

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

Tuesday, October 26, 2021

The Western Climate Initiative, Inc. Board of Directors (the “Board”) held its annual meeting on October 26, 2021, via teleconference. The meeting was called to order by the Chair, Jason Hollett, at approximately 10:05 a.m. Pacific / 1:05 p.m. Eastern / 2:05 p.m. Atlantic Time.

Attendance

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

- Jason Hollett (Chair)
- Jared Blumenfeld (Vice Chair)
- Jean-Yves Benoit (Treasurer)
- Lilani Kumaranayake (Secretary)
- Liane Randolph
- Kim Ricard

Also present were:

- Rajinder Sahota, State of California
- Shereen D’Souza, State of California
- Brittany White, Province of Nova Scotia
- Greg Tamblyn, WCI, Inc.
- Eric Turcotte, WCI, Inc.
- Chris Delfino, Delfino Madden
- Bryan Lopuck (Translator) [left the meeting as indicated below]

Mr. Hollett welcomed Ms. D’Souza to her first Board Meeting.

I. Approve May 12, 2021 Board Meeting Minutes

A copy of the May 12, 2021 Board of Directors public session meeting minutes was distributed to the Board prior to the meeting.

Upon a motion by Mr. Blumenfeld and seconded by Ms. Randolph, the Board unanimously approved the following resolution:

RESOLVED that the English and French versions of the May 12, 2021 Board Meeting Minutes, as presented and attached to the minutes of this meeting, are hereby ratified, approved and adopted.

II. WCI, Inc. Corporate Policies

a) Ethical Guidelines and Conflict of Interest Policy

WCI, Inc. Corporate Counsel, Chris Delfino, gave an overview of the Ethical Guidelines and Conflict of Interest Policy. Mr. Delfino reminded the Board of Directors that the Ethical Guidelines and Conflict of Interest policy must be signed annually by each Director and Board Designee. Mr. Tamblyn will be collecting all signed copies and report back to the Chair once all the documents have been received.

b) Amendment of By-laws

Mr. Tamblyn provided an overview of the Amendment of By-laws, which was distributed to the Board prior to the meeting. He noted that the purpose of this amendment is to expand the geographic scope of services provided by WCI, Inc. to include the Americas.

Upon a motion by Mr. Benoit and seconded by Ms. Kumaranayake, the Board unanimously approved the following resolution:

***RESOLVED** that the English and French versions of the By-laws, as presented and attached to the minutes of this meeting, are hereby ratified, approved and adopted, and that the Executive Director and Legal Counsel are authorized to update WCI, Inc. Policies and complete the filings with the appropriate authorities.*

Mr. Lopuck was excused from the meeting as there were no members from the public present.

III. Elect Officers and Appoint Standing Committee Members for 2021-2022

a) Officers

As provided for in the By-Laws, the Board elects officers and appoints members to standing committees annually.

Upon a motion by Mr. Blumenfeld and seconded by Ms. Ricard, the Board unanimously approved the following resolution:

***RESOLVED** that the following-named persons are elected to the offices set forth beside their respective names, to serve until the next annual meeting of the Directors and until their successors are duly elected and qualified:*

- **Chair:** Jason Hollett
- **Vice Chair:** Liane Randolph
- **Treasurer:** Jean-Yves Benoit
- **Secretary:** Lilani Kumaranayake

b) Appointment of Standing Committee Members

i. Executive Committee

The membership of the Executive Committee is established in the By-Laws, and consists of the four corporate officers and additional Class A directors as approved by the Board. The Chair of the Board serves as chairperson of the Executive Committee.

Mr. Hollett stated that per the Bylaws, the Executive Committee shall consist of the four corporate officers, and because there are no additional Directors being added to the Executive Committee, there is no vote needed to confirm the members of the Executive Committee.

ii. Audit Committee

The Audit Committee shall consist of no fewer than two and no more than six independent, non-compensated, Class A directors. This Committee shall oversee the quality and integrity of the Corporation's accounting, auditing and reporting practices. The specific powers and responsibilities of the Audit Committee shall be specified in an Audit Committee Charter, which shall be adopted from time to time by the Board.

Upon a motion by Ms. Randolph and seconded by Mr. Benoit, the Board unanimously approved the following resolution:

RESOLVED that the Audit Committee shall comprise the following Directors or Designees:

Lilani Kumaranayake, Kim Ricard, and Shereen D'Souza.

iii. Finance Committee

The Finance Committee shall advise the Treasurer and the Board as to the investments, budget, and general fiscal policy of the Corporation. The Finance Committee shall consist of at least two Class A directors, one of whom shall be the Treasurer, who shall serve as chairperson of such Committee.

Upon a motion by Mr. Hollett and seconded by Mr. Blumenfeld, the Board unanimously approved the following resolution:

RESOLVED that in addition to Treasurer who shall serve as the Chair of the Finance Committee per the By-Laws, the Finance Committee shall also comprise the following Directors or Designees:

Jean-Yves Benoit (Chair of the Committee), Rajinder Sahota, and Jason Hollett.

IV. Finance Committee Report

a) Treasurer's Evaluation of Compliance with Funds Management Policy

Mr. Benoit provided an overview of the report, which was distributed to the Board prior to the meeting. He indicated that WCI, Inc. maintains a Fund Management Policy that establishes requirements for the management of the Corporation's funds, including that the Treasurer, in collaboration with the Finance Committee, shall prepare and present to the Board an evaluation of the compliance with the Policy at least annually.

Mr. Benoit noted that the Corporation has been in full compliance with the requirements of the Policy. He highlighted the main findings of the report, indicating that funds were managed in a manner that: complies with all applicable laws; complies with all requirements specified in funding agreements entered into by the Corporation; supports the cash flow requirements of the Corporation; preserves principal to the maximum extent possible; and achieves a competitive rate of return consistent with the objective of preserving principal. Mr. Benoit added that the current cash position of WCI, Inc. is higher than anticipated due to delays in ongoing software development work. He indicated that he anticipates work completed in the coming months should reduce the cash position to planned levels.

b) Finance Committee presentation of the 2022 budget and projected expenses for 2023

The 2022 Budget and Projected Expenses for 2023 was distributed to the Board prior to the meeting. Mr. Tamblyn provided a brief overview of the document. He noted that the Budget was developed by the Finance Committee with input from WCI, Inc. and jurisdiction staff. Mr. Tamblyn noted that the budget for Cap-and-Trade Services, Personnel, and Direct Operations include the cost to implement the strategic plan approved by the Board in 2018.

Upon a motion by Mr. Benoit and seconded by Ms. Randolph, the Board unanimously approved the following resolution:

RESOLVED that the budget for the fiscal year of the Corporation beginning January 1, 2022, and ending December 31, 2022, as presented and attached to the Agenda for the Board of Directors meeting at which this resolution has been adopted, is hereby ratified, approved and adopted.

V. Adjourn Open Session

There being no other business, the public session adjourned at 10:43 a.m. Atlantic Time / 1:43 p.m. Eastern Time / 2:43 a.m. Pacific Time.

Respectfully submitted,

Lilani Kumaranayake, Secretary