

## **CTMEEC Board of Directors Meeting**

**September 25, 2014**

### **MINUTES**

The Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC”) Board of Directors (referred to hereafter sometimes as the “the Board”) conducted a regular meeting of the Board of Directors on Thursday, September 25, 2014, at CMEEC’s offices. The meeting was legally noticed, in compliance with Connecticut State Law, and all proceedings and actions hereinafter recorded occurred during the publicly open portions of the meeting.

Chairman Paul Yatcko called the meeting to order at 11:52 a.m. and determined that a quorum was present.

#### **The following Representatives/Directors participated:**

Jewett City – Louis Demicco, Richard Throwe  
Groton – Edward DeMuzzio, David Collard, Paul Yatcko  
Norwich – James Sullivan  
East Norwalk – David Brown, James Smith  
South Norwalk – John Hiscock, Scott Whittier

Drew Rankin, CTMEEC, Chief Executive Officer  
Edward Pryor, CTMEEC, Chief Financial Officer  
Justin Connell, CMEEC, Director, Portfolio Management  
Brian Forshaw, CMEEC, Chief Regulatory and Risk Officer  
Ellen Kachmar, CMEEC, Office and Facility Manager  
Michael Rall, CMEEC, Director, Asset Management  
Philip Sussler, CMEEC General Counsel

#### **Guests and other participants**

Debora Goldstein, Commissioner, East Norwalk

Ms. Kachmar Recorded

**Standard Action Items:**

**(A) Approval of the Minutes of the TRANSCO March 27, 2014 Regular Board of Directors Meeting.**

**A motion was made by Director Brown, seconded by Director Demicco, to approve the Minutes of the TRANSCO March 27, 2014 regular Board of Directors Meeting.**

**Vote passed. Director Hiscock abstained.**

**(14-05)**

**Specific Action Items:**

**(B) Transmission Project No. 1**

Mr. Pryor reported on the performance of Transmission Project No. 1, stating that the projected year end net benefit will be approximately \$340,000 lower than budget. Mr. Pryor went on to explain that the reduction was due, in part, to a reduction in the authorized Return on Equity (“ROE”) paid under the Regional Network Service (“RNS”) tariff and CTMEEC’s decision to accrue a reserve to address any refund requirements resulting from that reduction.

More specifically, in the complaint proceeding currently pending at the Federal Energy Regulatory Commission (“FERC”) considering the ROE paid under the RNS tariff, FERC issued an order reducing the base ROE from 11.64% to 10.57%. This order is subject to numerous requests for rehearing and will likely be appealed by parties intervening in the proceeding. Transco is setting aside a reserve of \$350,000 in 2014 for the October 1, 2011 through December 31, 2012 refund period, to respond to the FERC order. Mr. Pryor noted that CMEEC’s overall power supply costs are reduced due to the reduction in the RNS rate by the FERC order and that the impacts reported here relate only to the net benefits and accounting applicable to Transmission Project No. 1.

The RNS revenues for Transmission Project No. 1 are also projected at year-end to be \$123,000 lower than budget due to changes in the RNS billing determinants resulting from fluctuations in load.

**Adjournment**

**A motion was made by Director Sullivan, seconded by Director Demicco, to adjourn the meeting.**

**Vote passed unanimously.**

**(14-06)**

There being no further matters to be discussed, the meeting was adjourned at 12:12 p.m.