

BERKSHIRE WIND POWER COOPERATIVE CORPORATION
BOARD OF DIRECTORS MEETING

VIA REMOTE PARTICIPATION

APRIL 21, 2021
10:00 AM

REGULAR SESSION

MINUTES

1a. CALL TO ORDER

After a roll call of those present on the call, Chairman Driscoll declared a quorum present and called the Regular Session of the Berkshire Wind Power Cooperative Corporation Board of Directors Meeting to order at 10:08 AM.

Those present:

BOARD OF DIRECTORS

John Driscoll, Templeton; Peter Dion, Wakefield; Sean Hamilton, Sterling (10:21); Jon Blair, Ipswich; and Ronald C. DeCurzio, MMWEC.

OTHERS

Brian Quinn, Director, Engineering & Generation Assets and Jason Viadero, Engineering Supervisor ; Carol Martucci, Director – Financial Reporting & Corporate Technology; and Sara Erwin, Accounting & Payroll Supervisor; all of MMWEC; and Nicholas J. Scobbo, Jr., Clerk and Tammy Kane, Recording Secretary, Ferriter Scobbo & Rodophele, PC.

1b. APPROVAL OF AGENDA

A motion to approve the Agenda was made by Dion and seconded by DeCurzio and because this is a remote participation meeting on the basis of a roll-call vote as follows it was unanimously voted to approve the Agenda as presented.

Blair	“aye”
DeCurzio	“aye”
Dion	“aye”
Driscoll	“aye”

1c. APPROVAL OF REGULAR SESSION MINUTES OF MARCH 5, 2021

A motion to approve the Regular Session Minutes of March 5, 2021 was made by Dion and seconded by DeCurzio and because this is a remote participation meeting it was unanimously voted on the basis of a roll-call vote as follows to approve the Minutes as presented:

Blair	“aye”
DeCurzio	“aye”
Dion	“aye”
Driscoll	“aye”

Quinn stated Martucci’s financial presentation, Item E, will commence after Items D and F.

1d. OPERATIONS REPORT BY MMWEC

Quinn stated Viadero was a big help when the Cooperative lost its certified Wind Service Technician last year. Viadero review First Quarter Phase 1 Capacity Factor of 29.47, providing the reasons for underperformance. He then addressed the First Quarter Phase 2 Capacity Factor of approximately 40%. Viadero then addressed the Partridge Substation outage. He referred to the Power Point hand distributed. Quinn and Viadero stated despite discussions with Eversource, no satisfaction was achieved during the 13-day power outage. MMWEC was able to bring 11 of 12 turbines back quickly on April 5 and on April 7, 2021 all 12 turbines were online. Dion expressed his view that it is unfathomable to think it is okay cut off a customer for 13 days. Eversource would not do this any other commercial customer where there was a contract, he said. Dion further stated that Eversource treated the Cooperative differently and asked how the Cooperative ensures this never happens again. DeCurzio responded that MMWEC would send correspondence stating the situation was unacceptable. Blair asked if the Cooperative could complain to the DPU and can a formal complaint be filed? Viadero stated any DPU complaint could note the Cooperative’s concerns. There was a brief discussion regarding Eversource evading the issues. Scobbo reviewed the standards applicable in the SGIA Schedule 21 addressing the export of power. He then addressed the standards regarding the retail importation of power to the Cooperative for its use.

Dion stated the Cooperative should file a DPU complaint. Eversource can/should install a tie switch. Dion asked if other customers being served out of Partridge were out for 13 days. Scobbo replied the Cooperative is the only customer. Quinn stated MMWEC can engage the local state representative before any complaint is filed and MMWEC will put together a strong letter to be sent to Eversource and the state representative. Dion asked about the second outage scheduled to occur in June. Quinn reported that the purpose of the second outage is to swap out the temporary transformer for the permanent transformer. Viadero stated the first outage was to install the temporary transformer. The second outage won’t be as long as the first outage. The final Eversource outage will be June 21 – 28 in order to complete the installation of the 62.5 MVA transformer at Partridge.

1f. ISSUES TO BE ADDRESSED BY MMWEC

Quinn stated station power is needed. If Partridge is down, the Cooperative can't generate and without an alternate station feed on standby that is a major concern during an outage. MMWEC is doing all it can to secure an alternate power source for the June outage. MMWEC looked at conceptual designs for an alternate feed to the site and is waiting to hear back from Eversource. Quinn stated the lack of a reply and the name of a contact person indicated poor efforts by Eversource and a disregard for the Cooperative system and equipment. Quinn reviewed slides in Power Point addressing the costs of the outage and system restoration costs. A letter will be sent to the Eversource CEO regarding the lack of a response and assistance given to MMWEC.

Quinn stated the second issue to be addressed is the existing internet service. The current service is a T-1 copper line. Verizon noted the Cooperative is maxing out its capacity on that line. Viadero stated the addition of Phase 2 made things worse by creating a bottleneck. The internet is used for Stony Brook access, sending data to the ISO. The internet is also used for the security camera feed remotely covering four (4) cameras and the control building. A new dedicated fiber circuit would be used for internet only, not for the guard signal because there are no issues with remote tripping on the copper line so the guard signal would remain on copper. No fiber installation issues are known but there will be an extra \$340 per month charge. Hamilton asked if there were any other Verizon options. The response was no.

Quinn stated that the Third Quarter meeting will be after the June outage. Updates will be sent regarding an alternate power source. Hamilton asked about the T-1 switch to fiber cost. Viadero stated there was no cost. Hamilton asked the cost to go all in with fiber. Viadero replied the Cooperative will be asked to sign a two (2) year contract. Viadero stated there were no capital costs for the fiber, just the additional \$340 Verizon charge and increased bandwidth.

1e. AUDIT REPORT PRESENTATION

Martucci reviewed the Cooperative Balance Sheet as of December 31, 2020 and 2019 and Financial Statements for the years ended December 31, 2020 and 2019 which was emailed to the Board prior to the start of the meeting. Martucci stated the audit was in wrap up mode, and that it was done remotely but this is not unusual now. There were no new GASBs as a result of being on hold for 2020 due to COVID. This made for cleaner financial statements.

Martucci stated Phase 2 is the reason for a lot of changes in the financial statements and new debt. Cash is slightly down from 2019 due to construction expenditures for Phase 2 and slightly lower bond funds due to debt payments made. Accounts receivable unbilled are down \$30,000 due to timing of payments from Participants. Prepaids are up about \$41,000 due to an increase in turbine insurance. Insurance premiums were paid in December 2020. Martucci stated there was a change in RECS, that haven't sold yet so Third Quarter market prices were used, Fourth Quarter is an estimate. Third Quarter RECS are up a bit, which will impact financial statements. MMWEC no longer pre-sells RECS. Martucci briefly reviewed totals on the Balance Sheet and the drivers of changes noted on the Statement of Revenues and Expenses.

Martucci stated Baker Tilly has completed its audit, which consisted of mostly normal communications but enhanced this year into a document entitled *Reporting and Insights from 2020 Audit* as presented in draft form. No significant findings and no material weaknesses were noted. Martucci stated no material changes are expected regarding the financial statement

themselves. The financial statements are expected to issue this week in order to provide to Bond Fund Trustee.

DeCurzio stated escrow funds of approximately \$964,000 were held due to potential tax impacts associated with Contributions in Aid of Construction for Phase 1. The funds will be released in May, ten (10) years from the Phase 1 operating date. DeCurzio stated MMWEC is in control of the funds, he will undertake whatever action is needed to release the funds to the Cooperative when the time comes.

Viadero stated on the next Participants Report the Cooperative will see Phase 2 take advantage of the Clean Peak standard above Phase 1 and 2 RECS generated during peak hours. The RECS have to be purchased by IOU's. MMWEC minted all for 2020 on April 10. There might be an additional revenue stream of \$250,000 for Phase 2.

2. EXECUTIVE SESSION

A motion was made by Dion and seconded by Hamilton for the Board of Directors to enter into Executive Session for purposes of discussing strategy with respect to litigation, the potential purchase, exchange or lease of real property, trade secrets and confidential, corporate-sensitive information where the corporation has determined that disclosure will have an adverse effect on the corporation's ability to conduct its business with respect to competitors, to discuss strategy with respect to litigation and to reconvene the Board of Directors Meeting into Regular Session at the conclusion of the Executive Session for purposes of adjournment and on the basis of a roll-call vote as follows:

Blair	"aye"
DeCurzio	"aye"
Dion	"aye"
Driscoll	"aye"
Hamilton	"aye"

The Board of Directors entered Executive Session at 11:01 AM.

The Regular Session of the Board of Directors meeting reconvened at 11:27 AM.

3. OTHER

There was no other business to discuss.

4. ADJOURNMENT

All business having been concluded, a motion was made by Hamilton and seconded by Dion to adjourn the Berkshire Wind Power Cooperative Corporation Board of Directors meeting and because this is a remote participation meeting on the basis of a voice vote as follows, the motion was approved.

Blair	“aye”
DeCurzio	“aye”
Dion	“aye”
Driscoll	“aye”
Hamilton	“aye”

Chairman Driscoll declared the Berkshire Wind Power Cooperative Corporation Board Directors meeting adjourned at 11: 28 AM.

A TRUE RECORD

ATTEST:



Clerk, Berkshire Wind Power Cooperative Corporation