

Minutes of Board of Directors Meeting

September 19, 2013

The Western Climate Initiative, Inc. Board of Directors (the “Board”) met on September 19 2013, in Sacramento, CA. The Board considered adoption of a Records Availability Policy, and then convened an executive (closed) session to discuss procurement matters.

The meeting was called to order on September 19, 2013, by the Chair, Matthew Rodriguez, at 10:00 a.m. Pacific Time. Lydia Dobrovolny kept the minutes of the meeting. Consecutive interpretation between French and English was provided during the open session, which was open to the public. Three stakeholders attended the meeting in person, and approximately 15 attended by phone.

Attendance

The following Directors were present, constituting a quorum pursuant to the By-Laws:

- Matthew Rodriguez (Chair)
- Charles Larochelle (Vice Chair, by phone)
- Michael Gibbs (alternate for Mary Nichols)
- Tim Lesiuk (Secretary, by phone)
- Jean-Yves Benoit (by phone)
- Alain Houde (non-voting, by phone)
- Kip Lipper (non-voting, by phone)

Also present were:

- Mark Wenzel, State of California
- Diane Griffith and Neela Babu, staff to California Assembly Member Skinner (by phone)
- Guylaine Bouchard, Province of Québec (by phone)
- Patricia Russell, Province of British Columbia (by phone)
- Dave Tiffin, Province of Ontario (by phone)
- Clifford Case, WCI, Inc. Corporate Counsel (by phone)
- Patrick Cummins, WCI, Inc. Executive Director
- Lee Alter, WCI, Inc. Project Manager (by phone)
- Lydia Dobrovolny, Ross Strategic (by phone)
- Bryan Lopuck, Lionbridge (by phone)

1. Board Meeting Minutes

Mr. Benoit noted four corrections to the French translation of the minutes; specifically the terms used for "board meeting", "compliance instruments", "help desk" and the Section 9 heading. There were no comments from stakeholders.

Mr. Larochelle made a motion to approve the May 8, 2013, Board meeting minutes, with corrections to the French version as noted. Mr. Lesiuk seconded the motion. Mr. Gibbs abstained from voting since he was not at the meeting. The four other voting Directors unanimously approved the minutes.

2. WCI, Inc. Corporate Policies

Mr. Wenzel presented a draft WCI, Inc. Records Availability Policy for Board consideration:

- The WCI, Inc. By-Laws call for the activities of the Corporation to be conducted in a transparent and open manner, and for the Board to adopt policies to ensure transparent and open operations. WCI, Inc. already posts many of its corporate documents online, and the Board adopted an Open Meeting Policy in May 2013.
- Jurisdiction staff drafted the Records Availability Policy after reviewing the public records acts of California, Québec, British Columbia and Ontario, and similar policies in place with RGGI, Inc. and the California Independent Systems Operator.
- The policy is intended to ensure that jurisdiction acts and policies are primary; any request for records of jurisdiction records that WCI, Inc. receives will be referred to the jurisdiction. Similarly, WCI, Inc. staff will notify jurisdictions when they receive a request for records. The policy is not a substitute for the public records acts in any of the participating jurisdictions.
- Corporate counsel has reviewed the draft.

Directors asked for clarification about the scope of the public records that are covered by the policy, about information that may be kept confidential in contracts or funding agreements, and about use of the term "commercially sensitive matters". Staff will research these three issues and report back to the Board at a future meeting.

There were no comments from stakeholders.

The Board deferred action on the policy until a future meeting.

3. Executive Director's Report

Mr. Cummins presented an update to the Board on operational matters:

- Work under the existing cap-and-trade service contracts is proceeding. The most immediate objective is to have all systems ready for Québec to hold its first auction in late 2013. The final requirement to meet this milestone is putting in place financial services for the auction and reserve sales; the Board considered procurement of these services as part of the closed session.

- Mr. Cummins is working with legal counsel to register WCI, Inc. to conduct business in Québec and Canada. Once complete, WCI, inc. will hire an Assistant Director and open an office in Québec.
- The Annual Meeting of the WCI, Inc. Board of Directors will be scheduled in early December and occur in Sacramento, California. The Board will elect officers, make Committee assignments, and adopt a budget.

There were no comments from the public.

4. Executive Session to Discuss Procurement Matters

At 11:30 am, Mr. Rodriguez convened an executive (closed) session to discuss procurement matters. During the executive session, the Board approved a contract with Deutsche Bank to provide financial and transactional escrow agency services for the cap-and-trade program.

At 12:00 pm, there being no other business and upon unanimous consent, the executive session was adjourned and the public session reconvened. A brief summary of the executive session was provided to the public and the meeting adjourned at 12:05 pm.

Respectfully submitted,

Tim Lesiuk, Secretary