

Wisconsin Public Utility Institute

Executive Board Meeting Minutes

Thursday, September 21, 2006

Room 203 Fluno Center for Executive Education 601 University Ave., Madison, WI

Present were: Dave Benforado, Carrie Cox, Lorenzo Cruz, Wendy Grapentine, Jordan Hemaidan, Charlie Higley, John Imes, Joe Mettner, Representative Phil Montgomery, Terry Nicolai, Cheryl Parrino (via conference bridge), Adam Rashka (substituting for Montgomery for the latter half of the meeting), Rodney Stevenson, Scott VanderSanden, Mike Wirl (for Paul Fuglie), and Brian Zelenak.

1. Call to Order, Introduction, and Agenda Review

Scott VanderSanden convened the meeting at 2:10 p.m., laid out the task before the board and asked for any additions to the agenda. Representative Montgomery asked to add an item about the Village of Shawano's upcoming \$3.5 million referendum to get into municipal broadband service. There was a brief discussion and no formal action was taken.

2. Memorandum of Understanding

Dave Benforado walked the board through the Memorandum of Understanding. He explained that at the May 12 board meeting, the board had formed the Strategic Directions Committee (SDC) and directed it to explore the nature of a relationship with the newly formed Energy Institute.

At the request of Joe Mettner, both Dave and SDC member Jordan Hemaiden explained the process the committee used:

The SDC explored three positions: no merger, full merger, and partial merger (merger-lite). They struggled quite a bit with the role for telecommunications members and programs in any merger with the Energy Institute. Dave and Rodney Stevenson explained the ebb and flow of telecom involvement/programming at the Institute historically and how we seem to be at an ebb point now with many issues being handled on the federal level rather than the state level. Dave also explained that the SDC arranged for a meeting of the telecom members to discuss and gauge their commitment to the Institute and it was determined there is still a need for telecom programming even though it's not currently a hot topic.

The SDC ultimately agreed upon the merger-lite position and presented a detailed proposal to the board at the August 11, 2006 meeting. At that meeting the board liked the proposal and further directed the SDC to develop a motion on which they could vote. So the SDC prepared the Memorandum of Understanding put before the board at the September 21, 2006 meeting.

Dave explained that the SDC is confident a merger of some sort will work and that the details will be created as we go with the MOU serving as a roadmap for the intentions and expectations of both organizations.

Charlie Higley wondered if we need to clarify whether the EI Director will take on the responsibilities of the WPUI director until someone can be hired and if so should it be added to the MOU. That was considered but it was ultimately decided that was the intent of the MOU and the interested parties and did not need to be codified specifically in the MOU.

Rodney Stevenson asked if the new Energy Institute director, Dr. Paul Meier, will be attending conferences such as NARUC and MARC as the WPUI has in the past. Wendy said it is her understanding that is Dr. Meier's intention.

Lorenzo Cruz asked about the process of hiring a new WPUI director. Dave Benforado reported he spoke with WPUI Faculty Advisor, Prof. Michael Corradini, who said it's a top priority to hire Wendy's replacement and that he estimated that with the university hiring process, January 1 is the best case scenario for a hire date. It's not clear if there will be a search and screen committee formed.

The Board considered recommended language changes from College of Engineering Dean Paul Percy which strengthens the intent of the MOU to retain WPUI's reputation for neutrality. (Appendix A)

3. Financials

Wendy answered questions about the financial information provided in the board materials. She also clarified that in the detailed set of numbers the first column represented financial obligations of the WPUI, the second column is those of EI and the third is a compilation.

4. Charter Changes

Carrie Cox walked the board through the changes to the WPUI charter. She explained that the changes did essentially two things: 1) they codified the change in administrative control from the School of Business to the College of Engineering and 2) they added a board seat to ensure participation from our founding home of the School of Business and Rodney Stevenson going forward.

She explained that the changes are a conservative approach and are not sufficient for the long term requiring additional action as the relationship between COE and WPUI is solidified.

5. Discussion

There was no further discussion.

6. Vote

Representative Montgomery made a motion to approve the Memorandum of Understanding with the College of Engineering's additions as well as the changes to the Charter. Dave Benforado seconded the motion. It carried unanimously.

7. Program Plan

Wendy explained the status of WPUP's programs.

- EEI brought in what was expected financially and was well received
- Energy Basics has around 70 people registered and is expected to meet or exceed it's budget target of \$40,000
- The Energy Research Forum is in development with the EI
- AGA did better than expected with excellent attendance and revenue of more than \$20,000

8. Next Board Meeting/Concluding Remarks

The next board meeting is slated for May 2007. The board agreed it is premature to set that date given there won't be a WPUI director until January at the earliest. Wendy agreed to let the EI Director know scheduling of the next board meeting is a priority once the new person starts.

Rodney Stevenson made the following motion for a resolution:

- Whereas Wendy Grapentine has shown great skill in directing the Wisconsin Public Utility Institute during the 2002-2006 period; and
- Whereas Wendy Grapentine has shown great acumen in working with the university, utilities, regulatory commissions, and other organizations served by the Wisconsin Public Utility Institute; and
- Whereas Wendy Grapentine has shown great creativity in developing Wisconsin Public Utility Institute programs; and
- Whereas Wendy Grapentine has shown great competence in conducting Wisconsin Public Utility Institute programs;

Be it therefore resolved that the Executive Board expresses it's deep and heartfelt appreciation to Wendy Grapentine for her outstanding leadership of the Wisconsin Public Utility Institute.

John Imes seconded the motion. It was unanimously approved.

The board adjourned at 3:25.