

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

Friday, May 12, 2023

The Western Climate Initiative, Inc. Board of Directors (the “Board”) held a meeting on May 12, 2023, via teleconference.

The meeting was called to order in open session by the Chair, Jason Hollett, at 3:07 p.m. Atlantic Time / 2:07 p.m. Eastern Time / 11:07 a.m. Pacific Time.

Attendance

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

- Jason Hollett (Chair)
- Liane Randolph (Vice chair)
- Jean-Yves Benoit (Treasurer)
- Lilani Kumaranayake (Secretary)
- Kim Ricard
- Luke Martland

Also present were:

- Shereen D’Souza, State of California
- Rajinder Sahota, State of California
- Greg Tamblyn, WCI, Inc.
- Eric Turcotte, WCI, Inc.
- Chris Delfino, Delfino Madden LLP
- Bryan Lopuck (Translator)
- Ryan McDonald, CliftonLarsonAllen LLP [left the meeting as indicated below]
- Bill Simi, CPA Corporation [left the meeting as indicated below]
- Mike Giotto, CPA Corporation [left the meeting as indicated below]
- Jean Bernard, Mallette [left the meeting as indicated below]

I. Board Meeting Minutes

A copy of the minutes of the WCI, Inc. open session portion of the March 24, 2023 Board of Directors meeting was distributed to the Board prior to the meeting. Mr. Benoit made a motion to approve the minutes as circulated. Ms. Randolph seconded the motion. The Board unanimously approved the motion.

II. 2022 Audited Financial Statements

A copy of the 2022 Audited Financial Statements was distributed to the Board prior to the meeting. Mr. McDonald of CliftonLarsonAllen LLP (CLA) presented the 2022 Audited Financial Statements to the Board and provided a brief overview of the audit process and results. The auditor's opinion indicated that the financial statements have been presented fairly in all material respects. Mr. McDonald noted that the audit report and audited financial statements were reviewed and discussed with the Audit Committee prior to the Board meeting.

III. 2022 Federal, State, and Provincial Tax Returns for Board Approval

Copies of the federal, state, and provincial tax forms were distributed to the Board prior to the meeting.

Mr. Simi of CPA Corporation (CPA) provided a brief overview of the US Federal Form 990, and the California Forms 199 and RRF-1. He noted that the forms were reviewed and approved by the Audit Committee prior to the meeting.

Mr. Bernard of Mallette provided a brief overview of the Canadian Federal Forms T1044 and T2 and the Quebec Provincial Form CO-17.SP. The Canadian tax forms were also reviewed and approved by the Audit Committee prior to the meeting.

Ms. Ricard made a motion to approve the US federal and state tax forms, and the Canadian federal and provincial tax forms as they were presented and direct the Executive Director to submit them to the appropriate authorities. The motion was seconded by Mr. Martland and unanimously approved by the Board.

[Mr. Simi, Mr. Giotto, Mr. Bernard, and Mr. McDonald left the meeting]

IV. 2022 Annual Report Approval

A copy of the 2022 Annual Report was distributed to the Board prior to the meeting. Mr. Tamblyn stated that the report supports a contractual obligation under the Québec agreement to report on WCI, Inc.'s activities from the previous year and provides an opportunity to communicate more broadly with the public about the work being done by WCI, Inc. As part of WCI, Inc.'s accomplishments in 2022, he highlighted the successful onboarding of Washington State to WCI, Inc. services and the new partnership with the Carbon Pricing in the Americas initiative. He stated that if approved by the Board, the Annual Report will be submitted to Québec and posted to the WCI, Inc. website.

The Board noted that in the WCI, Inc. key numbers in 2022, on page 14 of the English version, the dollar amounts for the 2022 auction proceeds should have read "billion" instead of "trillion".

Mr. Benoit made a motion to approve the 2022 Annual Report as presented, with the correction noted. The motion was seconded by Ms. Randolph and unanimously approved by the Board.

V. Washington Funding Agreement Approval

A copy of the proposed Amendment to the Washington State Funding Agreement was distributed to the Board prior to the meeting. Mr. Tamblyn reviewed the document with the Board.

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

RESOLVED that the Board of Directors hereby approve Amendment No. 1 to Contract NO. C2200112 in form and substance as presented to the Board and attached to the Agenda for the Board of Directors meeting at which this resolution has been adopted and authorize and direct the Executive Director to sign and file Amendment No. 1 to Contract NO. C2200112.

VI. Adjourn the Public (open) Session of the Board Meeting

There being no other business, the open session portion of the meeting was adjourned at 3:30 p.m. Atlantic Time / 2:30 p.m. Eastern Time / 11:30 a.m. Pacific Time.

Respectfully submitted,

Lilani Kumaranayake, Secretary