

The Power of Partnership



A Local Development Corporation

P.O. Box 88
Ithaca, New York 14851

518.306.1996
www.megaenergy.org

Minutes of the Annual Meeting of the Municipal Electric and Gas Corporation - April 20, 2018

Present: Michael Stamm, Mark Taylor, Bob Edwards, Heather Brown, Karen Sullivan, Steve Hoover, Richard Blythe, Mark Sachetti, Crystal Abers, Robert Wood, Tyler West, Kasey Chewing-Kulick, Rick Wilts, Jim Gordon, Allen Olsen, NYSASBO

Emeritus Member: Mary Pat Hancock

Excused: Rochelle Stein, Ellen Pratt, Jack Wheeler

Guests: Robert Hagemann; Gordon Boyd, Gene Salerni, Danielle McMullen, Anna Baluyot, David Wiers, Joanne Foresta, Energy Next; Patrick Cummings, Mark LaVigne, NYSAC; Omay Elphik, Gravity Renewables

Staff: Ronald Feldstein, Douglas Barton, Barbara Blanchard, Jennifer Luu, Jonathan Wood, Louise Gava

Call to Order, Approval of Agenda, and Announcements

Chairman Stamm called the meeting to order at 11:01 a.m.

Introductions of board members and guests followed.

Announcement of New Corporate Members

Mr. Stamm announced and following new members to the Corporation and welcomed those in attendance to the meeting.

- Tyler West (Broome County)
- Rick Wilts (Hamilton County)
- Mary Gates (Ontario County)
- Kasey Chewing-Kulick (Oswego County)
- Ellen Pratt (Tioga County)
- Robert Wood – At-Large

Approval of Minutes

It was Moved by Mr. Blythe, seconded by Ms. Brown, seconded by Ms. Abers and unanimously adopted by voice vote of members present to approve the corporation minutes of April 21, 2017 as submitted.

Report of the Nominating Committee

Resolution 18-1 - Board of Directors for 2018-2019

It was Moved by Mr. Blythe, seconded by Mr. Olsen and unanimously adopted by voice vote of members present to approve the Board of Directors for 2018-2019.

Resolved, that the following members of the Corporation are hereby elected to serve as the Board of Directors for the year 2018-2019:

- Crystal Abers – Cattaraugus County
- Heather Brown – Sullivan County
- Mark Taylor - Schuyler County
- Steven Hoover - Chemung County
- Jack Wheeler – Steuben County
- Rochelle Stein – Genesee County
- Ellen Pratt – Tioga County
- Mark Sachetti – Jefferson County
- John LaPointe – Washington County
- Allen Olsen – At-Large - NYS Association of School Business Officials
- Robert Wood – At-Large – Town of Oneonta

Resolution 18-2 - Election of Officers

It was Moved by Mr. Blythe, seconded by Mr. Olsen, and unanimously adopted by voice vote of members present. to accept the slate of officers presented by the Nominating Committee for 2018-2019 .

Resolved, that the report of the Nominating Committee is hereby accepted and the following officers of the corporation elected.

Chairman – Mark Taylor
Vice-Chair – Heather Brown
Secretary – Crystal Abers
Treasurer – Steve Hoover

It was at this time that Mr. Stamm turned the meeting over to Chairman Elect Mark Taylor. Mr. Taylor thanked the board and staff, stating this is a very exciting time for MEGA and noted the organization is on the edge of some very significant growth.

Appointment of Audit Committee

Mr. Taylor appointed Mr. Hoover and Mr. Olsen as the Audit Committee for the year.

Appointment of Governance Committee

Mr. Taylor appointed himself and Ms. Brown as the Governance Committee for the year.

Treasurer's Report

Year-End Financial Report/Review of Proposed Budget

Mr. Hoover reviewed the year end revenues and expenditures. He noted the organization saw a significant shortage or renewal income due to interconnection issues and projects being canceled by Tesla. He stated the fund balance is approximately 20% of the budget and this is much better than what was seen in the past where the balance exceeded 100% and caused concern that it was too high.

In the projected budget \$80,000 in CCA revenue has been budgeted for the year. Ms. Baluyot stated there is confidence that this is a realistic amount for the current fiscal year. The Request for Proposals is ready to be released once the data security issues are resolved and the aggregate data received.

Ms. Baluyot stated that revenue from hydro revenue and net present value payments in the coming year. She also reported that the lag that was experienced from Constellation is still being felt, but new customers continue to be signed. Mr. Feldstein asked if a “make up” payment will be received when the contract expires with Constellation. Mr. Wiers stated only if they choose to go back to the old system.

Mr. Hoover asked in terms of revenue projections where is the most risk. Ms. Baluyot stated that Community Choice Aggregation is the wild card. Mr. Wiers stated that the regulatory piece is the biggest unknown with CCA and interconnection with renewable projects.

Mr. Feldstein stated the decision was made to liquidate the investments held at Ameritrade and discussions are underway about the possibility of applying for a line of credit in the event of an emergency, but he doesn't expect it to be needed.

Ms. Hancock state she is uncomfortable with the CCA Data Security Plan and the potential costs associated with it; nor does she believe the CCA project will be successful and generate \$80,000 by the end of the next fiscal year. She stated that if the funds come that will be great, but she does not want to borrow money.

Mr. Hoover stated that looking at the forecast he believes the program is nearing the end of the storm. Ms. Hancock pointed out that there was a tentative timeline that was put in place for implementation and those have not been met, instead there are more obstacles to overcome.

Review of 14-month Projections

The Board reviewed the 14-month projections and where there could potentially be a cash shortage. Mr. Wiers stated that what has been seen with the CCA program in Illinois is so many more constituents can be reached. Mr. Hoover stated he remains optimistic and he has been working closely with the team, but there may come a time in the next year where borrowing money becomes a real possibility.

Resolution 17-3 - Adoption of 2018-2019 Budget

It was Moved by Mr. Hoover, seconded by Mr. Stamm and unanimously adopted by voice vote of members present to approve the 2018-2019 Operating Budget.

Community Choice Aggregation Status Report

Ms. Gava gave an overview and status report on the CCA Program. Her slides are attached at the end of the minutes.

Establishment of 2019 Annual Meeting Date

There was consensus of members present to tentatively establish April 19, 2019 as the 2019 annual meeting date.

Adjournment

It was Moved by Ms. Brown, seconded by Mr. Edwards and unanimously adopted by voice vote of members present to adjourn the corporation meeting at 11:55 a.m.

Minutes prepared by Jennifer Luu.



Community Choice Aggregation (CCA)

The Power to Choose

Community Choice Aggregation

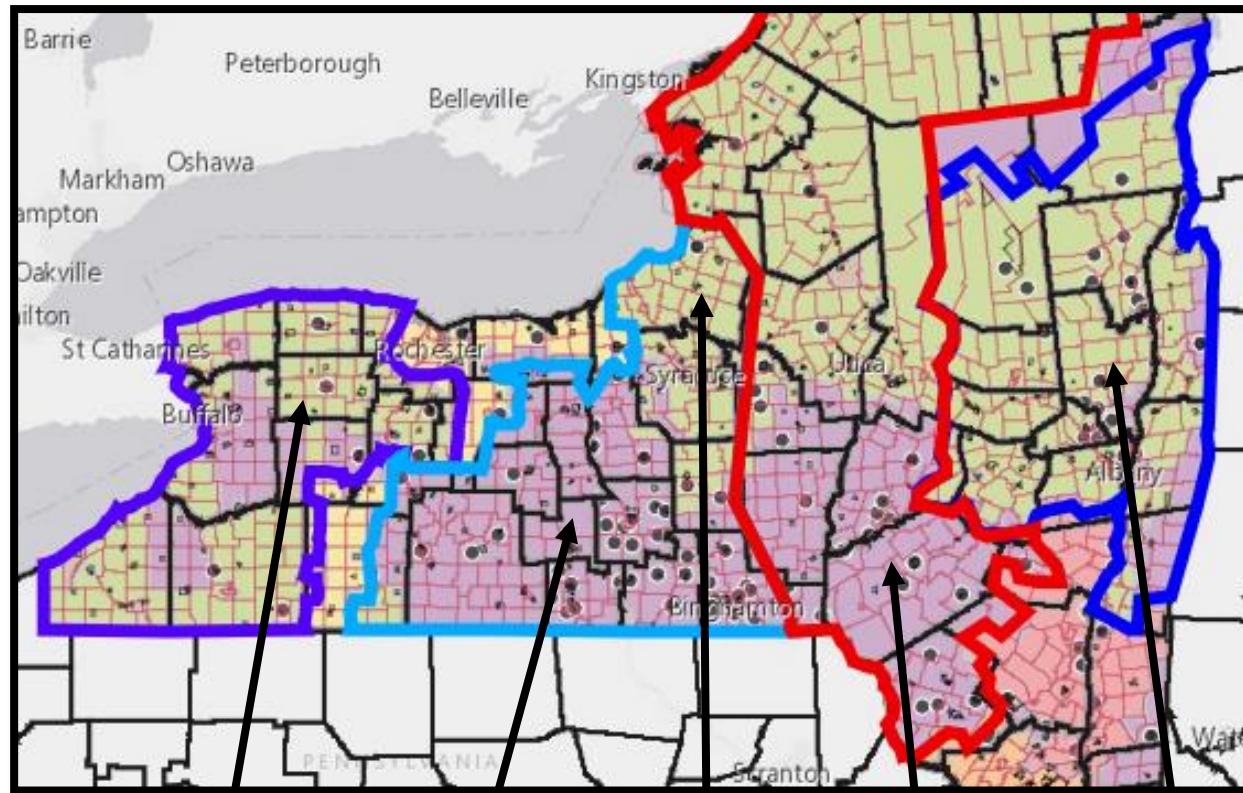
Community Choice Aggregation (CCA) allows local governments to aggregate the electricity and/or natural gas accounts of residential and small commercial customers within their jurisdiction



CCA Offers ***Better Rates, Consumer Protections and CHOICE***

- Aggregation
- Competition
- Energy Experts

MEGA CCA Aggregations



KEY:

Utility Territory

- National Grid
- NYSEG

NYISO Load Zone

- Zone A
- Zone C
- Zone E
- Zone F
- County Boundary
- MEGA Participants

NG A

NG C

NG F

NYSEG C

NYSEG E

Local Approval Packages (LAPs)

- Implementation Plan (Education and Outreach Plan)
- Data Protection Plan
- Certification of Local Law

NEW YORK STATE DEPARTMENT OF STATE
41 STATE STREET
ALBANY, NY 12231

Local Law Filing

(Use this form to file a local law with the Secretary of State.)

Text of law should be given as amended. Do not include matter being eliminated and do not use italics or underlining to indicate new matter.

County
Village
of Nelson
Town
City

Local Law No. 2 of the year 2017.

A local law to add a section to the General Law of the Town of Nelson, authorizing the creation of a Community Choice Aggregation Program, and adopting certain provisions to facilitate Program implementation.

**COMMUNITY CHOICE
AGGREGATION:
IMPLEMENTATION PLAN**

VILLAGE, TOWN, CITY OF _____

PARTICIPATING IN
NEW YORK
ENERGY BUYING GROUP _____

DECEMBER 2017

Success Snapshot

Municipalities expected to be included in first bid

Aggregation	Municipalities	Households
NYSEG C	11	23,151
NYSEG E	6	5,373
NG C	2	5,494
Total	19	34,018



The Power of Community, The Power of Aggregation

**Municipal Electric and Gas Alliance
Community Choice Aggregation (CCA) Program**

Request for Proposals (RFP)

Questions?



Community Choice Aggregation (CCA)

The Power to Choose

CCA Local Laws

Aggregator	Municipalities	Households
MEGA	23	34,000
Westchester Power	25	100,000
Joule Assets	7	18,400
Good Energy	5	8,000
Other	8	25,000
Total	68	185,400

CCA Administrators

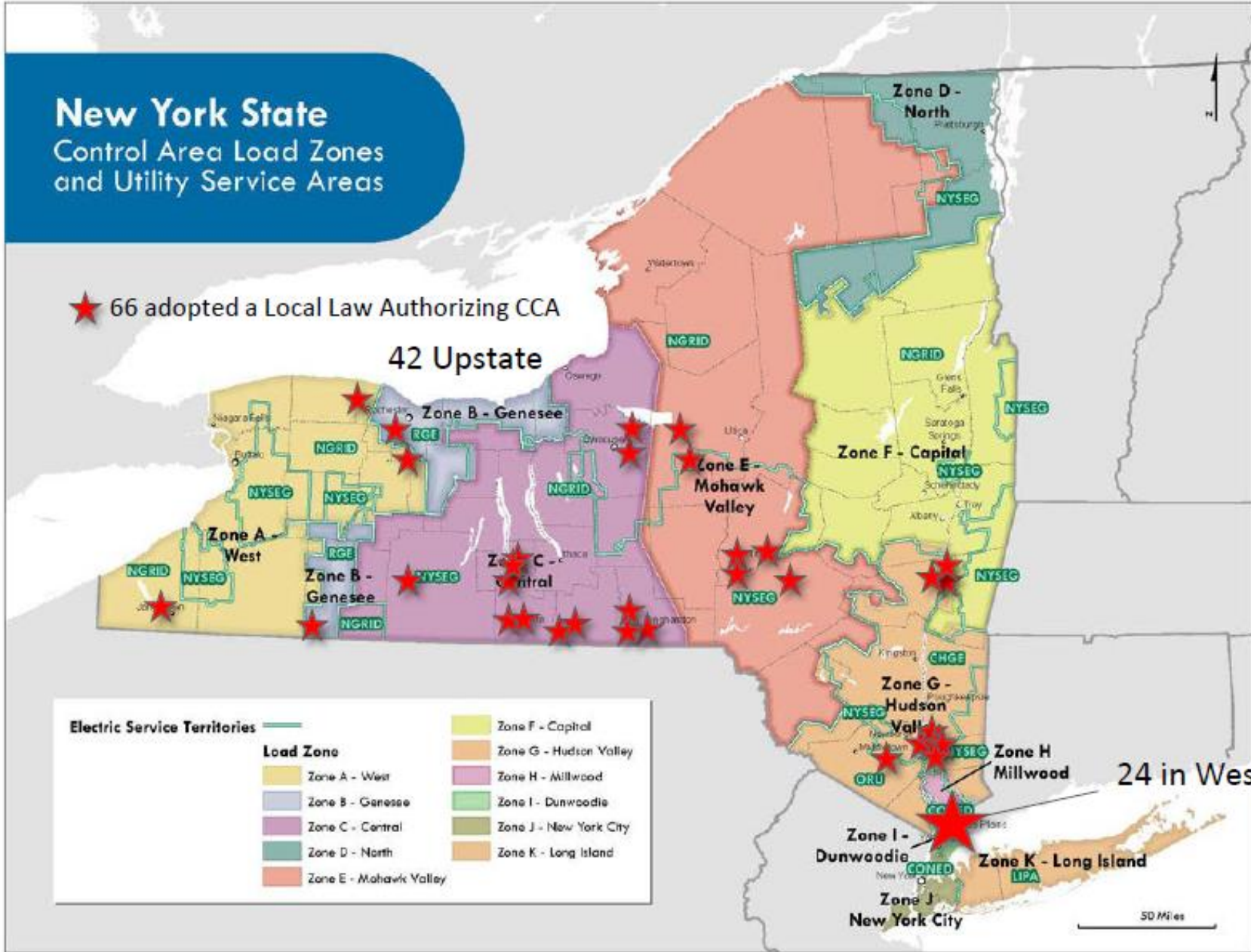
Aggregator	Good Energy	Joule Assets
PSC Approval	Jan 2018	March 2018
Aggregation Regions	Syracuse & Hudson Valley	Rochester & Hudson Valley
Value Proposition	<ul style="list-style-type: none">• NYMEP (NYCOM & AOT)• Size• Experience in other states	<ul style="list-style-type: none">• Westchester Pilot Program• Local Partner Organization• Local renewable energy focus

New York State Control Area Load Zones and Utility Service Areas

★ 66 adopted a Local Law Authorizing CCA
42 Upstate

★ 24 in Westchester County

Electric Service Territories	
Load Zone	
Zone A - West	Zone F - Capital
Zone B - Genesee	Zone G - Hudson Valley
Zone C - Central	Zone H - Millwood
Zone D - North	Zone I - Dunwoodie
Zone E - Mohawk Valley	Zone J - New York City
	Zone K - Long Island



CCA Stakeholders

Counties (e.g. Albany, Cayuga & Sullivan)

- Manage RFP Process
- Serve as CCA Administrator

State Agencies & Consultants (e.g. NYSERDA & CEC Coordinators)

- Neutral third party advocating for best practices
- Funding support

Renewable Energy Developers & Owner/Operators

- Partners to supply CCA

Questions?

CCA Participants

1	NYSEG C	Montour, T
2	NYSEG C	Dickinson, T
3	NYSEG C	Union, T
4	NYSEG C	Horseheads, T
5	NYSEG C	Owego, T
6	NYSEG C	Binghamton, T
7	NYSEG C	Canisteo, T
8	NYSEG C	Spencer, T
9	NYSEG C	Spencer, V
10	NYSEG C	Naples, V
11	NYSEG C	Newark Valley, V

1	NYSEG E	Oneonta, T
2	NYSEG E	Unadilla, T
3	NYSEG E	Lebanon, T
4	NYSEG E	Oriskany Falls, V
5	NYSEG E	Augusta, T
6	NYSEG E	Hancock, T

1	NG C	Nelson, T
2	NG C	Cortland, C