

MUNICIPAL ELECTRIC CONSUMER ADVOCATE THIRD **QUARTERLY REPORT**

During the third quarter of 2018, the following matters were addressed by the Municipal Electric Consumer Advocate (MECA):

- **FORENSIC AUDIT**: Provided suggestions to protect ratepayer interests through email and conference calls with the auditor chosen to conduct the forensic audit, CohnReznick. Those suggestions included:
 - Correspondence to CohnReznick raising specific questions regarding the scope and depth of the audit and review of their response;
 - Research into accounts reviewed in regulated utility audits; and
 - provision of a list of suggested CMEEC internal accounts to review as part of the forensic audit.

- **RESPONSE TO LEGISLATOR**: Provided written response to letter from to Senator Heather Somers, requesting response from the Municipal Electric Consumer Advocate to a recent story in The Day newspaper. The story indicated CMEEC incurring over \$360,000 in legal fees relating to the Kentucky Derby events and related investigations. As a result, provided my response and suggestions, including:
 - Outlining my suggested revisions to CMEEC Bylaws re: indemnification, to date;
 - Outreach and communications with the State Attorney General's Office re: how the expenses would have been treated by regulated utilities before PURA and other regulators in other jurisdictions.
 - Provision of opinion on several questions posed in original letter.

- **LETTER TO THE EDITOR**: Submitted a letter to the editor of The Day, outlining
 - the benefits to downstream ratepayers if CMEEC's Board of Directors adopted my suggested revisions to the CMEEC Bylaws re: indemnification;
 - soliciting additional public input; and
 - indicating advantages to the CMEEC Board itself in adopting suggested revisions.

- ANNUAL REPORT CONTENT: Continued research into suggestions for upcoming CMEEC annual report, including:
 - Communications & meetings with CMEEC General Counsel;
 - Review of potential template document referenced in those discussions and provision of suggested edits;
 - Research into content of annual reports and public communications created by other electric co-ops, with focus on multiple New England entities.
 - Provision of detailed suggestions with specific references to particular content in specific co-op documents, for inclusion in CMEEC document, with rationales.

- BOARD OF DIRECTOR MEETINGS; June 28, 2018 and September 27, 2018 in Norwich, CT, and August 23, 2018 in Norwalk, CT (until executive session was invoked). Raised questions and comments re: ratepayer interests as appropriate, including suggestion that CEO share with Directors, benchmarking information received to date from other Co-ops. Followed up on issues raised during meetings with CMEEC General Counsel and staff.

- BOARD COMMITTEE MEETINGS: Attended multiple committee and/or subcommittee meetings including August 27, 2018 Risk Management Committee meeting and Compensation Committee meeting (until executive session invoked); September 17, 2018 Risk Management Committee meeting.

- RATEPAYER COMMUNICATIONS: Multiple communications via phone and email re: several issues, including primary focus on revisions to CMEEC Bylaws re: Indemnification and including provision of questions to and responses from CMEEC outside counsel through CMEEC general counsel.

- OUTREACH TO MUNICIPAL LEADERS: Provided second quarterly report to municipal heads as required by statute. Separately, provided notice of first annual public forum to be held on October 10, 2018, and requested that municipal heads publish notice of forum to residents on municipal websites or as otherwise deemed appropriate.

- MISCELLANEOUS LEGAL RESEARCH: Researched several legal issues, (e.g., appropriate use of executive session), including discussion with State FOIC staff.