

The Power of Partnership



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P.O. Box 88  
Ithaca, New York 14851

518.306.1996  
[www.megaenergy.org](http://www.megaenergy.org)

## MEETING MINUTES

### Municipal Electric and Gas Alliance, Inc., Board of Directors February 1, 2017 – Desmond Hotel, Albany NY

**Present:** Mark Taylor, Steve Hoover, Jack Wheeler, Crystal Abers, Heather Brown, Bob Edwards

**Participating Via Conference Call without Voting:** Mary Pat Hancock, Mark Taylor, Rick Blythe

**Excused:** Mack Cook, Allen Olsen, Karen Sullivan

**Guests:** Gordon Boyd, Gene Salerni, Anna Baluyot, David Wiers, Danielle McMullen, EnergyNext; Jill Luther, NYSAC

**Staff:** Ronald Feldstein, Douglas Barton, Barbara Blanchard, Jennifer Luu, Jonathan Wood (via phone), Louise Gava

**Guests:** Ellen Pratt, Tioga County

#### Call to Order and Approval of Agenda

Chairman Stamm called the meeting to order at 9:05 a.m.

#### Approval of Minutes

It was Moved by Ms. Abers, seconded by Mr. Hoover and unanimously adopted by voice vote of members present to approve the minutes of October 6, 2016 as presented.

#### Administration

#### Confirmation of Executive Committee Actions

#### **Resolution: Authorization to Award Bids for Electricity, Renewable Energy Credits, and Natural Gas and Approval of Contracts**

It was Moved by Mr. Wheeler, seconded by Ms. Brown and unanimously adopted by voice vote of members present to confirm the actions taken by the Executive Committee at a special meeting convened on December 12, 2016.

WHEREAS, on November 3, 2016, Ulster County issued an Invitation to Bid on behalf of the Municipal Electric and Gas Alliance for the supply of electricity and renewable energy credits for municipal and other customers located in the Central Hudson Gas and Electric utility territory, and an Invitation to Bid on behalf of the Municipal Electric and Gas Alliance for the supply of natural gas for municipal and other

customers located the Central Hudson Gas and Electric, and St. Lawrence Gas utility territories, all in accordance with provisions of New York State Law, and

WHEREAS, All political subdivisions and districts within the State of New York are authorized by Section 408-a of the NYS County Law, and Section 103 of the NYS General Municipal Law to participate in the contracts awarded as a result of this procurement, and

WHEREAS, Responses to the Invitation to Bid were received and opened f it the offices of the Ulster County Department of Purchasing, 244 Fair Street, Kingston, NY 12042 up to and including 2:15 pm. on Friday, November 18, 2016, and subsequently evaluated by MEGA staff and consultants for determination of best value to MEGA participants in the designated utility service areas, with the results as follows:

**Direct Energy Business Marketing, LLC** - For electricity and renewable energy credits to Municipal and other MEGA participants located in the Central Hudson Gas and Electric utility territory;

**Direct Energy Business Marketing, LLC** - For natural gas to Municipal and other MEGA participants located in the Central Hudson Gas and Electric utility territory;

**Sprague Energy** - For natural gas to Municipal and other MEGA participants located in the St. Lawrence Gas utility territory; and

WHEREAS, the Ulster County Department of Purchasing has issued a notice c f award to the above listed bidders and to all other bidders; and

WHEREAS, Program Agreements have been negotiated and prepared to be executed by MEGA and the aforementioned electric service companies, such Agreements embodying the terms and conditions envisioned in the Invitation to Bid and Request for Proposals, now therefore be it

RESOLVED, further, that the Executive Committee of the MEGA Board of Directors approves the awarding of the contracts to the aforementioned electric service companies, and authorizes the President to execute the Program Agreements.

## **Staff Reports**

Staff reports were included in the agenda packet as follows and additional comments at the meeting are in italics:

### **President's Report - February 2017**

#### **Finance and Budget**

As our Treasurer, will report, MEGA's financial position is healthy. We continue to see an average growth last quarter of 2-3% in our gas and electric supply programs. As well, commissions attributed to the Solar City projects began arriving in earnest. We have already received \$37K in 2016's fourth quarter. The addition of solar dollars and the gas and electric suggests an increase of over 20% compared to Q4 '15.

During 2017-18 some 15 SCTY projects are slated to be closed. These projects would generate approximately \$300,000 in gross commissions. Given the history of delays, especially with the ongoing interconnection issues with the utilities, we would estimate \$100,000 in the next fiscal year. Additionally, our consultants are estimating an initial influx of royalties from Gravity Renewables in '17- '18 that should

total \$175,000 that will be divided among our partners (Energy Next and NYSAC). But as with solar, delays make us to conservatively estimate \$25K.

Fortunately, increased royalty income softens the six figure expenditures attributed to CCA development. In consultation with our Treasurer, we will present a draft 2017-18 budget model to provide enhanced clarity; line items have been divided into 3 categories: Community Choice Aggregation (CCA); Renewables and Standard programs (includes administration). A significant source of MEGA's resources, human and financial is undoubtedly attributed to CCA. We still believe, as does the State and its Department of Public Service that the program's goals and ambitions will ultimately succeed in providing our participants and their communities with increased energy savings, consumer protection and opportunities for clean and efficient energy and substantial MEGA royalties. The conversion to this budget model will enable a more enriched review of each category or program with a good deal more transparency.

## **Recruitment and Retention**

As I noted last year at this meeting, the good health of MEGA is its ability to recruit and retain participants. Staff, consultants, partners, contractors, board and corporate members and MEGA participants as a group are both strategically and collectively successful in this ongoing effort. Most participants (both existing and prospective) realize that MEGA programs afford them a good deal. Competition, both legitimate and illicit does occupy increasing amount of time and resources.

A byproduct of hop scotching the state with CCA presentation has been the interest shown by non-participants in MEGA gas and electric and other programs. We will secure additional municipalities through these events.

MEGA continues to attend and present sessions at various conferences including NYSAC, NYS School Business Officials NY Conference of Mayors, NYS Library association, the NYS Public Housing Directors Association, NYS Association of Municipal Purchasing Official and various regional, county and town and village associations. Contact has been again initiated with the Association of Towns and we will update the Board on its progress. This investment in resources provides vibrant opportunities to network with prospective, current and former MEGA participants.

MEGA has been recognized state wide as a leader and resource in Community Choice Aggregation. Ms. Gava is a participant in several statewide CCA work groups including NYS Regional Economic Development Councils and NYSERDA.

## **Procurements and Programs**

On November 3<sup>rd</sup>, Ulster County issued Invitations to Bid on MEGA's behalf for electric and natural gas supplies, as well as 100% Renewable Energy Credits in the Central Hudson territory; and natural gas supplies behind St. Lawrence Gas. Competitive bids were opened on November 18<sup>th</sup>.

MEGA's Executive committee, acting on behalf of the Board, accepted the Consultant's recommendation of the best qualified and responsible bidders with the lowest price, for each utility territory: Direct Energy for electric and natural gas supplies in Central Hudson, Sprague Energy for natural gas supply behind St. Lawrence Gas.

The Direct Energy Program Agreement will run through October 31, 2020, and the Sprague Energy Program Agreement is slated to run through December 31, 2018, with an optional extension to extend further, if mutually acceptable.

The winning bidders are the incumbent suppliers in these utility territories for MEGA's existing programs. Therefore, it is expected that the programs will continue to run as smoothly and as successfully as in the past.

We are very pleased with the efficiency and professionalism demonstrated by Ulster County in partnering with MEGA in this procurement.

## **Strategic Planning**

It has been several years since we have met in a retreat setting to look more deeply at MEGA's future. As mentioned, MEGA now occupies a prominent and crucial role in energy policy and the marketplace. As well, the expansion of MEGA's into CCA and other recent initiatives has and will grow income, workload and policy planning and design. These and other themes suggest the need for strategic planning. We can accomplish this by meeting the day before our annual meeting, April 20<sup>th</sup> at the Otesaga. We will update you with the progress in planning this event. *Mr. Feldstein, Mr. Barton, and Ms. Blanchard met with Barry Warren and he has agreed to facilitate a planning session of 6-9 people to prepare a draft plan that can be presented to the Board at session in April prior to the April Board meeting. Board members wishing to participate should contact Ms. Luu. Chairman Stamm stated that this seems like a very good time to conduct a planning session; it has been a few years since it was last completed and the utility environments are continually changing.*

## **Annual Meeting**

MEGA's annual meeting and initial Board of Director's meeting will take place on April 21 at the Otesaga Resort in Cooperstown.

## **Litigation**

The ongoing lawsuit in Federal District Court will be discussed at the Board meeting with MEGA Counsel. It might be noted that during the past quarter, one of MEGA's liability policies was up for renewal. The insurer, Chubb, attempted to alter (reduce and weaken) coverage based upon the long-term litigation. Our broker found an alternate company that not only retained the past limits but presented a lower premium.

## **Creation of Finance Manager**

The expansion and complexity of MEGA into an organization with diverse products, increased finances and enhanced accountability and liability has amplified the duties and workload of the part-time Office Manager's position. *Mr. Feldstein reviewed the Finance Manager position description and noted Ms. Luu has taken on additional duties with the addition of community choice aggregation. Ms. Luu has suggested that the Board move to a program budget model as this will help the Board to see in greater detail the amount of money each program costs as well as the amount of revenue it is generating. The proposed budget has been created using this model. In light of the additional responsibilities he will be recommending that the salary for the position be brought into line with what other staff members receive. He noted he is also recommending that Mr. Barton's salary be adjusted to a level that is in line with Ms. Blanchard's as Mr. Barton was brought on staff mid-year.*

## Staff Salary/Remuneration and Promotion Proposal

I will discuss at meeting. *Mr. Feldstein reported that the addition of Community Choice Aggregation has significantly increased the amount of time staff are spending doing outreach and they have seen a 25% increase in the amount of time they are working with the organization. The positions are part-time and he is recommending that the hours be increased to 25 hours per week and the remuneration for staff be increased by 25%.*

### Customer Relations Manager's Report - February 2017

Joanne Foresta and I did a workshop at the NYS Public Housing Directors Association October 19<sup>th</sup> with a cameo appearance from Gordon to outline general energy trends. Joanne is the Chair of the Saratoga Springs Housing Authority as well as being a member of the EnergyNext/MEGA team. We believe that we can engender some interest in this group over time. Joanne has already reached out to the attendees at our presentation and signed up the Herkimer Housing Authority. We hope to have another opportunity to present at their Annual Spring Conference where we will exhibit. This group is given basic information about CCA as it might ultimately affect their residents but will not need the entire presentation.

We met with the City of Troy in November. Direct Energy reps were with me and the presentation went very well. Then, as in the past, nothing happened. Troy has a lot of budget problems and we were hoping this would offer just a little bit of help. I will check on status before the Board meeting next week.

Participated in the NYSASBO Conference in November followed by the Library Association Conference. Not clear how best to follow up with the libraries since many are creatures of their counties and may already be in the MEGA program. Definitely need to learn more about the best way to work with the library association to develop a productive relationship.

I spent some time on the road with Louise meeting with potential CCA participants in the Southern Tier and connecting with the relatively new Allegany County Administrator Tim Boyde. It appears that we are picking up some new MEGA participants through CCA. I will be able to check this out in more depth when the next royalty reports are in.

Worked with Tim Challender over the course of the year to get Livingston County contract extended. Heavy lift since our former Board member from Livingston retired. I would like to note that we have some very fine ESCO reps in Constellation and Direct Energy. Their job can be pretty frustrating at times when these things drag on and they watch the prices go up.

The direct line call that Danielle set up several months ago is working very well. Calls come to me and I've had some very interesting ones. Most notably, I have gotten between 25-30 calls from individuals in Illinois who are being hassled by MEGA Energy Illinois (MEI) with high pressure sales tactics and slamming. The contact phone number for this company rings into another energy company in Texas that claims no knowledge of MEI. The individuals then go on line and discover our website and the contact number that rings in to me. I was advised by the Illinois utility regulatory agency to refer all these folks to the state's consumer protection number which I've been doing.

Ron, Doug, and I worked on the workshop for the NYSAC Conference.

## **Business Relations Manager's Report**

### **Community Choice Aggregation**

I participated in a number of presentations promoting CCA. In some cases I discussed the traditional MEGA programs and introduced our CCA presenter and in some cases I covered both parts of the program. For the most part the reception to CCA has been positive. My participation included;

Cortland Council of Governments

Town of Fenton

Town of Berkshire

Town of Owego

Town of Nichols

Town of Newark Valley

Village of Johnson City

Village of Candor

Village of Endicott

Town of Binghamton

Town of Candor

Town of Homer

### **Conferences and Affiliate Relationships**

I participated in the School Business Managers Workshop conference at the Desmond. We had a booth and were able to speak to a number of school officials. The conference does not attract the decision makers relative to power and we are considering not having a booth at this conference next year.

Ron, Gordon and I met with Steve Acquario and his staff to discuss a number of matters. The meat of the meeting had to do with bringing them up to speed on our CCA efforts to date. I do not believe they had any sense of our investment in this effort. We also discussed the upcoming Legislative Conference and our planned presentation.

### **Other**

I met with Ellen Pratt, the new Corporate Member from Tioga County. I provided a full MEGA orientation to bring her up to speed on our organization. She will make an excellent addition to MEGA.

I participated in a meeting with Gravity Renewables and Chemung County. County Executive Tom Santulli and his Energy Committee (including our very own Steve Hoover) were briefed on a potential relationship between the County and Gravity Renewables under the MEGA program. As this progresses I will provide more details.

Ron, Barbara and I are meeting with a consultant to discuss our approach to a "planning session" that we will have the day before our annual meeting. Much has changed since we last had a session of this type and we feel it is a necessary activity to understand where MEGA is and how we should best move forward.

I continue my participation in bi-weekly conference calls with Solar City as they provide us with updates on their MEGA related projects.

## **Counsel Report**

*Mr. Wood stated that he will be having a call with Dan Leary and Solar City. He also has a call with Gravity Renewables and NYSEG today. Members were asked to get their questions, if they have any, to him as soon as possible.*

### **Treasurer's Report**

#### **Review of Financials**

Mr. Hoover stated the organization has never been in a position of using the fund balance, but this year it looks like a very real possibility. In addition, next year's budget could also use an additional \$120,000. He stated that he would like to be included on discussions about the renewable projections and the assumptions being made.

#### **Review of 2017-2018 Draft Budget**

The Board reviewed the draft budget and there was consensus to revisit the renewable projections and bring those figures to the Board for review and adoption at the April annual meeting.

### **Consultants' Reports**

#### **Royalty Report**

Mr. Salerni reported not all of the Q4 royalties are in at this time. He noted the Albany Airport has left the program and there may be others that have left but those aren't known at this time. There is some skepticism about whether they are publicly procuring per General Municipal Law. Ms. Blanchard stated that if staff are aware that entities are considering leaving, they can triage the situation, but more often than not we find out after the fact. Mr. Boyd stated that there is churn every quarter, but with CCA outreach, staff are getting in front of new customers for the standard program offerings as well. Based on this, modest growth is expected in those programs in the coming months. It was also noted that business is weather dependent and energy efficiency plays a role.

#### **Pipeline Reports – Solar City and Gravity Renewables**

The pipeline reports were reviewed. The Solar City projects are behind in every aspect. The Gravity Renewable projects are working on interconnection issues and they have an ombudsman working on this now.

Ms. Brown stated that the renewable revenue is expected to end once the projects are complete, but the CCA revenue will replace these funds. She stated she would like to see those projections taken out several years.

There are seven projects in the works through Gravity Renewables and five could present revenue in next year's budget. There is a possibility of \$165,000 being received, but those numbers have been reduced dramatically until the projects are online and it is known how well they will produce once interconnected. The Board has also taken a conservative approach to budgeting revenues previously and this approach was used again this year.

#### **EnergyNext, Inc. Report**

The EnergyNext team provided a written report with the agenda packet as follows:

## **Commodity Procurement**

Procurement conducted in collaboration with Ulster County was very successful. Direct Energy won the bids for electricity and natural gas supply. County purchasing office, headed by Marc Rider, was a pleasure to work with. The bids cover Central Hudson Gas & Electric, and for natural gas supply in St. Lawrence Gas territory. Electric and gas contracts for all utility territories are now co-terminus; Oct. 31, 2020.

## **Remote Net Metering**

Interconnection backlog update. Interconnection requests continue to slowly be approved by utilities. DPS has been helpful, but much credit belongs to the staff (Sandra Sloan) of Sen. Betty Little, who has engaged very effectively with National Grid to get interconnections unclogged. Still frustrating, but movement is starting, if slowly.

## **Curtailment services**

- a. Curtailment services. CPower, which took over last year from Johnson Controls, Inc. successfully engaged Chemung County for the SCR program and returned a modest commission to MEGA, along with substantial returns to the County.
- b. Second, recall that US EPA and DEC imposed new air quality rules cutting participation in the program, affecting facilities with older diesel generators. Although US EPA may relax its requirements, that does not mean that New York DEC will. Shoes to drop. CPower continues to look at other options to make the program valuable.

## **Community Choice Aggregation, Case 16-M-0015.**

Please see Louise Gava's comprehensive report in the Board Packet.

## **Participation changes**

The total number of participating "Muni" customers, including schools and non-profits, decreased by two to 269 as the following customer changes occurred since last quarter:

New customers:

- Dunham Public Library (electric).
- Yates County (gas).

Several additional new customers are in the pipeline due to CCA outreach activities

Lost customers:

- Albany County Airport Authority (gas) went with a different broker even though our Direct Energy rep believes he had a lower price. Its electric account will also terminate at year's end.
- Oneida County (gas) moved its account to a NYS contract but renewed its electric contract with Constellation/MEGA until 2019.
- SW Johnson Firehouse (electric) was an old account in Rockland County that finally dropped.

- Town of Saugerties (gas) contract ended and it returned to the utility for service. Its electric account remains with MEGA.
- The Varna Volunteer Fire Company (gas) account was too small to keep per new PSC regulations. Its electric account remains with MEGA.

## **CCA Program Lead Report**

As shared in my previous report I'd like to highlight the most recent progress of the MEGA CCA Program's regulatory compliance, participant engagement and continued leadership in New York. Additionally, I'd like to provide updates on my scope of work and the path forward.

### **Regulatory Compliance**

Since my October report we have obtained additional insights from DPS on MEGA's CCA model. As the first CCA Administrator to submit our generic CCA Program documents, we are also first to test the changes CCA has proposed to the energy market, including to the investor-owned utilities. The specific area of focus over the last few months has been on data access and security. One of our required CCA Program foundational documents, the Data Protection Plan, was challenged firmly in the public comments of the Joint Utilities.

These comments were less about MEGA's specific CCA model and more general resistance to change on the part of the utilities. As our Data Protection Plan must be approved by the Public Service Commission, along with other agreements surrounding data security that must be signed with the utilities, working on these documents has become a regulatory focus.

At MEGA's request, the Department of Public Service (DPS) staff hosted a meeting with us, and representatives from five investor-owned utilities (Joint Utilities). This conversation helped identify some of the specific challenges the Joint Utilities have with CCA in general, and MEGA's Program specifically. Most of the issues surround definitions of types of data and how they need to be managed for proper consumer and utility protections.

Additionally, the tariffs which govern access to the data required to bid and enroll customers in CCA have been delayed by the Public Service Commission until May 1, 2017. This delay may represent an opportunity for MEGA, as DPS has authorized us to negotiate directly with utilities if tariffs have not been accepted at the time we need to move forward. We are currently working with DPS staff and attorney Laura Bomyea (Young Sommer) to investigate the possibilities this opportunity presents, as well as the implications on timeline and resources. In increasingly regular communications with DPS staff, they continue to be supportive of MEGA, encouraging our work and helping us identify a path forward.

### **Participant Engagement**

We are still using an 'all hands on deck' approach to engage MEGA participants in CCA. MEGA staff and board members continue to make introductions, attend and give presentations and encourage municipal leaders to explore CCA with us. We were impressed when one night last September MEGA staff and board members were discussing CCA with municipal officials in four different communities. In December, we topped this record as we discussed CCA in five municipalities the same night. MEGA's presentation introducing CCA has been given over 70 times and reached municipal officials in 9 cities, 35 villages and 64 towns; over 100 municipalities in total.

We continue to focus our efforts and resources on three primary aggregations in (Utility/Load Zone) NYSEG/E, NYSEG/C (both in Southern Tier and I-88 Corridor) and National Grid/C (Central NY). In our model, the first official step a municipality must take is signing an Administration Agreement with MEGA. In each of our three primary aggregations multiple municipalities have taken this step: 4 in NYSEG/E, 9 in NYSEG/C and 2 in National Grid/C. This is a total of 15 municipalities which contain over 40,000 households.

While working to increase participation in the three primary aggregations, I am additionally managing initial interest from two other aggregations National Grid/F (Capital Region) and National Grid A (Western NY) as well as inquiries from other areas of the state.

After signing the Administration Agreement, municipalities move into the "education and outreach" phase of the CCA Program. The newspaper articles, website posts and educational presentations of the initial education efforts have been well received. To efficiently support these efforts, we are working to launch a new CCA Website that is focused on education of residents. This is in addition to our 'CCA Helpline' a dedicated phone number that rings at EnergyNext's offices for the purpose of responding to residential customers' questions.

Invitations to present at group, often County-wide meetings, increases reach and impact of MEGA CCA introductory presentations and allows us to make efficient use of resources. A number of these meetings are scheduled in the coming months.

### **MEGA as a CCA Leader in New York**

Community Choice Aggregation is part of NYSERDA's newly launched Clean Energy Communities Program, and also a component of the PSC's Reforming the Energy Vision (REV). As such, NYSERDA has hired regional outreach coordinators who have been sharing information on CCA with municipalities. We have now had meetings and/or phone calls with coordinators in the North County, Capital Region, Hudson Valley, Central New York and Southern Tier. Some of these coordinators have more deeply engaged MEGA including two upcoming events; one CCA staff training and one CCA workshop for municipal officials. These opportunities amplify our efforts by presenting our CCA model and putting our materials in the hands of individuals who are regularly engaging municipalities on energy issues.

While MEGA is actively engaging in CCA outreach, some interest has been generated by municipalities that are non-MEGA participants, and who reached out to us to request more information on CCA. In a handful of cases, in regions outside of our current efforts, MEGA has been called as a second opinion when municipalities did not understand CCA as previously explained or feel uncomfortable with another CCA Administrator. I think this should be seen as both a reminder of MEGA's good reputation from 20 years of hard work by the staff and Board, and the effectiveness of our initial CCA outreach.

In addition to the continued work on MEGA's specific CCA Program, I have been asked to represent MEGA in the broader CCA conversation in the State and will do so by serving on the NYS CCA Working Group. This group is tasked with identifying policy and program changes needed to effectively implement CCA.

### **Scope of Work Fulfillment**

With the active support and engagement of MEGA staff and board members and EnergyNext personnel, I have been able to continue to achieve concrete results from each category of my scope of work.

1. Conduct extensive **outreach and education** both to municipal officials and to energy consumers, including creation and development of communication strategies and materials. *I have supported the development of our residential focused CCA education material including a new website and presentation materials. I have continued to develop relationships with regional partners and State agencies, supporting their understanding of CCA and presenting the MEGA CCA model at their events.*
2. **Develop model contracts and ordinances** that, if enacted by each governing body, would effectuate a CCA program. *I have worked with Laura Bomyea, Anna Baluyot and Gordon Boyd as the principal draftspersons preparing changes to our foundational documents necessary to implement CCA Programs. This includes conversations with potential CCA energy suppliers, and research to understand the models of other CCA Administrators working in NYS. The DPS staff encourage us to continue in the indicated direction.*
3. **Engage with local governments**, to assist them in approving the necessary measures to start a CCA Program. *In the last three and a half months we have held an additional 40 meetings with more than 50 additional local governments and/or their representatives, bringing our efforts to date to over 70 CCA introductory presentations with over 100 municipalities.*
4. Scheduling has been coordinated with Ron Feldstein, Doug Barton, Barbara Blanchard, MEGA Board members and EnergyNext staff. These meetings have led to the execution of fifteen Administration Agreements between local governments and MEGA providing for education and outreach, committing those municipalities to take further steps toward implementation of CCA Programs and aggregations, and ultimately leading to opt-out residential ESCO service.
5. **Monitor PSC and NYSERDA developments** as these agencies may produce regulatory or support policies that could require our response. *I continue to follow the PSC proceedings that impact CCA and coordinate outreach to industry colleagues and potential suppliers to ensure they understand key elements of the proceedings and help amplify critical aspects of our proposals.*
6. **Maintain accountability** to MEGA executive team and EnergyNext. *I continue to maintain regular contact with the MEGA executive team and EnergyNext staff at every step of the process. In addition, I provide regular updates to MEGA board members on CCA progress of the municipalities in their county.*

## Our Path Forward

As I have shared with you previously, significant time and resources must be expended and patience and diligence exercised before municipalities, their constituents and MEGA can realize the benefits of CCA. In addition, the regulatory process proceeds at a pace set by the DPS staff, utilities, and other parties, which MEGA does not control.

As I have detailed above, our CCA Program model continues to be dependent on PSC/DPS approvals and cooperation of local utilities. The recent changes have required some adjustments to our timeline. That said, I believe it is reasonable to anticipate the following accomplishments over the coming three to six months.

1. Multiple municipalities agreeing to a MEGA CCA Administrative Services Agreement, along with a Program of Governance for operating a CCA Program. ***We have executed 12 additional Administration Agreements bringing the total to 15 as of January 24th, and I hope we can execute 20-30 more by March 31, 2017. A Program of Governance has been replaced by our Implementation Plan which is approved by the State, not individual municipalities.*** Such municipalities approving local laws authorizing CCA Programs, and entering into Inter-Municipal Agreements linking them with other like-minded municipalities. ***We have obviated the need for Inter- municipal Agreements. DPS approved our new approach where Administration Agreements by each municipal participant with MEGA will give us the ability to create Aggregations as appropriate. We would anticipate at least 15 municipalities to complete the PSC-required 2 month public education process and then approve Local Laws by April 30, 2017.***
  
2. Initial preparation measures and data collection leading to energy supply procurement for the aggregated eligible consumers. ***Following the adoption of Local Laws, MEGA would proceed to draft RFPs and begin procurement of energy suppliers for each Aggregation. This procurement will likely take place in Q3 2017 for the initial three aggregations.***
  
3. Development of all standard documents, ordinances and plans with the assistance and support of both EnergyNext and its outside counsel, and MEGA and its counsel. Approval will be required by the Public Service Commission, pursuant to the Commission's Order, a goal that should be attainable within the six months of this Agreement. ***While we continue to receive support of our efforts from DPS, our Data Protection Plan must be accepted by both the PSC and the utilities. Utility comments surrounding our Data Protection Plan has further slowed the process. At this writing, we expect the generic MEGA foundation documents to be accepted by the PSC before May 31, 2017. Subsequently, each municipality's customized version will be submitted to the DPS Staff for approval as an appendix to the generic documents.***

The accomplishments of the past three and a half months would not have been possible without the continued guidance, leadership and support of Ron Feldstein, Barbara Blanchard and Doug Barton.

## NYSAC Report

Ms. Luther stated that yesterday's workshop has fantastic turnout and Mr. Hoover was a wonderful presenter. The presentation provided a good shift to help NYSAC provide highlights to its member counties. NYSAC wants to ensure they are doing what they can to represent MEGA. She stated there is a lot going on in Albany currently with the Governor allowing NYSEDA to charge assessments on utilities, this drives up the cost of energy. Interconnection continues to be a major concern, but NYSAC will be moving forward with getting legislation introduced.

The Chair of the Public Service Commission, Audrey Zibelman, is leaving the Commission in mid March reducing the number of Commissioners to four, but there are two additional members expected to leave and there are discussions about whether they can meet with only two members. Ms. Luther also noted that it is currently budget season at the Capitol and not much happens beyond the budget during this time.

## Old Business

None

## **New Business**

None

## **Executive Session**

It was Moved by Mr. Edwards, seconded by Mr. Hoover and unanimously adopted by voice vote of members present to enter into executive session at 11:00 a.m. to discuss litigation. It was Moved by Mr. Wheeler, seconded by Ms. Brown and unanimously adopted by voice vote of members present to return to open session at 11:12 a.m. No actions were taken in executive session.

## **Announcements**

The annual meeting will be held April 20 and 21<sup>st</sup> in Cooperstown. A planning session to review the strategic plan will be held at 3 p.m. on the 20<sup>th</sup>. A decision will be made later in the spring/early summer on whether to hold a July Board meeting. Typically there has been little business to conduct during this period. The September Board meeting will be held during the NYSAC conference at the Syracuse Hotel.

## **Adjournment**

It was Moved by Mr. Hoover, seconded by Ms. Brown and unanimously adopted by voice vote of members present to adjourn the meeting at 11:13 a.m.

Minutes prepared by Jennifer Luu.