up with your share (\$350) in return for a CPN from Erik.

6. Finances: We are again broke with no prospect of PV development income until July and only modest membership fee income. One bright note is Erik has successfully negotiated one or two summer interns from MA CEC worth about \$2,400 ea. Richard asked for \$20k in bridge financing to cover routine operating expense [since been arranged from two Board members]. Obviously, we need a PV project and Paul was directed to gauge Steve Bernier's interest in a 74 kW up-Island Cronigs roof array.

7. Erik announced two new members of the Advisory Committee, Mike Stein (with links to the Morris Model financing) and Mike Jacobs (a tech writer of national energy issues). Welcome and thanks to both Mikes.

6. Next meeting date: Friday June 7th at 10:30 am.

The meeting closed at 11:52 am.

Respectfully submitted,

Ted Bayne

Paul's VP Board Meeting Agenda
10:30 am – 12:00 am on Friday, April 12, 2013
(at the office)

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| 1) | OK of 2/8/13 Board meeting minutes | 10:30 |
| 2) | PV Project Status | 10:33 |
| | <ul style="list-style-type: none">• Cronig's II & Aquinnah accepted• Chilmark LF• Airport• West Tis LF and others• Project Financing | |
| 3) | Wind Project status update (Erik) | 11:00 |
| 4) | Membership Program | 11:10 |
| | <ul style="list-style-type: none">• Calling Campaign falling short• Board Re-Commitment? | |
| 5) | D&O Insurance miscommunication | 11:30 |
| 6) | Finances | 11:33 |
| 7) | New Business | 11:53 |
| 8) | Next meeting dates -- Fri 4/12/13 at 10:30 am? | 11:58 |
| | Adjourn | 12:00 |