



M-RETS efficiently tracks and verifies renewable energy generation in collaboration with stakeholders, facilitating renewable energy development in the public interest.

Board Meeting Minutes

Monday, August 12th, 2013

1:30 P.M. Central

Via GoToMeeting Webconference

Board Members

Present:

- (1) Deborah Erwin, **WI-PSC**, *President*
- (2) Pat Keily, **We-Energies**, *Vice President*
- (3) Brian Rounds, **SDPUC**, *Secretary*
- (4) Jeff Cottes, **Manitoba Province Energy Division**
- (5) Eric Jensen, **IWLA**
- (6) Ron Franz, **Dairyland Power Cooperative**
- (7) Janet McGurk, **IUB**
- (8) Susan Mackenzie, **MNPUC**
- (9) Dan Heim, **Exelon** (arrived at 1:58 during item 6a(4))
- (10) Larry Johnston, **SMMPA** (arrived at 1:59 during item 6a(4), left at 3:00 after item 6d)

Absent:

None

Others Present:

- (1) Amy Fredregill, **M-RETS, Inc.**, *Executive Director*
- (2) Zara Scharf, **M-RETS, Inc.**, *Program Analyst*
- (3) Eric Schroeder, **GPI**, *Treasurer*
- (4) Connie Peotter, **WPS**, *Subscriber Group Vice Chair* (left at 2:30 after item 5)
- (5) Marc Kotsonas, **MUCR**, *Auditor* (arrived at 2:25 during item 5, left at 3:16 after item 6)

Proceedings

Open Session

Deb called the meeting to order at 1:37 PM.

1. Approval of Draft Agenda and Minutes
 - a. No changes were suggested to the agenda.
 - b. MOTION by Janet to approve the agenda as presented – 2nd by Pat. Motion passed on a voice vote.
 - c. No changes were suggested to the July 8 or July 22 minutes.
 - d. MOTION by Pat to approve the July 8 and July 22, 2013, minutes – 2nd by Deb. Motion passed on a voice vote.
2. President's Report
 - a. Deb noted that the annual board calendar lists an annual review of the personnel manual in September, but since the board just made edits in March she thinks it is ok to wait to do that again until the next annual review in 2014. No objections were made to Deb's suggestion.
3. Management Report

- a. Amy walked through her Management Report slides, asking for feedback and, pointing to additional information since she had submitted her written report. She highlighted that the staff's top priority is to focus on the needs of users; a new trend is that in the last few months, the majority of new accounts are for IL ARES suppliers. She also reported that she had connected with the Indiana Regulatory Commission to let them know we had approved tracking generators in the MISO portion of Indiana.
4. Annual Meeting
 - a. Board Member Elections
 - (1) Governance Committee Report and Recommendations – Jeff laid out the five positions that were up for election; MN, SD, WI, co-op and marketer/generator. Nominations were received for all positions; the Governance Committee reviewed these and they are all eligible.
 - (2) Because people need to abstain from voting for themselves, votes will be taken for each position as we have done in the past.
 - (3) Michelle Rebholz – Minnesota Nominee
 - a) Susan spoke in favor of Michelle's nomination.
 - b) Deb reminded the board that Susan is currently serving a 1 year appointment that represents the first year of a 3 year term.
 - c) MOTION by Susan to elect Michelle Rebholz to the M-RETS Board for the remaining 2 years of the usual 3 year term, expiring October 2015 – 2nd by Pat. Motion passed on a voice vote.
 - (4) Brian Rounds – South Dakota Nominee
 - a) MOTION by Deb to re-elect Brian Rounds to the M-RETS Board for a 3-year term – 2nd by Susan. Motion passed on a voice vote with Brian abstaining.
 - (5) Deb Erwin – Wisconsin Nominee
 - a) Deb's position is changing slightly at the commission, so she has been nominated for a 1-year term, expiring October 2014.
 - b) MOTION by Janet to re-elect Deb to the M-RETS Board for a 1-year term expiring October 2014 – 2nd by Brian. Motion passed on a voice vote with Deb abstaining.
 - (6) Dan Heim – Marketer /Generator Nominee
 - a) MOTION to re-elect Dan to a 3-year term by Pat – 2nd by Susan. Motion passed on a voice vote with Dan abstaining.
 - (7) Ron Franz – Cooperative Nominee
 - a) MOTION to re-elect Ron to a 3-year term by Pat – 2nd by Janet. Motion passed on a voice vote with Ron abstaining.
 - b. Everyone thanked Susan and recognized her contributions to M-RETS as one of the founding members over the past several years.
 5. Financials
 - a. Financial Dashboard
 - (1) The Finance Committee presented the latest Financial Dashboard and asked for feedback. All feedback was positive. Staff continues to work on refining the dashboard so that it will be representative of whether we are meeting our mission or not.
 - (2) Discussion of why retirement numbers are currently lower than projected in June. There is a chance this is just a timing difference the way compliance season fell, or representative of lower load growth in the overall industry. Susan requested the committee update the Board once new numbers have come in.
 - (3) Ron mentioned that the Finance Committee is looking for feedback on the goal for cash balance and reserves based on our business model. This will likely be a topic for discussion at a future board meeting.
 - b. Eric S. walked through current financials through June 30, 2013.

- c. Ron reported the Finance Committee's recommendation to approve the quarterly financials as presented.
- d. MOTION by Deb to approve the quarterly financials as presented, per the committee's recommendation – 2nd by Larry. Motion passed on a voice vote.

Closed Session – Marc Kotsonas, Board, Officers and Staff only

- 6. Audit
 - a. Marc walked through the “Highlights” report he wrote for the Finance Committee in June, which was included in the Board's meeting packet. The result of the audit was an “unmodified opinion”, which is the best possible result.
 - b. Amy walked through the Management Response document included in the Board's meeting packet. Because of the unmodified opinion, there were very few areas of recommendation. All identified areas for improvement are already in the works and being addressed.
 - c. The Finance Committee spoke positively about the audit process. Larry said he was elated with the audit and the progress we made in the last year. Per our consultant Walter Cox, because there are no management letter comments that require further attention, he suggested that the board could discuss a number of questions. The board discussed these questions. One of the topics was the potential need for an Audit Committee independent of the Financial Committee. A few comments given that it doesn't appear to be needed at this time since the Audit Committee included at least one non-Officer.
 - d. Review and Verify Accuracy of Form 990
 - (1) The board discussed several questions in the draft 990 with Marc. He answered the questions and discussed a minor edit that Amy will work with Marc to make in the final 990.
 - e. The Board entered into executive session without Staff at 3:09 to discuss the audit with Marc. Staff returned at 3:13.
 - f. MOTION by Susan to approve the audited financial statements – 2nd by Deb. Motion passed on a voice vote.
 - g. MOTION by Deb for staff to work with Marc to file the 990 as discussed – 2nd by Ron. Motion passed on a voice vote.
- 7. Master Service Agreement
 - a. Deb walked through the latest developments in our negotiation with APX on the Fixed Fee Addendum.
 - b. Deb asked for the Board's input with the negotiation and took feedback.
 - c. Deb asked for and received feedback on Source Code Escrow Services.
 - d. MOTION by Ron to give Amy and Deb the authority to execute the addendum with APX, consistent with the terms presented to the board today, and to include SaaS Protect Escrow Services – 2nd by Janet. Motion passed on a voice vote.

Executive Session – the Board chose not to enter into executive session in the interest of time.

- 8. Adjourn
 - a. MOTION by Pat to adjourn – 2nd by Deb. Motion passed on a voice vote.

The meeting was adjourned at 3:31 PM. Minutes submitted by Brian Rounds.