Cape Light Compact JPE
Executive Committee &
Governing Board Meeting

DATE: Wednesday, June 13, 2018
LOCATION: Cape Light Compact Offices – MV Conference Room
261 Whites Path, Unit 4, South Yarmouth
TIME: 2:00 – 4:30 p.m.

AGENDA

2:00 PM
Open Session Vote on entry into Executive Session pursuant to M.G.L. c. 30A §21(a)(10) to discuss trade secrets and confidential, competitively-sensitive or other proprietary power supply information; potential vote related to the Cape Light Compact 2019 and beyond power supply program portfolio (renewable energy generation and Renewable Energy Certificates (“REC”) contracting); and to review and approved Executive Session Minutes

RETURN TO OPEN SESSION

Public Comment

Approval of Minutes

Chairman’s Report

Fiscal Report, Peter Cocolis

Overview of DPU 15-122 Eversource Grid Modernization Plan Decision, Jeff Bernstein

2017 Energy Efficiency Program Term Report Presentation, Briana Kane

Administrator’s Report:
1. September Board Meeting
2. Potential Vote on Administrator’s Duties during Vacation

Board Member Update (Reserved for Updates on Member Activities the Chair Did Not Reasonably Anticipate Would be Discussed – No Voting)
Cape Light Compact JPE
Governing Board and Executive Committee
Open Session Meeting Minutes
Wednesday, May 9, 2018

The Cape Light Compact JPE Board of Directors and Executive Committee met on Wednesday, May 9, 2018 in the Martha's Vineyard Conference Room at the Cape Light Compact JPE Offices at 261 Whites Path, Yarmouth MA 02664 at 2:00PM.

Present Were:
1. David Anthony, Secretary, Barnstable
2. Peter Doyle, Barnstable Alternate
3. Robert Schofield, Executive Committee, Bourne
4. Colin Odell, Brewster
5. Peter Cuculis, Executive Committee, Chatham
6. Brad Crowell, Dennis
7. Fred Fenlon, Eastham
8. Ronald Zweig, Vice-Chair, Falmouth
9. Martin Culik, Orleans
10. Thomas Donegan, Executive Committee, Provincetown
11. Leanne Drake, Sandwich
12. Richard Elkin, Wellfleet
13. Sue Hruby, West Tisbury – By phone
14. Joyce Flynn, Chair, Yarmouth

Absent Were:
1. Michael Hebert, Aquinnah
2. Timothy Carroll, Chilmark
3. Robert Hammann, Duke's County
4. Paul Pimentel, Edgartown
5. Valerie Bell, Harwich
6. Wayne Taylor, Mashpee
7. Richard Toole, Executive Committee, Oak Bluffs
8. Jay Grande, Tisbury
9. Jarrod Cabral, Truro

Members/Alternates
Physically present: 13
Present by phone: 1

Legal Counsel:
Jeffrey Bernstein, Esq., BCK Law, P.C.

Staff Present:
Austin Brandt, Senior Power Supply Planner
Briana Kane, Planning and Evaluation Manager
Joanne Nelson, Comptroller
Lindsay Henderson, Senior Energy Efficiency Program and Marketing Analyst
Maggie Downey, Administrator
Margaret Song, C&I Program Manager
Melissa Allard, Senior Administrative Coordinator

Public Present:
Lisa Coady, Yarmouth

Joyce Flynn called the meeting to order at 2:03 PM. Joyce Flynn recognized Sue Hruby of West Tisbury who was remotely participating because physical attendance at the meeting would be unreasonably difficult.

Open Session Vote on entry into Executive Session pursuant to M.G.L. c. 30A §§21(a)(3) to discuss matters below, to return to open session:

1. Trade secrets and confidential, competitively-sensitive or other proprietary power supply information and determine whether it is appropriate to release any portion of confidential contract provisions. Potential Vote

Joyce Flynn at 2:05 PM moved to enter into Executive Session pursuant to MGL Chapter 30A §21(a)(10) to discuss trade secrets, confidential and competitively sensitive information relative to pricing exhibits of Compact power supply contracts.

Joyce Flynn declared that an open session may have adversely affect the Cape Light Compact's ability to conduct business in relation to other entities making, selling or distributing electric power and energy. The governing Board will return to Open Session at the conclusion of Executive Session. Seconded by Robert Schofield.

<table>
<thead>
<tr>
<th>David</th>
<th>Anthony</th>
<th>Barnstable</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert</td>
<td>Schofield</td>
<td>Bourne</td>
<td>Yes</td>
</tr>
<tr>
<td>Colin</td>
<td>Odell</td>
<td>Brewster</td>
<td>Yes</td>
</tr>
<tr>
<td>Peter</td>
<td>Cocolis</td>
<td>Chatham</td>
<td>Yes</td>
</tr>
<tr>
<td>Brad</td>
<td>Crowell</td>
<td>Dennis</td>
<td>Yes</td>
</tr>
<tr>
<td>Fred</td>
<td>Fenlon</td>
<td>Eastham</td>
<td>Yes</td>
</tr>
<tr>
<td>Ronald</td>
<td>Zweig</td>
<td>Falmouth</td>
<td>Yes</td>
</tr>
<tr>
<td>Martin</td>
<td>Cullik</td>
<td>Orleans</td>
<td>Yes</td>
</tr>
<tr>
<td>Thomas</td>
<td>Donegan</td>
<td>Provincetown</td>
<td>Yes</td>
</tr>
<tr>
<td>Leanne</td>
<td>Drake</td>
<td>Sandwich</td>
<td>Yes</td>
</tr>
<tr>
<td>Richard</td>
<td>Elkin</td>
<td>Wellfleet</td>
<td>Yes</td>
</tr>
<tr>
<td>Sue</td>
<td>Hruby</td>
<td>West Tisbury</td>
<td>Yes</td>
</tr>
<tr>
<td>Joyce</td>
<td>Flynn</td>
<td>Yarmouth</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Motion carried in the affirmative (13 - 0 - 0)

At 3:27 PM, Joyce Flynn asked for a motion to end executive session, moved by Thomas Donegan, seconded by Richard Elkin.

<table>
<thead>
<tr>
<th>David</th>
<th>Anthony</th>
<th>Barnstable</th>
<th>Yes</th>
</tr>
</thead>
</table>
Draft Minutes subject to correction, addition and Committee/Board Approval

<table>
<thead>
<tr>
<th>Robert</th>
<th>Schofield</th>
<th>Bourne</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colin</td>
<td>Odell</td>
<td>Brewster</td>
<td>Yes</td>
</tr>
<tr>
<td>Peter</td>
<td>Cocolis</td>
<td>Chatham</td>
<td>Yes</td>
</tr>
<tr>
<td>Brad</td>
<td>Crowell</td>
<td>Dennis</td>
<td>Yes</td>
</tr>
<tr>
<td>Fred</td>
<td>Fenlon</td>
<td>Eastham</td>
<td>Yes</td>
</tr>
<tr>
<td>Ronald</td>
<td>Zweig</td>
<td>Falmouth</td>
<td>Yes</td>
</tr>
<tr>
<td>Martin</td>
<td>Culik</td>
<td>Orleans</td>
<td>Yes</td>
</tr>
<tr>
<td>Thomas</td>
<td>Donegan</td>
<td>Provincetown</td>
<td>Yes</td>
</tr>
<tr>
<td>Leanne</td>
<td>Drake</td>
<td>Sandwich</td>
<td>Yes</td>
</tr>
<tr>
<td>Richard</td>
<td>Elkin</td>
<td>Wellfleet</td>
<td>Yes</td>
</tr>
<tr>
<td>Sue</td>
<td>Hruby</td>
<td>West Tisbury</td>
<td>Yes</td>
</tr>
<tr>
<td>Joyce</td>
<td>Flynn</td>
<td>Yarmouth</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Motion carried in the affirmative (13 – 0 – 0)*

**PUBLIC COMMENT:**

Lisa Coed thanked the Compact for all the work they do to reduce emissions. She asked that the Compact support offshore wind and was attending the Board Meeting in hopes of hearing a commitment to higher addentionality.

**APPROVAL OF MINUTES:**

The Board considered the April 11, 2018 Meeting Minutes. David Anthony stated that the minutes should be amended as the last vote total should equal 16 and reflected as such.

*Robert Schofield moved the Board to accept the minutes as amended, seconded by Colin Odell.*

<table>
<thead>
<tr>
<th>David</th>
<th>Anthony</th>
<th>Barnstable</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert</td>
<td>Schofield</td>
<td>Bourne</td>
<td>Yes</td>
</tr>
<tr>
<td>Colin</td>
<td>Odell</td>
<td>Brewster</td>
<td>Yes</td>
</tr>
<tr>
<td>Peter</td>
<td>Cocolis</td>
<td>Chatham</td>
<td>Yes</td>
</tr>
<tr>
<td>Brad</td>
<td>Crowell</td>
<td>Dennis</td>
<td>Yes</td>
</tr>
<tr>
<td>Fred</td>
<td>Fenlon</td>
<td>Eastham</td>
<td>Yes</td>
</tr>
<tr>
<td>Ronald</td>
<td>Zweig</td>
<td>Falmouth</td>
<td>Abstained</td>
</tr>
<tr>
<td>Martin</td>
<td>Culik</td>
<td>Orleans</td>
<td>Yes</td>
</tr>
<tr>
<td>Thomas</td>
<td>Donegan</td>
<td>Provincetown</td>
<td>Yes</td>
</tr>
<tr>
<td>Leanne</td>
<td>Drake</td>
<td>Sandwich</td>
<td>Yes</td>
</tr>
<tr>
<td>Richard</td>
<td>Elkin</td>
<td>Wellfleet</td>
<td>Yes</td>
</tr>
<tr>
<td>Sue</td>
<td>Hruby</td>
<td>West Tisbury</td>
<td>Yes</td>
</tr>
<tr>
<td>Joyce</td>
<td>Flynn</td>
<td>Yarmouth</td>
<td>Yes</td>
</tr>
</tbody>
</table>

*Motion carried in the affirmative (12 – 0 – 1)*

**CHAIRMAN’S REPORT:**
Draft Minutes subject to correction, addition and Committee/Board Approval

Joyce Flynn congratulated the work Board Members have been doing to assist their towns in becoming a Green Community, and to make them greener and more energy efficient. She thanked Margaret Song for her part in it all. Joyce Flynn asked that Board Members come up with three to four fall meetings or events the Compact should participate in.

**Fiscal Report, Peter Cocolis:**

Peter Coculis stated that the operating budget is in good shape.

Thomas Donegan asked if the Compact is saving money since it has separated from the Barnstable County. Maggie Dowrey replied that she would look into it and is planning on putting together a report a year after being separated from the Barnstable County to compare a full year’s worth of expenses side by side.

**Energy Efficiency Program:**

1. **Vote to Approve $270,000 for Barnstable High School**

Margaret Song has been working with Barnstable High School on updating their stage lighting. She stated that stage lighting is very complex and expensive. However, LED pricing is coming down in this area. Martin Culik asked if this is something Board members should mention to schools in their town. Margaret Song stated that the Board could do so to see if anything has changed since the last time the Compact has visited the schools. With more outside groups also using these school auditoriums, there is an increased need to update the lighting. David Anthony showed support for the Barnstable High School because they are constantly looking for ways to become more energy efficient. Ron Zweig stated that the cost for maintenance would also go down due to the LED bulbs being cooler and therefore equipment wouldn’t warp.

Martin Culik moved the CLCAPE Board of Directors vote to approve an incentive of up to $270,000 for stage lighting for the Barnstable High School’s Knight Auditorium. The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote. Seconded by Thomas Donegan.

<table>
<thead>
<tr>
<th>Name</th>
<th>Town</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>David</td>
<td>Schofield</td>
<td>Yes</td>
</tr>
<tr>
<td>Robert</td>
<td>Odell</td>
<td>Yes</td>
</tr>
<tr>
<td>Peter</td>
<td>Coculis</td>
<td>Yes</td>
</tr>
<tr>
<td>Brad</td>
<td>Crowell</td>
<td>Yes</td>
</tr>
<tr>
<td>Fred</td>
<td>Fenlon</td>
<td>Yes</td>
</tr>
<tr>
<td>Ronald</td>
<td>Zweig</td>
<td>Yes</td>
</tr>
<tr>
<td>Martin</td>
<td>Culik</td>
<td>Yes</td>
</tr>
<tr>
<td>Thomas</td>
<td>Donegan</td>
<td>Yes</td>
</tr>
<tr>
<td>Leanne</td>
<td>Drake</td>
<td>Yes</td>
</tr>
<tr>
<td>Richard</td>
<td>Elkin</td>
<td>Yes</td>
</tr>
<tr>
<td>Sue</td>
<td>Hruby</td>
<td>Yes</td>
</tr>
<tr>
<td>Joyce</td>
<td>Flynn</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Motion carried in the affirmative (13 – 0 – 0)
Draft Minutes subject to correction, addition and Committee/Board Approval

UPDATE ON MARKETING, LINDSAY HENDERSON:

Lindsay Henderson handed out flyers to the Board for the dehumidifier turn-in events coming up in June for them to put up. There is a promotion starting May 14th until June 15th where customers receive a $100 rebate when they recycle their old residential sized refrigerators or freezers. Also, the Compact is sending out postcards to seasonal residents to get them thinking about signing up for energy assessments on their home and in June the Compact will be partnering with a Brazilian radio station to promote energy assessments.

ADMINISTRATOR'S REPORT:

1. Speaking Points for Updating the Towns' Selectmen

Maggie Downey handed out speaking points to the Board Members to share with their Board of Selectmen to give them an update on what the Compact has been doing.

2. Update on 2017 Energy Efficiency Term Report

Maggie Downey stated that the staff is working on the 2017 term report, which will be filed June 8th.

3. FAQ on Compact Pension and OPEB Liabilities

Maggie Downey advised the Board that the FAQ's were drafted by our auditor and Joanne Nelson and it will be posted on the Compact's website.

4. 2017 Audit Starting June 11th

Maggie Downey stated that the auditors will be coming to the Compact's office soon. She noted that the 2017 audit will require coordination with Barnstable County as they were providing financial services to the Compact for the first half of 2017. She is unsure of the date they will be done but will let the Board know. Once everything is complete, the auditors will then present the information at a future meeting.


Maggie Downey stated that the language of the vote was put together by the bank and legal counsel. Ron Zweig asked if it is proper for Rockland Trust to provide these credit facilities. Maggie Downey answered that it is because they oversee the Compact's funds. Richard Elkin asked if it is going to cost the Compact for the letter of credit. Maggie Downey answered that it would be a $20,000 annual fee and will come out of the energy efficiency budget because the letter of credit is required by ISONE to participate in the Forward Capacity Market (FCM). Ron Zweig asked if we have done this before. Maggie Downey stated that the Compact has not.

Martin Calik moved the CLCIE Board of Directors vote to (i) ratify the CLCIE Treasurer's application for a Line of Credit and Letter of Credit in the amount of $2,000,000 with Rockland Trust for the purpose of posting a form of financial assurance as required by the Independent System Operator of New England (ISONE) as part of the CLCIE participation in the ISONE Forward Capacity Market (FCM), and for posting a form of financial surety for potential Renewable Energy Certificate (REC) contract, (ii) authorize both the CLCIE Treasurer and Compact Administrator to jointly execute the following documents and instruments related to the
Draft Minutes subject to correction, addition and Committee/Board Approval

Line of Credit and Letter of Credit: (a) Loan Agreement, (b) Account Pledge and Security Agreement (Cash Collateral), and (c) Commercial Promissory Note.

The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote. Seconded by Robert Schofield.

<table>
<thead>
<tr>
<th>Name</th>
<th>Town</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>David</td>
<td>Barnstable</td>
<td>Yes</td>
</tr>
<tr>
<td>Robert</td>
<td>Bourne</td>
<td>Yes</td>
</tr>
<tr>
<td>Colin</td>
<td>Brewster</td>
<td>Yes</td>
</tr>
<tr>
<td>Peter</td>
<td>Chatham</td>
<td>Yes</td>
</tr>
<tr>
<td>Brad</td>
<td>Dennis</td>
<td>Yes</td>
</tr>
<tr>
<td>Fred</td>
<td>Eastham</td>
<td>Yes</td>
</tr>
<tr>
<td>Ronald</td>
<td>Falmouth</td>
<td>Yes</td>
</tr>
<tr>
<td>Martin</td>
<td>Orleans</td>
<td>Yes</td>
</tr>
<tr>
<td>Thomas</td>
<td>Provincetown</td>
<td>Yes</td>
</tr>
<tr>
<td>Leanne</td>
<td>Sandwich</td>
<td>Yes</td>
</tr>
<tr>
<td>Richard</td>
<td>Wellfleet</td>
<td>Yes</td>
</tr>
<tr>
<td>Sue</td>
<td>West Falmouth</td>
<td>Yes</td>
</tr>
<tr>
<td>Joyce</td>
<td>Yarmouth</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Motion carried in the affirmative (13 – 0 – 0)

Brad Crowell and Sue Hruby left the meeting at 4:20.

ADJOURNMENT:

Motion to adjourn made at 4:20 PM moved by David Anthony, seconded by Peter Cocolis.

Respectfully submitted,

Melissa Allard

LIST OF DOCUMENTS AND EXHIBITS:
- Meeting Notice / Agenda
- BCK Law Document
- April 11, 2018 Draft Meeting Minutes
- 2018 Operating Budget Report
- 2018 Energy Efficiency Budget Report
- Agenda Action Request; Proposed Incentive for Barnstable High School Retrofit Project
- FAQs on Cape Light Compact JPE Pension and Other Post-Employment Benefits (OPEB) Liabilities
- Agenda Action Request; Ratify Treasurer’s Establishment of Line of Credit and Letter of Credit for Cape Light Compact JPE
- Recycle Your Dehumidifier Flyers
### REVENUE

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Amount</th>
<th>Actual Amount</th>
<th>Remaining Amount</th>
<th>Remaining %</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING FUND CY18-TRANSFERS IN</td>
<td>848,765.00</td>
<td>424,382.50</td>
<td>424,382.50</td>
<td>50.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-INTEREST INCOME</td>
<td>0.00</td>
<td>20,764.35</td>
<td>(20,764.35)</td>
<td></td>
</tr>
<tr>
<td>TOTAL REVENUES</td>
<td>848,765.00</td>
<td>445,146.85</td>
<td>403,618.15</td>
<td></td>
</tr>
</tbody>
</table>

### EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Amount</th>
<th>Actual Amount</th>
<th>Remaining Amount</th>
<th>Remaining %</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPERATING FUND CY18-ADVERTISING (POWER SUPPLY)</td>
<td>85,000.00</td>
<td>11,926.15</td>
<td>73,073.85</td>
<td>85.97%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-AUDIT FEES</td>
<td>11,250.00</td>
<td>612.50</td>
<td>10,637.50</td>
<td>94.56%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-BANK FEES</td>
<td>500.00</td>
<td>0.00</td>
<td>500.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-BUILDING RENOVATNS/FURNITURE</td>
<td>4,500.00</td>
<td>615.97</td>
<td>3,884.03</td>
<td>86.31%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-COMPUTER EQUIPMENT</td>
<td>5,000.00</td>
<td>0.00</td>
<td>5,000.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-CONTRACTUAL</td>
<td>54,500.00</td>
<td>28,107.00</td>
<td>26,393.00</td>
<td>48.43%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-CUSTODIAL SERVICES</td>
<td>4,438.00</td>
<td>1,419.84</td>
<td>3,018.16</td>
<td>68.01%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-FINANCIAL SOFTWARE SYSTEM</td>
<td>6,250.00</td>
<td>2,700.00</td>
<td>3,550.00</td>
<td>56.80%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-FOOD SUPPLIES</td>
<td>5,500.00</td>
<td>4,638.14</td>
<td>861.86</td>
<td>15.67%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-GROUP INSURANCE</td>
<td>19,790.00</td>
<td>8,510.29</td>
<td>11,279.71</td>
<td>57.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-IN STATE TRAVEL</td>
<td>16,000.00</td>
<td>5,753.45</td>
<td>10,246.55</td>
<td>64.04%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-INSURANCE</td>
<td>10,800.00</td>
<td>0.00</td>
<td>10,800.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-INTERNET</td>
<td>2,700.00</td>
<td>1,218.40</td>
<td>1,481.60</td>
<td>54.87%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-IT SERVICES</td>
<td>5,000.00</td>
<td>53.68</td>
<td>4,946.32</td>
<td>98.93%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-LEGAL SERVICES</td>
<td>263,660.00</td>
<td>157,998.52</td>
<td>105,661.48</td>
<td>40.07%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-MEDICARE</td>
<td>2,060.00</td>
<td>690.13</td>
<td>1,369.87</td>
<td>66.50%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-MISC FRINGES</td>
<td>7,090.00</td>
<td>67.43</td>
<td>7,022.57</td>
<td>99.05%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-MISC RENTALS</td>
<td>5,000.00</td>
<td>1,078.62</td>
<td>3,921.38</td>
<td>78.43%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-OPEB LIABILITY</td>
<td>7,100.00</td>
<td>0.00</td>
<td>7,100.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-OUT OF STATE TRAVEL</td>
<td>1,600.00</td>
<td>0.00</td>
<td>1,600.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-OUTREACH/MARKETING SERV</td>
<td>15,000.00</td>
<td>2,619.00</td>
<td>12,381.00</td>
<td>82.54%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-PAYROLL SERVICES</td>
<td>1,500.00</td>
<td>1,145.50</td>
<td>354.50</td>
<td>23.63%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-POSTAGE</td>
<td>26,000.00</td>
<td>2,843.19</td>
<td>23,156.81</td>
<td>89.06%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-PRINTING</td>
<td>12,500.00</td>
<td>4,628.23</td>
<td>7,871.77</td>
<td>62.97%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-PROFESSIONAL DEVELOPMENT</td>
<td>5,000.00</td>
<td>0.00</td>
<td>5,000.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-RENT</td>
<td>22,500.00</td>
<td>9,375.00</td>
<td>13,125.00</td>
<td>58.33%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-RETIREMENT</td>
<td>35,447.00</td>
<td>0.00</td>
<td>35,447.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-RETIREMENT LIABILITY</td>
<td>5,300.00</td>
<td>0.00</td>
<td>5,300.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-SALARIES</td>
<td>141,790.00</td>
<td>47,596.76</td>
<td>94,193.24</td>
<td>66.43%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-SALARY RESERVE</td>
<td>5,000.00</td>
<td>0.00</td>
<td>5,000.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-SHIPPING/FREIGHT</td>
<td>500.00</td>
<td>49.98</td>
<td>450.02</td>
<td>90.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-SOFTWARE LICENSES</td>
<td>3,750.00</td>
<td>0.00</td>
<td>3,750.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-SPONSORSHIPS</td>
<td>35,000.00</td>
<td>26,301.00</td>
<td>8,699.00</td>
<td>24.85%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-SUBSCRIPTIONS</td>
<td>5,500.00</td>
<td>5,496.40</td>
<td>3.60</td>
<td>0.07%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-SUPPLIES</td>
<td>2,500.00</td>
<td>24.37</td>
<td>2,475.63</td>
<td>99.03%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-TELEPHONES</td>
<td>6,540.00</td>
<td>1,572.87</td>
<td>4,967.13</td>
<td>75.95%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-TREASURY SERVICES</td>
<td>5,000.00</td>
<td>1,508.25</td>
<td>3,491.75</td>
<td>69.88%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-UNPAID BILLS</td>
<td>2,000.00</td>
<td>0.00</td>
<td>2,000.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>OPERATING FUND CY18-UTILITIES</td>
<td>400.00</td>
<td>202.50</td>
<td>197.50</td>
<td>49.38%</td>
</tr>
<tr>
<td>TOTAL EXPENSES</td>
<td>848,765.00</td>
<td>328,751.27</td>
<td>520,013.73</td>
<td>61.27%</td>
</tr>
</tbody>
</table>

### CHANGE IN NET POSITION

<table>
<thead>
<tr>
<th>Description</th>
<th>Budget Amount</th>
<th>Actual Amount</th>
<th>Remaining Amount</th>
<th>Remaining %</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHANGE IN NET POSITION</td>
<td>0.00</td>
<td>116,395.58</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
GRID MODERNIZATION
D.P.U. 15-120/121/122 Order

Presented by:
Jeffrey M. Bernstein, Esq.
6/13/2018
Grid Modernization Investigation

Background of

2012: DPJ opens Investigation (D.P.J 12-76)

2014: D.P.J. 12-76-B Order

2015: CMPs submitted (later modified)

Notably, required proposals for universal Advanced Metering Plans ("CMPs") in separate proceedings required distribution companies to submit Grid Modernization

2017: Adjudicatory Proceedings commence after Long Delay

Every source, National Grid and until propose vastly different plans

Functionality ("AMF") deployment
Overview of Order

The Order addressed proposals by all three electric distribution companies.

- Grid modernization investments (customer-facing, grid-facing, and other investments)
- metrics related to those investments
- cost recovery for grid modernization
- review and schedule of future regulatory filings

Focus of this presentation is the Eversource GMP.
The Company strongly opposes this proposal by EverSource.

- Years
- DUPL noted significant increase in customers on complete supply in recent
- Basic Service.
- Rejected EverSource and until proposals to restrict AMF deployment to
- Investigation.
- Delayed AMF deployment at least 3 years, will be subject of new
- Rejected EverSource's opt-in proposal.

No Customer-Facing/AMF investments were approved.

Advanced Meter:

- Advanced services required to commit to basic service to receive an
- EverSource proceeds a limited opt-in AMF program.
- Upgrades, and customer engagement strategies.
- Included AMF deployment (to varying degrees), associated back office

Distribution Company Proposals

Advanced Metering Functionality (1 of 2)

Customer-Facing Investments
Customer-Facing Investments
Advanced Metering Functionality (2 of 2)

Cost/Benefits of AMF not currently justified for DPU

- $1.5 billion costs state-wide.
- Eversource’s cost estimates were flawed and not supported.
  - CLC along with other parties made these arguments.

Billing Systems – major upgrade costs were proposed.

- DPU found billing system issues could create a barrier to participation by customers on competitive supply.
- Placed on agenda for new investigation.
competitive supply
as a growing number of the company's customers receive
needed to maximize the benefits of customer-facing technologies
A high level of participation in dynamic pricing, such as TPR, is
development.

DPU needs some certainty of the wide adoption of dynamic pricing
products from the competitive supply market to go forward with AMF
Alternative technology solutions without retiring existing AMR?

This aligns with the company's position in 15-12.
moderization objectives.
DPU remains persuaded that AMF is required to achieve grid
ratepayer's
How can AMF be deployed in a cost-effective manner to benefit all

DPU ordered new investments on AMF
New Investigation (1 of 2)
Investments

Customer-Facing Investments

BCK
Customer-Facing Investments
New Investigation (2 of 2)

- Inclusion of competitive supply and municipal aggregation in AMF deployment.

- AMF deployment to targeted groups
  - Maggie Downey testimony advocated for the Compact as a targeted group
  - Compact customers’ high level of engagement

- Development of uniform state-wide data access strategy
  - Access to customer data critical for competitive suppliers to participate
  - Billing system limitations
Grid-facing Investments

- Investment based on compact arguments
- Rejected Eversource's remote circuit fault indicator
- Focus on storm resilience
- Feeder reconfiguration, etc.
- Systems VVO, advanced sensing, overhead automated distribution companies
- $143 million for Eversource (E), distribution management
- Pre-approved three-year spending budget/cap for DPW approved most grid-facing investments

BCK LAW, P.C.
Other Investments

- Approved Cybersecurity Plans for grid-facing investments (included in pre-authorized budgets).

- Rejected Unitil’s proposal to recover some investments through energy efficiency (investments were on the distribution system rather than behind the meter).

- DPU stated the energy efficiency model should be “fully leveraged” in considering next steps in grid modernization.

- Rejected research, development and deployment proposals as insufficiently detailed (as argued by the Compact).
Financial penalties: Metrics performance will not be subject to

Stakeholder process to review companies to file revised metrics by August 8th.

Need more work: DPV approved some metrics, but found metrics

Metrics
Cost Recovery

- DPU made fundamental changes to previous orders on cost recovery:
  - Eliminated AMF prerequisite for targeted cost recovery of grid modernization investments
  - Replaced capital tracker with a reconciling mechanism allowing targeted recovery of capital investments and incremental grid mod-related O&M
- Recovery through Grid Modernization Factor in tariff
- Rejected forward-looking cost recovery
Investments

- Whether each company properly implemented pre-approved adjudicatory proceeding

- Term Reports (every 3 years)

- Grid modernization annual reports (April 1st each year)

- How will companies make measurable progress towards Grid modern objectives?

- 5-year strategic grid modernization plans

- 3-year short-term investment plans (next plan due July 1, 2020)

Forward-looking plans:

Companies must file:

Future Grid Mod Regulatory Filings
Pros/Cons of Order

Cons:
- No short-term full AMF deployment; slower AMF deployment.
- Deployment may not be 100% of Massachusetts ratepayers if remains targeted.

Pros:
- Beneficial language on grid mod direction (e.g., commitment to AMF deployment; inclusion of competitive suppliers in AMF/TVR; data access for competitive suppliers).
- New investigation is a significant opportunity for Compact (targeted AMF).
- Data access for competitive supply.
- Recognition of utility billing systems as barriers.
Shared credit in DPU reflecting the Companies’ R&D proposals.

Billing system simple to accommodate opt-in basic service customers.

System (based on that, EverSource will not be making expensive upgrades to its
 billing system). (Based on that, EverSource will not be making expensive upgrades to its

The compact highlights problems with EverSource’s billing

opposed by Compact.

Recognition of EverSource’s opt-in program, which was strongly

Shared credit for attacking EverSource’s cost-benefit assumptions.

Circuit fault indicators investment proposal.

addressing competitive markets and reflecting EverSource’s remote

Notably, the Compact can take direct credit for the Order

Impact of CIC’s Participation
Next Steps

- **Department Process**
  - Motions for Reconsideration due 5/30/18
  - BCK did not recommend filing for reconsideration
  - Eversource filed a Motion on two procedural issues

- **Appeal Process**
  - Appeal to SJC due 5/30/18; no party filed for appeal
  - BCK did not recommend filing for appeal

- **New Investigation**
  - *Strongly recommend* CLC participation

- **Compliance Filings**
  - Metrics – recommend participating in stakeholder process

- **Review of future grid modernization regulatory plans/filings**
2017 Annual Report

Cape Light Compact Governing Board Meeting
June 13, 2018

Cape Light Compact

Working Together Toward A Smarter Energy Future
Introduction

• 2016 – 2018 is the third 3-year Energy Efficiency Plan files by the PAs

• $2.27 saved for every $1 invested in efficiency measures

• Savings are equivalent to*:
  – Removing 7,886 cars from the road for one year
  – 4,143,899 gallons of gasoline not consumed
  – Carbon sequestered by 43,377 acres of U.S. forests in one year

*https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator
<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Number of Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>168,508</td>
</tr>
<tr>
<td>Low-Income</td>
<td>9,765</td>
</tr>
<tr>
<td>C&amp;I</td>
<td>24,748</td>
</tr>
<tr>
<td>Street Lighting</td>
<td>2,232</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>205,253</strong></td>
</tr>
</tbody>
</table>
Benefits =

• Electric Savings
• Avoided Costs
  • Electricity Generation and Transmission
• Non-Electric Impacts
  • Non-Electric Benefits (NEBs)
  • Fuel Savings (Oil, Natural Gas, Propane)
  • Non-Energy Impacts (NEIs)
  • Reduced Water/Sewer Costs
  • Reduced Lighting/Equipment Maintenance
  • Increased Property Value
## Cape Light Compact 2017 Summary Results

<table>
<thead>
<tr>
<th></th>
<th>PA Costs (aka Budget)</th>
<th>Benefits</th>
<th>Annual MWh Savings</th>
<th>Lifetime MWh Savings</th>
<th>BCR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Planned</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>$22,558,347</td>
<td>$61,650,073</td>
<td>18,921</td>
<td>201,747</td>
<td>2.31</td>
</tr>
<tr>
<td>Low-Income</td>
<td>$4,460,916</td>
<td>$11,084,297</td>
<td>1,750</td>
<td>18,219</td>
<td>2.55</td>
</tr>
<tr>
<td>C&amp;I</td>
<td>$15,216,941</td>
<td>$57,506,827</td>
<td>37,138</td>
<td>331,257</td>
<td>2.89</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$42,236,204</td>
<td>$130,241,198</td>
<td>57,809</td>
<td>551,223</td>
<td>2.56</td>
</tr>
<tr>
<td><strong>Actual</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>$22,125,001</td>
<td>$63,555,689</td>
<td>33,952</td>
<td>278,956</td>
<td>2.24</td>
</tr>
<tr>
<td>Low-Income</td>
<td>$2,828,292</td>
<td>$5,226,385</td>
<td>1,888</td>
<td>16,039</td>
<td>1.89</td>
</tr>
<tr>
<td>C&amp;I</td>
<td>$9,148,015</td>
<td>$29,771,431</td>
<td>13,645</td>
<td>171,504</td>
<td>2.42</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$34,101,308</td>
<td>$98,553,505</td>
<td>49,484</td>
<td>466,498</td>
<td>2.27</td>
</tr>
</tbody>
</table>
2017 Sector Benefits & Savings

- CAI: 28%
- Low-income:
  - 4%
- Residential:
  - 69%
- Annual AVM:
  - 5%
- Benefits:
  - 30%
### Cape Light Compact 2010-2018 Comparison

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures</td>
<td>$14M</td>
<td>$17M</td>
</tr>
<tr>
<td>Benefits</td>
<td>$38M</td>
<td>$69M</td>
</tr>
<tr>
<td>Annual Savings (MWh)</td>
<td>15k</td>
<td>25k</td>
</tr>
<tr>
<td>Lifetime Savings (MWh)</td>
<td>166k</td>
<td>262k</td>
</tr>
<tr>
<td>Portfolio BCR</td>
<td>2.54</td>
<td>3.60</td>
</tr>
</tbody>
</table>
Where to find the full report

Authorize Briana Kane to Execute Specific CLCJPE Documents

REQUESTED BY: Maggie Downey

Proposed Motion(s)

I move the CLCJPE Board of Directors vote to authorize Briana Kane to execute all CLCJPE invoices, Accounts Payroll Warrant and staff payroll documents from Friday June 29 through July 13, 2018.

The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote.

Additional Information

The Compact Administrator will be on vacation starting Friday, June 29, 2018 and will return to the office on Monday, July 16, 2018. Authorizing Briana Kane to execute these documents will allow for the continuation of operations in the Administrators absence.

Record of Board Action

<table>
<thead>
<tr>
<th>Motion by:</th>
<th>Second by:</th>
<th># Aye</th>
<th># Nay</th>
<th># Abstain</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>