

Draft Minutes of the Board of Directors
Subject to Review and Adoption by the WCI, Inc. Board of Directors

Tuesday, March 27, 2018 – 12:00 PM PT/ 3:00 PM ET

The Western Climate Initiative, Inc. Board of Directors (the “Board”) held a meeting on March 27, 2018, via teleconference. The Board approved the February 9, 2018, meeting minutes, reviewed and approved the Québec funding agreement, and received a report from the Executive Director. The Board then convened an executive (closed) session to discuss personnel matters.

The meeting was called to order by the Chair, Matthew Rodriquez, at 12:07 p.m. Pacific Time / 3:07 p.m. Eastern Time. Jeannine Farrelly kept the minutes of the meeting. No members of the public were in attendance for this meeting.

Attendance

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

- Matthew Rodriquez (Chair)
- Jim Whitestone (Vice Chair)
- Jean-Yves Benoit (Treasurer)
- Éric Thérout
- Alex Wood

Also present were:

- Mark Wenzel, State of California
- France Delisle, Province of Québec
- Greg Tamblyn, WCI, Inc.
- Jeannine Farrelly, WCI, Inc.
- Mieke Klok, Lionbridge (Translator)

Mr. Rodriquez opened the meeting and roll call was taken by Mr. Tamblyn. A quorum was established. Mr. Rodriquez asked if any Board members had any changes or additions to the agenda. Hearing none, the Board moved to the first agenda item.

I. Approve February 9, 2018 Board Meeting Minutes

The February 9, 2018 meeting minutes were presented in both English and French. Mr. Rodriquez asked if Board members had any changes or additions to the minutes. Hearing none, Mr. Rodriquez asked for a motion to approve the minutes. Mr. Whitestone made a motion to approve the February 9, 2018 minutes. The motion was seconded by Mr. Thérout and unanimously approved by the Board.

II. Review and Approve the Québec Funding Agreement

The Québec funding agreement for 2018-2019 was presented for the Board’s consideration. The agreement was distributed before the meeting to the Board members, and posted publicly to the

WCI, Inc. website. The agreement was presented in both English and French, however, the controlling agreement will be the French agreement. Mr. Tamblyn commented that the new agreement is similar to the previous agreement entered into by WCI, Inc. with only minor modifications. The modifications were reviewed by the WCI, Inc. Executive Director and WCI, Inc.'s Corporate Counsel in Québec and Sacramento. Representatives from California and Ontario also had the opportunity to review and comment on the agreement prior to the meeting.

Mr. Rodriguez asked if there were any questions from the Board. Hearing none, Mr. Whitestone made a motion to approve the Québec funding agreement as presented. Mr. Benoit seconded the motion.

Mr. Rodriguez asked if there was any discussion. Mr. Rodriguez commented that he was appreciative of the work that has gone into the agreement, which continues to be a model for how governmental jurisdictions can work with one another. With a motion and a second to approve the Québec funding agreement Mr. Rodriguez called for a vote. The motion was unanimously approved by the Board.

Mr. Wood joined the meeting at 12:14 p.m. Pacific Time / 3:14 p.m. Eastern Time.

III. Executive Director's Report

Mr. Tamblyn provided an update to the Board regarding strategic planning activities. The Board asked that staff assess the current status of services provided by WCI, Inc., assess new services that could be provided and make recommendations to the Board for consideration. During 2017, staff assessed current services provided to the jurisdictions, which included an IT assessment of the tracking system. New staff were hired to address the need for more technical resources and to support strategic planning initiatives. Staff also implemented numerous internal process improvements, including amending the by-laws and initiating new project management procedures to improve service delivery.

At the end of 2017, staff initiated formal strategic planning discussions by forming an internal strategic planning team consisting of Mr. Turcotte, Mrs. Farrelly, and Mr. Tamblyn to review the data collected over the year and identify issues, opportunities and risks. From this, a draft strategic plan was developed, however, given the new information gathered throughout the year, the plan needed further development to address service enhancements. After some discussion, it was determined that a series of structured working sessions with jurisdiction staff will benefit the strategic planning process. These working sessions are being planned now. Following the working sessions, staff will present a planning document to the Board to solicit feedback and direction. In the meantime, WCI, Inc. staff will continue to work on initiatives to improve WCI, Inc. operations that have already been approved by the Board.

Mr. Whitestone asked about the timeline for these activities. Mr. Tamblyn responded that he will know more after the first working session but will update the Board in May and work on getting a strategic planning document to the Board before October.

Mr. Thérout asked if the strategic plan will include activities related to onboarding new jurisdictions. Mr. Tamblyn responded that the draft strategic plan does include activities related to streamlining the onboarding process for new jurisdictions.

Mr. Rodriguez asked who would participate in the working sessions. Mr. Tamblyn responded that it will start with members of the Management Work Group because of their understanding of their program needs and what the policy implications might be of their decisions. Mr. Benoit commented that one of the reasons for having these discussions initially at the management level is that the working sessions may include discussions about different ways to implement the cap-and-trade system to make our system more flexible and efficient, but that once the group knows what types of solutions we are willing to explore it can start engaging jurisdiction staff.

Mr. Rodriguez asked about the status of onboarding new jurisdictions. Mr. Tamblyn provided a brief update on the status of onboarding new jurisdictions and how it may inform the strategic planning discussions related to onboarding procedures.

Hearing no other questions from members of the Board, Mr. Tamblyn concluded the Executive Director's report.

There being no other business, the Public session adjourned at 12:30 p.m. Pacific Time / 3:30 p.m. Eastern Time. The Board then convened an Executive (closed) Session to discuss personnel matters. Ms. Farrelly and Ms. Klok were excused for the Executive Session.

IV. Actions Taken by the Board in the Executive Session

During Executive Session, the Board approved the October 12, 2017 Executive Session meeting minutes and reviewed Executive Director performance.

There being no other business, the executive (closed) session and the Board meeting was adjourned at 1:20 p.m. Pacific Time / 4:20 p.m. Eastern Time.

Respectfully submitted,

Mary Nichols, Secretary