

SUBJECT TO FINAL BOARD APPROVAL

MINUTES OF THE
REGULAR MEETING OF
THE BOARD OF DIRECTORS
OF
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE

May 23, 2018

The May Regular Meeting of the Board of Directors (“Board”) of the Connecticut Municipal Electric Energy Cooperative (“CMEEC”) was held on Wednesday, May 23, 2018 at the Spa at Norwich Inn, Norwich, CT.

The meeting was legally noticed in compliance with Connecticut State Law and all proceedings and actions hereafter recorded occurred during the publicly open portions of the meeting.

Chairperson Kenneth Sullivan called the meeting to order at 8:36 a.m. and determined a quorum was present.

The following Member Representatives/Alternate Member Representatives/Municipal Representatives participated:

Bozrah Light and Power Company: David Collard, Richard Tanger, Ralph Winslow
Groton Public Utilities: Ronald Gaudet, Mark Oefinger
Jewett City Department of Public Utilities: Louis Demicco (in person until 11:00 a.m. and then via telephone beginning at 1:15 p.m.), Kenneth Sullivan, Richard Throwe
Norwich Public Utilities: John Bilda, Dr. Grace Jones
South Norwalk Electric & Water: Dawn Del Greco, David Westmoreland, Paul Yatcko (via telephone)
Third Taxing District: Kevin Barber, David Brown, Debora Goldstein, Pete Johnson

The following CMEEC staff participates:

Drew Rankin, CMEEC Chief Executive Officer
Margaret Job, CMEEC Administrative Staff

Other participants:

Michael Boucher, Groton Resident
Dr. Ashley Miles

Ms. Job recorded.

Standard Action Items

(A) Public Attendee Comment Period

Chairman Sullivan invited any member from the public present at today's meeting to comment. Michael Boucher, a resident from Groton, CT, stood and addressed the Board of Directors by reading a document he drafted containing his thoughts and concerns related to the draft CMEEC Ethics Policy and the CMEEC Bylaws. He added that he had provided a copy of his written document to both Drew Rankin and Municipal Electric Consumer Advocate William Kowalski. His discussion focused mainly on his concerns for the protection of ratepayers with respect to how the draft Ethics Policy is written.

(B) Introductions, If New Board Members Participating

Mr. Rankin explained that, when there are new Member Representatives of the Board of Directors participating in the Board of Directors meetings, an introduction and brief discussion of each of the Representatives backgrounds is conducted. At this time, the newest members; Member Representative David Westmoreland and Municipal Representative Dawn Del Greco participating in person for the first time, introduced themselves followed by the remaining Representatives participating in person and via telephone.

(C) Conduct Voting Roster / Roll Call

Mr. Rankin took roll call identifying the formal voting persons at today's meeting. He stressed that whether or not a Representative has formal voting rights, all should be encouraged to participate fully in the Board meetings.

(D) Approve Minutes of CMEEC Regular April 6, 2018 Board of Directors' Meeting

A motion was made by Member Representative Ronald Gaudet, seconded by Member Representative John Bilda to approve the CMEEC Regular April 6, 2018 Board of Directors' Meeting. Member Representative David Westmoreland and Municipal Representative Dawn Del Greco abstained.

Vote passed.

(18-05-01)

(E) Executive Session – Board of Directors Evaluation and Review: Facilitated Session

Chairman Sullivan entertained a motion to enter Executive Session.

A motion was made by Member Representative Demicco, seconded by Member Representative John Bilda to enter Executive Session with direction to the Board to return to Public session upon completion of the discussion in Executive Session.

Motion passed unanimously.

(18-05-02)

The Board entered Executive Session at 8:51 a.m. Present during the discussion were the Member Representatives/Alternate Member Representatives/Municipal Representatives, Mr. Rankin and Dr. Ashley Miles.

Chairman Sullivan called the Regular Session of the CMEEC Board back to order at 1:15 p.m.

The following additional CMEEC staff were in attendance for the Regular Session:

Robin Kipnis, CMEEC General Counsel
Edward Pryor, CMEEC Chief Financial Officer
Justin Connell, CMEEC Director of Portfolio Management
Jake Pagragan, CMEEC Director of Customer and Community Prosperity
Scott Whittier, CMEEC Director of Enabling Services

The Following additional other participants were in attendance for the Regular Session:

Michael Boucher, Groton Resident
Claire Bessette, Reporter, The Day
William Kowalski, Municipal Electric Consumer Advocate

(F) Ethics Policy (Resolution/Vote)

Member Representative Gaudet explained that the draft Ethics policy had been developed by the Ethics subcommittee appointed by the Board with guidance from third party experts in the field, the Human Resource Consortium (the "HRC"). The Municipal Electric Consumer Advocate also provided comments. Alternate Member Representative Debora Goldstein asked whether the issues raised earlier today by Mr. Boucher were addressed in the proposed Ethics Policy. Mr. Rankin confirmed that the policy, as written addresses those issues.

Municipal Representative Mark Oefinger asked for a background on the Human Resources Consortium, LLC ("HRC") which Ms. Kipnis provided to his satisfaction, indicating that they were selected as part of an RFP Process

Mr. Oefinger asked whether paragraph 1.5 Gifts, subsection (b) should include prohibition of provision of gifts to private citizens as well as to any public official or employee of the federal, state or municipal government. Ms. Kipnis noted she would review this and will incorporate the suggestion if it was not already addressed. In consideration of the question that remained, the Board concluded that vote on the approval of the draft Ethics policy should be tabled until the June 2018 Board of Directors meeting so further review of the policy could be conducted.

Chairman Sullivan entertained a motion to table approval of the Ethics Policy until the next scheduled Board of Directors Meeting.

A motion was made by Member Representative Gaudet, seconded by Member Representative Dr. Grace Jones to table approval of the Ethics Policy until the next scheduled Board of Directors Meeting.

Motion passed unanimously.

(18-05-03)

(G) Travel Policy (Resolution/Vote)

Member Representative Gaudet introduced the Travel policy presented for approval today. He added that like the Ethics policy, the Travel policy had been vetted several times by the Ethics subcommittee and edits made to it as recommended by the HRC. He asked if anyone had questions or required clarification of any of the sections of the Travel policy. Member Representative Collard stated he thought the last sentence in Section F of the policy was unclear in its intent. Mr. Rankin explained that sentence was meant to address the requirement that business travel expenses cannot conflict with the terms of the RPSCs or provisions Members might have with their customers.

Alternate Member Representative Goldstein asked, with respect to Section B of the policy, what CMEEC's current procedure is. Mr. Rankin stated that approval had been provided verbally. He continued to state that, at the recommendation of Alternate Member Representative Goldstein from previous Board meeting, a form is being developed to address requests for business travel.

A motion was made by Alternate Member Representative Ralph Winslow, seconded by Municipal Representative Pete Johnson to approve the Resolution Adopting the Travel Policy for the CMEEC Board of Directors and CMEEC Employees.

Motion passed unanimously.

(18-05-04)

(H) NYPA St. Lawrence Allocations (Resolution/Vote)

Mr. Rankin explained this this agenda item serves two purposes. One being the resolution to vote on the approval of entitlement allocations for receipt of Saint Lawrence power. He explained that the Board of Directors had previously authorized the CMEEC CEO to enter negotiations with NYPA on behalf of Connecticut as the Designated Bargaining Agent for the Saint Lawrence power and to determine the appropriate allocations for St. Lawrence power. He noted this resolution effectively ratifies and approves the Agreement for the Purchase and Sale of Electric Products from the Saint Lawrence-FDR Project Power and Energy (the "Agreement") and that the new NYPA energy allocations will become effective June 1, 2018. These allocations are contained in a new Exhibit and are attached to the Resolution.

The second purpose is to provide general education about the project by CMEEC Director of Enabling Services, Scott Whittier.

Mr. Whittier provided a high level review of the NYPA-St. Lawrence project, providing a brief history of the project.

Municipal Electric Consumer Advocate William Kowalski inquired whether there was any revenue stream to CMEEC in its role as Bargaining Agent under the Agreement. Mr. Rankin stated that CMEEC performs this service on behalf of its Members and customers and any fees associated with CMEEC's role as Bargaining Agent is nominal.

A motion was made by Alternate Member Representative Winslow, seconded by Municipal Representative Johnson to approve the Resolution Establishing the Entitlement Allocations for the Receipt of Saint Lawrence-FDR Project Power and Energy to CMEEC for and Behalf of CMEEC as Designated Bargaining Agent.

Motion passed unanimously.

(18-05-05)

Chairman Sullivan entertained a motion to enter Executive Session for an arbitration update.

A motion was made by Alternate Member Representative Goldstein, seconded by Member Representative Dr. Jones to enter Executive Session with direction to the Board to return to Public session upon completion of the discussion in Executive Session.

The Board entered Executive Session at 1:48 p.m.

The basis for going into executive session was Conn. Gen. Stat. Secs. 1-200(6)(B). Present during the discussion were the Member Representatives/Alternate Member Representatives/Municipal Representatives, Messrs. Rankin and Pryor and Ms. Kipnis.

A motion was made by Alternate Member Representative Winslow, seconded by Municipal Representative Johnson to adjourn the meeting.

There being no further business to come before this Board, the meeting was adjourned at 2:16 p.m.

Connecticut Municipal Electric Energy Cooperative

Resolution No. 18-05-04

Resolution Adopting Travel Policy for the CMEEC Board of Directors and CMEEC Employees

WHEREAS, CMEEC, a state-chartered joint action agency, desires to implement and enforce a policy implementing guidelines for travel and associated expenses by the CMEEC Board of Directors that is consistent with CMEEC's Vision, Mission, and Values (the "Travel Policy");

WHEREAS, in order to implement a Travel Policy consistent with its Vision, Mission, and Values, a subcommittee of the CMEEC Board of Directors, with guidance from a knowledgeable third party resource, The Human Resources Consortium, developed a Travel Policy substantially in the form attached to this Resolution.

WHEREAS, the CMEEC Governance Committee has considered and reviewed the Travel Policy which policy will, on adoption by the CMEEC Board of Directors, be applicable to the CMEEC Board Members, CMEEC Employees and Independent Contractors doing business with CMEEC.

WHEREAS, the CMEEC Governance Committee recommends adoption of the Travel Policy by the Board of Directors.

WHEREAS, the CMEEC Board of Directors has reviewed the Travel Policy.

NOW THEREFORE, BE IT RESOLVED, that the CMEEC Board of Directors approves the adoption of the Travel Policy in the form presented at this meeting

BE IT FURTHER RESOLVED, that the Travel Policy shall take effect from the date adoption of this Resolution with direction that the CMEEC Employees and Independent Contractors, and the Board shall receive training on compliance with the Travel Policy within ninety (90) days of adoption.

May 23, 2018



Louis Demicco
Secretary

**CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE BOARD OF
DIRECTORS**

RESOLUTION 18-05-05

**Resolution Establishing the Entitlement Allocations for the Receipt of Saint Lawrence -FDR
Project Power and ENERGY to CMEEC for and Behalf of CMEEC as Designated Bargaining
Agent**

Whereas, the CMEEC Board of Directors in Resolution 17-03-04 authorized the Chief Executive Officer of CMEEC to finalize and execute the “Agreement for the Purchase and Sale of Electric Products from the Saint Lawrence-FDR Project Power and Energy” (the “Agreement”) between CMEEC as Designated Bargaining Agent and to finally determine the Connecticut “qualifying entities” that are eligible to receive firm capacity and energy under the Agreement.

Whereas, CMEEC has made such determination and designated the “qualified entities” eligible to receive energy and capacity under the Agreement to be the six (6) CMEEC Members including Bozrah Light and Power, the Mohegan Tribal Utility Authority plus the Wallingford Electric Division.

Whereas, the purchase of Electric Products from the Project was authorized as an Additional Power Project by way of Resolution 14-06, which also established the Entitlement Allocations of the MEUs in Attachment B to that Resolution as a fixed percentage.

Whereas, the capacity allocation continues to be a firm fixed allocation of 3.2 MW under the Agreement.

Whereas, in addition and as a result of the Agreement, the methodology for calculating the energy allocation from NYPA to Connecticut for distribution to the “qualified entities” has changed from fixed for the term of the Agreement to an annual allocation each January 1 based on the two (2) year prior hourly metered load data necessitating a corresponding change to the Entitlement Allocation for each “qualified entity”.

Whereas, the CMEEC BOD desires to approve the determination as to the “qualified entities” as provided in Attachment B to this Resolution and approve their current Entitlement Allocation.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE AS FOLLOWS:**

Section 1. The Board does hereby ratify and approve the Agreement as provided to the Board at this meeting.

Section 2. Attachment B to Resolution 14-06 is hereby amended to reflect the addition of the MTUA and Bozrah Light and Power as “qualified entities” under the Agreement.

Section 3. Attachment B is further amended to reflect that with respect to the annual hourly meter data provided by the "qualifying entities" to CMEEC as Designated Bargaining Agent, with the understanding that such energy allocation percentage will change on an annual basis as provided above and that correspondingly, each "qualified entity's" allocation percentage of the Connecticut total will also change annually based on their relative percent of total "qualifying entity" megawatt hours utilizing the data for the two years lagging.

Adopted: May 23, 2018



Louis Demicco

Secretary

Attachment B

New Agreement: Proposed Basis for Applying Intra-State Recipient Allocations				
NYPA Agreement Start Date	5/1/2017	NYPA Agreement Expiration Date:	4/30/2032	
(Revised Allocations Begin Date 6/1/2018)				
Basis Convention:	Capacity:	Use MEU % of total MEU energy updated annually to correspond w/NYPA contract (Two year lag data)		
	Energy:	Use MEU % of total MEU energy updated annually to correspond w/NYPA contract (Two year lag data)		
2018 Allocations	Energy %	MWh	Capacity %	Firm
State of Connecticut	100%	19,170	100%	3.2
Wallingford Electric Division	33.47%	6,416	33.47%	1.071
Groton Utilities	23.76%	4,555	23.76%	0.760
Norwich Public Utilities	17.46%	3,347	17.46%	0.559
Bozrah Light & Power	8.43%	1,616	8.43%	0.270
MTUA	7.18%	1,377	7.18%	0.230
South Norwalk Electric & Water	5.06%	970	5.06%	0.162
Third Taxing District	3.36%	644	3.36%	0.108
Jewett City Department Public Utilities	1.28%	246	1.28%	0.041