

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

Tuesday, December 6, 2016 – 10:00 AM PT/ 1:00 PM ET

The Western Climate Initiative, Inc. Board of Directors (the “Board”) held a meeting on December 6, 2016, via teleconference. The Board approved the September 29, 2016 meeting minutes, reviewed proposed changes to the Accounting and Policies and Procedures, reviewed the Québec Employee Handbook, presented the 2016 Annual Report and discussed strategic planning. The Board then convened an executive (closed) session to further discuss strategic planning matters.

The meeting was called to order by the Chair, Matt Rodriguez, at 10:10 a.m. Pacific/1:10 p.m. Eastern Time. Debbie Pollard kept the minutes of the meeting. Consecutive interpretation between French and English was provided during the open session. Two members of the public attended the meeting by phone.

Attendance

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

- Matthew Rodriguez (Chair)
- Robert Fleming (Vice Chair)
- Jean-Yves Benoit (Secretary)
- Geneviève Moisan
- Tim Lesiuk
- Jim Whitestone

Also present were:

- Mark Wenzel, State of California
- Edie Chang, State of California
- Jason Gray, State of California
- France Delisle, Province of Québec
- Stephane Legros, Province of Québec
- Dave Tiffin, Province of Ontario
- Greg Tamblyn, WCI, Inc.
- Eric Turcotte, WCI, Inc.
- Debbie Pollard, WCI, Inc.
- Bryan Lopuck, Lionbridge (Translator)
- Richard Gauthier, Bio ETBE
- Jeremy Gordon, BGC Partners

Mr. Tamblyn opened the meeting, roll call was taken, and a quorum was established. Mr. Rodriguez 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 September 29, 2016 Board Meeting Minutes

The September 29, 2016 meeting minutes were presented in both English and French. Mr. Rodriguez asked if there were any questions or corrections to the minutes as they were presented. There were no comments from the Board. Mr. Rodriguez asked if there were any questions from the members of the public. Hearing none, Mr. Rodriguez asked for a motion to approve the minutes as they were presented.

Mr. Fleming made a motion to approve the September 29, 2016 minutes as they were presented. The motion was seconded by Mr. Benoit and unanimously approved by the Board.

II. Proposed Amendment to the Accounting Policies and Procedures for Board Approval

Mr. Rodriguez asked Mr. Tamblyn to provide a brief overview of the Accounting Policies and Procedures. Mr. Tamblyn stated that the purpose of the Policy is to describe the accounting policies and procedures of the Corporation. Included in the material for the meeting was a memo from the Finance Committee recommending proposed changes to the Policy for the Corporation's expanded operations in Canada, as well as clarifying that the functional currency of the Corporation, for accounting purposes, shall be the United States dollar.

Mr. Rodriguez asked if a red-lined copy showing the proposed changes was posted as well as the clean version. Mr. Tamblyn stated that only the clean version without tracked changes was posted. Mr. Rodriguez asked Mr. Tamblyn to summarize the proposed changes that had been made to the document.

Mr. Tamblyn listed the following changes:

1. The reference to the organization has been changed to reflect the "organization" as the "Corporation".
2. To allow for the expanded role of the Assistant Executive Director in Québec, Section II. Division of Responsibilities, page 5, the Assistants to the Executive Director responsibilities was expanded to include: "Provide support to the Executive Director on the Finance Committee and as needed to ensure adherence to all internal controls."
3. To clarify travel guidelines for employees in Canada, Section V. Cash Disbursements, was amended to include the appropriate travel references for per diem and lodging.
4. In Section XI. End of Month and Year-End Close, the functional currency for the Corporation has been defined as United States dollars.

Mr. Rodriguez asked if there were any questions from the Board or members of the public. Hearing none, Mr. Rodriguez asked for a motion to approve the proposed amendment to the Accounting Policies and Procedures as it was presented.

Mr. Whitestone made a motion to approve the amendment to the Accounting Policies and Procedures as it was presented. The motion was seconded by Mr. Lesiuk and unanimously approved by the Board.

III. Presentation of the Québec Employee Handbook for Board Approval

Mr. Tamblyn provided an overview of the Québec Employee Handbook. Working in collaboration with WCI, Inc.'s legal counsel and staff in Québec, WCI, Inc. developed a handbook for WCI, Inc. employees based in Québec. The development of the handbook was guided by the need to comply with the Canadian and Provincial laws, while maintaining a similar level of accommodation for employees in California and Québec. Mr. Tamblyn listed the following differences:

- The controlling language for the Québec Handbook is French. In the event of a discrepancy between the English and French version, the French version will prevail.
- At-will employment does not exist in Canada as it does in California. All Québec employees will start their employment with WCI, Inc. on a three month probationary period, after which time accommodations would need to be made by WCI, Inc. if the Corporation elects to terminate an employee without cause. These accommodations include providing reasonable notice or compensation of such notice.
- Medical, dental and vision care are provided free of charge in Québec, therefore WCI, Inc. does not provide these benefits to its employees in Québec.
- The Québec Employee Handbook allows for expanded leave family, parental and health related leave, per Québec law.

Mr. Rodriguez asked if there was any guidance provided to determine the proper amount of compensation indemnity. Mr. Tamblyn stated that the amount of indemnity is based on years of uninterrupted service. For one to five years of uninterrupted service the compensation is two weeks. For five to ten years of uninterrupted service, the compensation is four weeks. For ten years or more of uninterrupted service, the compensation is eight weeks.

Mr. Rodriguez noted that if in the future WCI, Inc. has a large number of jurisdictions joining, the Corporation may want to develop a unified handbook for employees. This handbook is appropriate to adopt today, given that we now have employees in Québec.

Mr. Rodriguez asked if there were any questions from the Board or members of the public. Hearing none, Mr. Rodriguez asked for a motion to approve the Québec Employee Handbook as it was presented.

Ms. Moisan made a motion to approve the Québec Employee Handbook as it was presented. The motion was seconded by Mr. Whitestone and unanimously approved by the Board.

IV. Presentation of the 2016 Annual Report for Board Approval

In response to Mr. Benoit's request made at the September 29, 2016 Annual Board meeting, Mr. Tamblyn presented the 2016 Annual Report for Board discussion and consideration. Mr. Tamblyn noted that this is the first year WCI, Inc. has developed an annual report, and it includes highlights of activities and accomplishments from 2016. The report was circulated to the Board prior to the meeting, and if approved by the Board, the document would be posted to the WCI, Inc. website.

Mr. Rodriguez asked if there were any questions from the members of the Board. Mr. Whitestone noted that page 4 of the annual report made reference to CITSS availability in both English and French, although for Ontario it is currently available only in English and after a

future release it will be available in French. Mr. Whitestone asked if the report could be updated to reflect this detail. Mr. Tamblyn confirmed that the report would be updated to reflect this detail.

Mr. Rodriguez clarified that in the introduction, the second paragraph should read “the jurisdictions specify their administrative requirements...”. Mr. Tamblyn noted the correction will be made.

Mr. Rodriguez asked if there were any comments or questions from the public. Hearing none, Mr. Rodriguez asked for a motion to approve the 2016 Annual Report with the corrections noted.

Mr. Fleming made a motion to approve the 2016 Annual Report with the corrections as noted. The motion was seconded by Mr. Benoit and unanimously approved by the Board.

V. Strategic Planning Overview

Mr. Tamblyn provided an overview of the Strategic Planning presentation. Mr. Tamblyn indicated that the presentation was included in the material circulated to the Board and the public prior to the meeting.

Mr. Tamblyn presented the Mission, Values, and Vision statements for the Corporation. Mr. Tamblyn also highlighted the Goals for the Corporation.

Mr. Tamblyn stated that over the coming months, WCI, Inc. will assess the current status of services provided by WCI, Inc. to its Participating Jurisdictions, assess new services that could be provided to the Participating Jurisdictions, develop contingency plans to ensure continuity of service, and make recommendations to the Board for consideration.

Mr. Tamblyn indicated that WCI, Inc. staff will provide progress reports to the Board, present options for the Board’s consideration, and request guidance from the Board. The public will have an opportunity to engage in the discussions during open meetings of the Board.

Mr. Rodriguez asked if there were any questions from the Board members. Mr. Whitestone asked if specific timeframes should be set for the various activities related to the strategic plan. Mr. Tamblyn stated that more specificity on the timeframes would be presented as the information becomes available.

Mr. Rodriguez asked if there were any questions from the public. There were no questions.

Mr. Rodriguez adjourned the meeting into an executive (closed) session at 10:53am Pacific / 1:53pm Eastern.

Respectfully submitted,

Jean-Yves Benoit, Secretary