

BERKSHIRE WIND POWER COOPERATIVE CORPORATION
BOARD OF DIRECTORS MEETING

WAKEFIELD MUNICIPAL GAS & LIGHT DEPARTMENT
480 NORTH AVENUE
WAKEFIELD, MA

JULY 9, 2015
10:30 AM

REGULAR SESSION

MINUTES

1. CALL TO ORDER

Chairman Driscoll called the Regular Session of the Berkshire Wind Power Cooperative Corporation Board of Directors meeting to order at 10:40 AM.

Those present:

BOARD OF DIRECTORS

Peter Dion, Wakefield; John Driscoll, Templeton; Sean Hamilton, Sterling; and Ronald C. DeCurzio, Chief Executive Officer & Secretary, MMWEC.

MEMBERS

Kevin P. Kelly, Groton, (*via* telephone for a portion of Regular Session).

OTHERS

Nicholas J. Scobbo Jr., Clerk; and Tammy Kane, Recording Secretary, Ferriter Scobbo & Rodophele, PC; and Edward Kaczinski, Director - Engineering & Generation Assets, MMWEC.

2. APPROVAL OF AGENDA

A motion to approve the Agenda as provided was made by Hamilton and seconded by DeCurzio and on a unanimous voice vote, the Agenda was approved as presented.

3. APPROVAL OF APRIL 28, 2015 REGULAR SESSION MINUTES

A motion to approve the Regular Session Minutes of the April 28, 2015 Board of Directors' meeting was made by Hamilton and seconded by DeCurzio and it was unanimously voted to approve the April 28, 2015 Board of Directors' Regular Session Minutes as presented.

4. REPORT ON OPERATIONS

Kaczenski reviewed the July 9, 2015 Berkshire Wind Board of Directors Update that he distributed.

The capacity factor for the past twelve (12) months was 37.3% and the capacity factor since COD was 37.4%. The capacity factor for the month of June 2015 was 32.8%. Kaczenski commented this is good considering there was lost generation in June due to the failure of the 5A gearbox. Oil changes were conducted in October and April. Blade inspections are scheduled for the week of July 16, 2015. Replacement of pitch control batteries on five (5) turbines are scheduled for this year and the pitch control batteries for the remaining five (5) turbines will be replaced next year.

Kaczenski stated the total cost to date of the claim for Turbine 5A gearbox failure is \$859,000. Travelers will pay the total claim amount minus the \$50,000 deductible. A discussion ensued regarding future failures of other gearboxes. Kaczenski stated the person who inspected the failed gearbox told him to expect other failures, when Kaczenski said the replacement gearbox would be a Wynergy, she replied she was "glad". Scobbo asked if it would be worth it to engage the expert to be proactive, so as to put GE on notice. Would the expert be willing to put in writing her opinion on the GE turbines? Kaczenski stated the insurance companies prefer GE turbines over other turbines.

Kaczenski stated the Cooperative's insurance policy will expire this month. The Cooperative has received four (4) quotes to provide property, casualty and business interruption coverage. MMWEC staff and the Cooperative's insurance broker are reviewing the quotes and coverage language. As expected, premium costs have gone up due to the gearbox failure. Premiums range from \$250,000 - \$300,000 with higher deductibles. Scobbo asked if there is any interest for the Cooperative to self-insure. DeCurzio responded in his experience, no. Kaczenski stated installation of a central vibration monitoring system will be required. Two (2) quotes have been received for all ten (10) turbines. GE has quoted \$105,000 and Bachmann has quoted \$83,110. MMWEC is recommending GE because the system will be monitored 24/7 by the GE Remote Operations Center, which also controls the wind farm. Bachmann would utilize a third party. Kaczenski said it is preferable to have all operations and oversight performed by a single entity. At the request of the Board, Kaczenski will attempt to negotiate a price closer to \$100,000 with GE.

5. OTHER

There was no other business at this time.

6. EXECUTIVE SESSION

Upon the conclusion of business in the Regular Session a motion was made by Hamilton and seconded by DeCurzio to enter into Executive Session for purposes of voting on the Board of Directors Executive Session Minutes of April 28, 2015 and to discuss strategy with respect to litigation and trade secrets and to reconvene the Board of Directors Meeting into Regular Session for purposes of adjournment. On the basis of a roll-call vote as follows:

DeCurzio	"aye"
Dion	"aye"

Driscoll	"aye"
Hamilton	"aye"

The Board of Directors entered Executive Session at 11:32 AM.

The Regular Session of the Board of Directors meeting reconvened at 12:13 PM.

9. 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.

Chairman Driscoll declared the Berkshire Wind Power Cooperative Corporation Board of Directors meeting adjourned at 12:14 PM.

A TRUE RECORD

ATTEST:



Nicholas J. Scobbo, Jr., Clerk
Berkshire Wind Power Cooperative Corporation