

VEPP INC. BOARD OF DIRECTORS MEETING
Capitol Plaza Hotel, Montpelier, VT
July 28, 2017

Present: Mathew Rubin, Slack Dam; Linda Nelson, WEC; Doug Smith, GMP; Mark Driscoll, Engie; Brian Waxler, Ferrisburgh Solar; Ken Nolan, VPPSA; Rita Ricketson, Kathleen Keenan and Gini Milkey, Public Representatives: Lauren Keyes and Carolyn Alderman, VEPP Inc.

Mathew Rubin called the meeting to order at 12:26 PM.

Meeting minutes from January 31, 2017 and March 29, 2017 were presented. A MOTION was made by Kathleen Keenan seconded by Linda Nelson to approve the minutes. The motion passed unanimously.

Carolyn reported on the fiscal year end financials and reviewed VEPP Inc.'s Profit and Loss Statement as of June 30, 2017. VEPP Inc.'s expenses are under budget.

Election of directors was held. A MOTION was made by Linda Nelson to accept the current slate of directors and Rita Ricketson seconded the motion. The motion passed unanimously.

Election of officers was held. MOTION was made by Rita Ricketson to accept the current slate of officers and Mark Driscoll seconded the motion. The motion passed unanimously.

Steven Hickey tendered his resignation to the Board of Directors. Mathew Rubin nominated Andrew Locke of Essex Hydro Associates, LLC to replace him. A MOTION was made by Brian Waxler and seconded by Mark Driscoll to confirm Andrew Locke. The motion passed unanimously.

Carolyn gave a Standard Offer Program update. She discussed the status of projects pending commissioning and the 2017 Request for Proposals (RFP). Doug Smith suggested submitting recommendations to the Public Utility Commission on improving the RFP next year.

Carolyn then gave a Rule 4.100 Program update. She discussed the status of projects coming off contract and how this is being reflected in the program's fees. Great Bay Hydro has requested termination of the Newport Hydro 4.100 contract.

Carolyn updated the Board on VELCO's desire to terminate its role as ISO- NE lead market participant for Ryegate, Dodge, and Sheldon Springs Hydro.

Litigation expenses stemming from the Otter Creek Solar, LLC lawsuit and appeal against VEPP Inc. in United States District Court and the United States Court of Appeals for the Second Circuit were reviewed. Due to the increased environment of litigation, the Board will request permission from the Public Utility Commission to create a legal reserve fund to defend VEPP Inc. against any future legal action.

The meeting adjourned at 2:05 PM.