

**Minutes of the Special Membership Meeting
of the
Swan's Island Electric Cooperative
November 12, 2015**

There being a quorum present, the meeting began at 6:35 PM at the Library. Approximately 40 people attended including 28 voting members. 37 proxies had been submitted and validated. A video and sound connection with Frenchboro was established so that members gathered there could view and hear the meeting as well as ask questions.

Ed Schwabe welcomed the attendees and explained the purpose of the meeting was twofold: first to consider amending the Co-Op By-Laws to allow for Mailed Ballot Voting on important issues. And second, to serve as the Fall Quarterly Update of the health of the Cooperative with updates on efforts to repair one of the four cables and an update on the start of negotiations with Emera scheduled for Tuesday, 17 November.

Ed reviewed the information on the By-Law change which had been mailed to all members on October 15th and invited questions and discussion on the need for having a means to allow all members to weigh in on important issues – such as a possible acquisition by Emera. Ed displayed the proposed wording on the screen and the only question focused on whether a mailed ballot could be scanned and submitted by email. A scanned ballot is allowed for those members who have specified email as their principal means of communication with the Cooperative. (approximately 28 members) A printed, hard copy of the numbered and scanned ballot is retained at the Co-Op office for its records. There being no further questions, voting commenced and was completed. The vote count was 65-0 in favor of amending the By-Laws to allow Mailed Ballots for important issues dealing with the disposition of property (Article VIII of the ByLaws.)

Manager Jeffrey Ellison updated those in attendance on the successful effort to locate the fault in one of the four submarine cables running from Lopus Point to Swans Island. As the fault is in shallow water, 339 feet from the connecting point on the Lopus Point pole, and examination of the cable has shown several other worn segments of the same cable, a decision has been made to replace a 125' segment of the cable perhaps as early as next week. A power outage will not be necessary.

Ed described the desire of the Board to be as transparent as possible in informing the membership about the course of negotiations with EMERA – while trying to honor the desire of the lawyers and other parties for confidentiality. He named the negotiating team (himself, Manager Ellison, treasurer Bob Pickup and Board member (and former Manager) Tom McAloon. Ed described the five areas of interest that would guide the negotiating team during the negotiations:

1. Ensuring that the agreement provided for mainland rates for Swans Island and Frenchboro customers.

- 2). Ensuring that the Co-Op's Federal debt (about 2 million dollars) was paid off .
3. Taking care of the 9 part-time and fulltime employees with a program to help ease the impact of their eventual unemployment.
4. Working to improve the emergency response and power restoration of Emera crews by incorporating the knowledge and expertise present in the Co-Op workforce, and
5. Seeking an agreement which credited the T & D costs paid by islanders if our cableways were ever used to move power to the mainland for resale.

There being no further business, the meeting was adjourned at 7:45 PM.

FOR THE SECRETARY
Ed Schwabe, President