

Minutes
Vineyard Power Board Meeting
VP/VEP Offices
February 8, 2013

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

The meeting opened at 10:30 am.

1. The Minutes of the 12/10/12 Board Meeting and the 1/8/13 eMeeting were accepted.
2. Report on current and upcoming PV Projects (Richard and Erik): We got the 1603 incentive payment (for the Cronigs' array) and we made distributions to investors and retained some for the relevant LLC. The operating agreement provides for the LLC's authority to retain the operating money from the 1603 money that comes in. We need the 1603 money even more to pay off loans because the value of SREC's dropped by more than half. This is supply and demand in an ersatz market. We need to retain the cash to cover the bank loans and not sell the SREC's. SREC's will go back up in value in 2 years when PV output is not in oversupply mode (relative to DOER guidelines). The 400 MW compliance cap period will probably end in 2015. Because of the low value of the SRECs we won't be doing these projects with debt. The Chilmark landfill project is pending. This will be smaller than we hoped: 100-120kW and possibly 150kW if NSTAR agrees. (a ~\$900k project) Chilmark asked Bill Bennett to offer a competing proposal but from the town's position it is flawed because it would mean more town debt and the low SREC prices will probably kill the Bennett proposal leaving VP with the nod. The Chilmark project will emerge in a few weeks. The airport will be next. With these 2 projects we should be able to survive into the period of our Wind Farm initiative.
3. Erik did a status update of the wind project. A letter from the governor to BOEM that we thought had been sent was not sent because of a political snafu vis-à-vis RI. Paul and Erik sent supporting evidence for community benefit to the governor's office and the governor is now sending a new letter to the Interior Dept. requesting multifactorial auction provisions and community benefit consideration. Offshore MW reported this development to us. A request like this from a State will have serious merit in the eyes of the BOEM. We also want to get the towns to lobby for "community benefit". Wolf and Madden have written to the BOEM with the same message.
4. Membership program. Membership is a double benefit for us – more members bring more income for operations and wield more influence in project leasing and finance. We need to move past the 1,300's plateau we have been on despite Erik's promotions and other efforts since the summer. The board discussed several ideas. (1) Setting new goals – a rolling commitment structure. (2) Have board members make 50 calls each. (3) Allow

payment over time. (4) Call people and use a credit card number right on the web site over the phone. (5) Put the names and info into a Google docs spreadsheet (Ron provided). Erik needs to research the actual phone numbers. Dan, from experience, warned that cold calling has poor percentage return on time invested. He recommended sending out an email first to soften up. (6) The board accepted the suggestion that our initial individual obligation be 50 calls or 10 new members. So our April Fools Day goal is 450 documented attempts and/or 90 new members. Erik is to take first crack at a phone script and maybe a FAQ sheet.

5. Updated D&O Insurance coverage is needed but the price has gone up because of the growth of what it is covering (\$3,600 per year vs. \$800 – we can pay in installments). We discussed the possibility of Board members making donations to cover the difference in the premium (the question was tabled). Dan volunteered to work with Erik early the following week to solicit better pricing. The board unanimously accepted getting coverage.

6. Next meeting date: at Friday, April 12 at 10:30 am.

The meeting closed at 12 noon.

Respectfully submitted,

Ted Bayne

Paul's VP Board Meeting Agenda
10:30 am – 12:00 am on Friday, February 8, 2013
(at the office)

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| 1) | OK of 12/10/12 Board meeting minutes | 10:30 |
| 2) | PV Projects | 10:33 |
| | • Cronig's II & Aquinnah | |
| | • Upcoming | |
| 3) | Wind Project status update (Erik) | 10:45 |
| 4) | Membership Program | 11:00 |
| | • Goals | |
| | • Methods | |
| | • Board Commitment | |
| 5) | D&O Insurance | 11:30 |
| | • Liability & Premium | |
| | • Coverage Decision | |
| 6) | Finances (interim report) | 11:45 |
| 7) | New Business | 11:52 |
| 8) | Next meeting dates -- Fri 4/12/13 at 10:30 am? | 11:57 |

Snow Date