

Case 10-T-0139

Champlain-Hudson Power Express Project

Environmental Trust Governance Committee Meeting Minutes

September 29, 2016

On September 29, 2016, the Governance Committee for the Hudson River and Lake Champlain Habitat Enhancement, Restoration, and Research/Habitat Improvement Project Trust (the “Trust”) held its regularly scheduled meeting.

The meeting took place at the NYS Public Service Commission, 19th Floor Conference Room, Albany, New York, with videoconference connections to the Commission’s 4th Floor Conference Room in New York City and to DEC’s Region 3 Office in New Paltz, New York.

Attendees:

PSC Offices in Albany: Certificate Holders, DPS, DEC, DOS , Trout Unlimited

DEC Region 3 at New Paltz: Scenic Hudson via videoconference

DEC Region 5 at Ray Brook: APA via videoconference

Via teleconference: HRF, NYC

Agenda Items:

1. Approval of June 22, 2016 meeting minutes
2. Project Update
3. Trust Administrator Agreement
4. Trustee Bank Agreement
5. Next meeting date

Preliminary Items:

Meeting was called to order at 10 a.m. and a quorum was confirmed.

- Betsy introduced Lisa Wilkinson, who is taking over Patty Desnoyers’ role for DEC.
- The minutes of the June 22, 2016 meeting were approved.

Project Updates:

Certificate Holders reported on the status of the Project. Project activities discussed included:

- The Class Year 2015 Facilities Study at NYISO will likely be completed in December 2016-January 2017 Final solution expected in January 2017 but could take up until March 2017.
- Certificate Holders are cautiously optimistic in their negotiations with a very large supplier of renewable energy and a very large potential consumer of renewable energy. Any deal will not be final until after PSC rules on the CES.
- Best guess as to financial closing and trust funding is Q4 of 2017.
- Given this schedule, Certificate Holder is considering pre-funding of some of the administrative costs of the Trust. There may be some level of approval by PSC (less than Certificate amendment) to authorize such pre-payments.
- New Scotland converter station is still on the table as a back-up plan if current project doesn't get commercialized.
- **George will give a brief update to the GC after each NYISO Transmission Planning Advisory Subcommittee meeting.**

Trust Agreement

- Revised document reflects comments from DPS, DEC and RK as well as discussion from last conference call
 - Section 15 – Termination and Reversion of Trust – originally said funds will come back to grantor, revised version states that will be placed with another entity pursuing similar objectives but failing that would revert to grantor.

Trust Administrator Agreement:

- HRF recommended that communications b/w administrator and GC should be as efficient as possible – need formal communication structure but flexibility to operate quickly outside of quarterly meetings.
 - **Certificate Holder will circulate proposal for how to handle these decisions outside of quarterly meeting context**
- HRF suggested Section 2(A) of the Trust Administrator Agreement should be revised to clarify how much control grantor has of day-to-day operations and how to calculate a set fee to cover typical matters.
 - **HRF will send around redline of document**
- Hire of experts – GA states that TWG members are uncompensated, do we need an exception?

- Experts would be consultants paid as part of project budget, separate from TWG member.
- **Betsy will work with HRF to develop chart of categories (consultant, TWG member, etc.), role, and whether they would be compensated.**
- Updating priority project status
 - **If anyone has updates on projects that have been completed or are already in development, send to Betsy, who will send around an updated project table.**

Next meeting date:

Donna Giliberto will take over scheduling duties.

Will follow up with possible meeting dates in early December.
