

**Fox Islands Wind, LLC**  
**Minutes of the Board of Directors Meeting**  
**June 2, 2023, 9:00 a.m.**

The meeting was held in person at Fox Islands Electric Cooperative, Inc.'s freight building located at 24 West Main Street, Vinalhaven, Maine.

**Present:**

George Kendrick, President  
Douglas Green, Vice President  
Charles Gadzik, Secretary/Treasurer  
Amy M. W. Turner, Chief Executive Officer

President Kendrick called the meeting to order. A quorum was established for the purpose of conducting business.

**Approval of Agenda**

Upon motion by Mr. Gadzik, which was seconded by Mr. Green, the Board of Directors unanimously voted to approve the agenda.

**Public Comment**

There were no individuals present who wished to address the Board of Directors.

**Approval of the Minutes of the April 28, 2023, Regular Meeting**

Upon motion by Mr. Gadzik, which was seconded by Mr. Green, the Board of Directors dispensed with the reading of the minutes and unanimously approved the minutes of the April 28, 2023, regular meeting as presented.

**Financial Report**

Ms. Turner reviewed the financial statement through April 2023. FIW realized a total income (sales minus depreciation, taxes, and interest) of \$58,955.00 and expense of \$49,331.19 for a net income of \$9,623.81 in April. FIW is operating at a current margin of \$24,299.55. Ms. Turner discussed the impact of Fox Islands Electric Cooperative, Inc.'s (FIEC) purchase of the wind farm property; accrued lease expense will decrease on financial statements beginning in May.

Upon motion by Mr. Gadzik, which was seconded by Mr. Green, the Board of Directors unanimously accepted the financial report.

### **CEO Report**

Ms. Turner presented the FIW power purchase agreement report. In April, FIW generated and sold 342,181 kWh for a total charge of \$98,868. Due to the turbine outages, FIW is behind budget by \$21,887.

Ms. Turner presented FIEC's power cost data. In April, FIEC sold 39,838 kWh of wind for \$0.024756/kWh, which is a low market price. FIEC purchased 545,138 kWh from the market to meet its load at the cost of \$18,747, which is \$0.03439/kWh – a low market price in the current economic climate.

Ms. Turner presented an update concerning the turbine performance. Turbines 1 and 2 have been operating continuously since GE replaced the yaw pucks in April. Turbine 3 needed a new power converter, which was installed on May 19. Various issues have since occurred – at best it needs new oil for the pitch drive and the worst case is a cracked pitch drive requiring replacement (a hub crane would be required). GE will be onsite June 5-7 for the semi-annual maintenance, at which time the issues will be analyzed and a repair plan drafted. Discussion ensued.

Ms. Turner informed the Board that the Maine State Legislature was considering LD 466, An Act to Develop and Enforce Mandatory Recycling of All Solar and Wind Projects. The bill is a concept draft – there is no language to review and comment on. It could possibly add costs to the repowering and retirement of the wind project. Ms. Turner will monitor the bill. Discussion ensued.

Upon motion by Mr. Gadzik, which was seconded by Mr. Green, the Board of Directors unanimously accepted the CEO report.

### **New Business**

#### **GE Contract Discussion**

The Board discussed options to fund fulltime onsite wind technician services. FIW would request the services through its maintenance agreement with FIEC, which would consider employing the necessary personnel.

The Board reviewed the GE Maintenance contract for termination and renegotiation options. Ms. Turner informed the Board that the GE maintenance agreement does not contemplate termination for convenience but does provide for termination for default. The agreement has a liquidated damages clause that applies the following damages for termination:

Term period remaining	The Termination Amount is:
5-4 years	\$60,000
4-3 years	\$45,000
3-2 years	\$30,000
2-1 years	\$15,000

The agreement terminates on December 31, 2024; the early termination liquidated damages amount is \$15,000, which is likely insignificant compared to the savings achieved by a dedicated wind technician through additional generation and reduced outage times. Discussion ensued about the possibility of renegotiating the agreement with GE early to remove maintenance services. The Board directed Ms. Turner to discuss the issue with the FIEC board of directors.

### **Empowering Rural America (New ERA) Program**

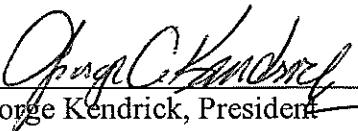
Ms. Turner presented the details of the New ERA grant and loan opportunity, which provides \$9.7B in funding for cooperative utility projects (25% grant, 75% loan at 2% interest, 0% refinancing for stranded assets). The program is an opportunity to fund the expensive projects needed to reduce power costs while improving reliability.

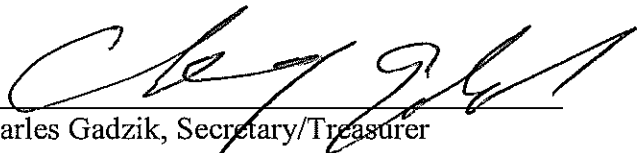
Ms. Turner proposed combining FIEC/FIW efforts to (1) install battery storage, (2) upgrade the substation to operate the wind turbines without transmission assistance, (3) replace the 35 kV and distribution lines under the Thoroughfare, and (4) repower the turbines. Discussion ensued. The Board directed Ms. Turner to continue her efforts in drafting a joint letter of intent with FIEC for the project.

### **Zion Farm Rd. Easements**

Ms. Turner presented proposed easements from FIEC for the three Zion Farm Rd. properties. The proposed easements insulate FIW from any issues if the properties are sold, which is not contemplated at this time except for Lot 21-B3 with the Wadsworth purchase option agreement. The easement rights are based on the Hacienda and Connpart leases, which were approved by the Maine DEP for compliance with the wind farm operation. The language was expanded to include turbine repowering and any future utility projects. Upon motion by Mr. Gadzik, which was seconded by Mr. Green, the Board of Directors unanimously approved accepting and executing the proposed easements from FIEC.

The Board concluded its business. Upon motion by Mr. Gadzik, which was seconded by Mr. Green, the Board of Directors voted to adjourn the meeting at 11:47 a.m.

  
George Kendrick, President

  
Charles Gadzik, Secretary/Treasurer