

**Efficiency Maine Trust  
Board Meeting Minutes  
April 30, 2014**

**Trust Board Members:**

- Al Hodsdon, Chair
- Kenneth Fletcher, Secretary
- Brent Boyles, Treasurer
- John Gallagher
- Patrick Woodcock

**Efficiency Maine Trust (EMT) Staff:**

- Elizabeth Crabtree
- Laura Martel
- Rick Meinking
- Constance Packard
- Anne Stephenson
- Michael Stoddard

**Other Attendees:**

- Will Beck, MEMA
- Dylan Voorhees, NRCM
- Bill Bell, Maine Pellet Fuels Association
- Tom Snyder, Dave Ireland Builders
- Ann Goggin, Goggin Energy
- Lisa Smith, Governor's Energy Office
- Jim Labreque
- Dean Weisman, Microbond
- Rick McCarthy, MCAA

**1.0 Welcome and Introductions**

Mr. Hodsdon called the meeting to order at 9:35 a.m. The Board and attendees introduced themselves.

**2.0 Election of Officers**

The Board slate of Mr. Hodsdon as Chair, Mr. Barber as Vice Chair, Mr. Boyles as Treasurer and Mr. Fletcher as Secretary was proposed.

**ACTION:** Upon a motion duly made (Mr. Boyles) and seconded (Mr. Gallagher), the Board voted unanimously to approve the slate of officers.

**3.0 Approve Draft Agenda and Minutes**

**ACTION:** Upon a motion duly made (Mr. Fletcher) and seconded (Mr. Gallagher), the Board voted unanimously to approve the draft agenda and the minutes from the previous meeting.

#### **4.0 Public Comment on Agenda Items**

Mr. Labreque described how heat pump water heaters might be improperly installed in conditioned spaces with the result that they could be net-energy users rather than savers. Mr. Labreque asked the staff to reconsider the efficiency requirements for ductless mini-split heat pump rebates. He suggested that units with lower HSPF may still achieve high efficiencies because of modifications to compressors and capacity.

Mr. Voorhees complemented the staff of the Year in Review and encouraged the Board to circulate it widely and get it into the hands of policy makers and opinion leaders. Mr. Voorhees continued that he was reminded that custom projects play an important role in the business program and remain a critical way to try new technologies and solutions.

Mr. Bell thanked the staff for participating in the regional biomass heating industry conference that was held earlier in April in Portland. Maine's residential home energy savings program was the topic of discussion at the conference.

#### **4.0 Executive Director Report**

Mr. Stoddard began his Executive Director's report by mentioning that the pellet industry was generating awareness around the Home Energy Savings Program and was critical in reminding legislators that modifying RGGI funding in FY15 would have serious repercussions in the marketplace. Mr. Stoddard thanked the many contractors and business owners who spoke in favor of leaving RGGI funding intact. Mr. Stoddard provided a brief overview of the other energy bills recently considered by the legislature and their final status. Mr. Stoddard invited Mr. Woodcock to add to the government affairs briefing. Mr. Woodcock added that that administration and the public utilities commission have been heavily involved in regional efforts to reduce the basis differential and increase natural gas capacity. Mr. Woodcock mentioned that next winter's electric costs are predicted to be high despite the regional effort.

Mr. Stoddard mentioned that he will highlight four program updates. The first is that the Business Incentive program has already achieved a 9% increase over last year's savings levels but will end the year with a budget surplus because Maine Yankee funds were only incorporated into the budget in January. Marketing and education programs have been ramped up in order to invest resources and grow the program to meet next year's savings targets. Part of that effort is to look at new measures and upstream programs in conjunction with the strategic planning committee.

The large customer program continues to enroll new projects; \$417,000 in grants was awarded last month. The HESP program continues to grow and \$140,000 in incentives were awarded in the last week. The number of air sealing with assessment incentives has grown, and the mix of incentive applications remains balanced. 17% of the projects have been inspected to date and that percentage will decrease as the program matures.

Finally, the retail program has met its savings goal and has incentivized 2.6 million bulbs to date. Mr. Stoddard then displayed the new Philips LED bulb on sale at Home Depot for \$2.00. The design reduces the surface area of LED diodes and dissipates the heat more efficiently than conventional LED designs.

## 5.0 Reports

### a. Finance Committee

(i) **APPROVE Resolution Listing Agents of the Trust for Purposes of Completing Trust Operations with Camden National Bank**

**ACTION:** Upon a motion duly made (Mr. Boyles) and seconded (Mr. Gallagher), the Board voted unanimously to approve a resolution listing as agents of the Trust for purposes of completing Trust operations with Camden National Bank.

(ii) **APPROVE Investment Policy**

Mr. Boyles briefed the board on the Trust's investment policy.

**ACTION:** Upon a motion duly made (Mr. Boyles) and seconded (Mr. Fletcher) the Board voted unanimously to adopt the Investment Policy as presented in a memorandum from Constance Packard dated 4/30/14.

(iii) **APPROVE Amendments to Personnel Manual**

Mr. Boyles highlighted the minor changes the staff and Finance Committee made to the Personnel Manual. It still closely mirrors the state's policy but the health care provisions have been updated to reflect the current benefits; the social media section has been updated and streamlined; and the telecommuting and travel reimbursement policy now reflects the ability of staff to use the small satellite office in Westbrook if they have commitments in southern Maine.

**ACTION:** Upon a motion duly made (Mr. Boyles) and seconded (Mr. Gallagher) the Board approved the amended state personnel manual and the non-state personnel manual as amended by the edits on telecommuting proposed in the telecommuting memorandum dated April 23, 2014.

(iv) **REVIEW Preliminary FY15 Budget Development**

Mr. Boyles introduced a preliminary budget and added that the FY15 budget will be presented for approval at the May board meeting. Ms. Packard provided an overview of the preliminary budget, indicating that the staff levels remain the same as the previous budget and salaries

have been based on the board-approved scale. Benefits have been budgeted with an inflation factor from 5-10%. The Board Meeting budget has been decreased to reflect that board meetings will soon be held at the new office in Augusta.

Program budgets are consistent with the Triennial Plan and the statutory requirements for the investment of RGGI funds. RGGI revenues are based on the revenues from the FY14 3<sup>rd</sup> quarter auctions but will vary. Mr. Stoddard added that the budget currently reflects imprecise language in the statute directing the investment of Maine Yankee funds. The PUC is currently reviewing whether the intent was to not allow Maine Yankee funds to be used for T and ST customers. For the time being, the large customer program will not be funded with Maine Yankee funds until the question is answered.

#### **b. Strategic Planning Committee**

**(i) UPDATE on Development of All Fuels Prescriptive Measures in Business Incentive Program**

Mr. Meinking provided a brief overview of the process for vetting new business program offerings, including some of the suggestions of measures offered by Mr. Woodcock. Mr. Meinking added that he believes that upstream HVAC incentives for rooftop units will be included in the FY15 business program offerings. He also outlined a program that would pilot pay-for-performance.

Mr. Stoddard added that the program often transitions measures from the custom track to the prescriptive list as they become more common and/or performance is proven.

**(ii) APPROVE Designation as “Confidential Information” Data in Possession of the Trust Regarding Utility Customers, Utility Customer Contact Information, and Utility Customer Usage Data in Addition to Customer Contact Information and Usage Information Developed Independently by the Trust or Its Sub-Contractors.**

Mr. Stoddard briefed the board that the Trust is in the midst of a proceeding at the Public Utilities Commission in advance of a natural gas opportunity study. The study will inform the design of a natural gas conservation program; the direction for natural gas conservation programs was modified as part of the Omnibus Energy Bill. The data from the utilities is protected. The statute says that the Trust must keep and maintain the data as confidential, but Mr. Stoddard would like the

additional layer of security provided by a Board motion that all such data would be handled by the Trust as confidential.

**ACTION:** Upon a motion duly made (Mr. Boyles) and seconded (Mr. Woodcock), the Board voted unanimously to approve the designation as “confidential information” data in possession of the Trust regarding utility customers, utility customer contact information, and utility customer usage data in addition to customer contact information and usage information developed independently by the Trust of its sub-contractors.

- (iii) **APPROVE amendment to the Cadmus M&V contract to add \$20,000 for development of additional measures for the Technical Resource Manuals.**

Mr. Stoddard briefed the board that the staff has asked to add additional measures to the Technical Resource Manual. The contract must be amended to cover the additional measures.

**ACTION:** Upon a motion duly made (Mr. Boyles) and seconded (Mr. Gallagher), the Board voted unanimously to authorize the executive director to amend the Cadmus group contract by increasing the contract amount by 20,000 on a time and materials basis for additional measure development for the Technical Reference manuals and transfer budget funds in the amount of \$20,000 from FCM Other Contractor Services to FCM M&V Plan Review.

- (iv) **APPROVE sole source contract of \$40,000 for a year’s subscription to the New Building’s Institute curriculum and related materials for Commercial New Construction**

Mr. Stoddard reminded the Board that the New Building Institute’s standards form the backbone of the Maine Advanced Building program.

**ACTION:** Upon a motion duly made (Mr. Fletcher) and seconded (Mr. Woodcock), the Board voted unanimously to authorize the executive direct to enroll Efficiency Maine as a 2014 sponsor of the new building institute advanced buildings initiatives in the amount of \$40,000.

## 6.0 New Business

Mr. Woodcock mentioned that the statute calls for the Trust to weatherize all homes to a minimum standard of weatherization, as defined by the Trust. Mr. Woodcock proposed a working group to define a standard for that weatherization.

Mr. Gallagher shared that they wrestle with the same challenge at Maine Housing. Mr. Boyles added that he thought evaluating a baseline and a consistent weatherization level would be valuable for evaluating the Trust's work. Mr. Fletcher contributed that the original language was purposefully lofty to ensure that the Trust would be able to include weatherization in its work. Now, with some time past, more specific interim goals are appropriate. Mr. Voorhees added that he strongly supported this idea.

Mr. Woodcock suggested that a study on the building stock might be appropriate. Mr. Stoddard replied that there was a lot of data gathered through the HESP and RDI programs and there may be enough data through Efficiency Maine and Maine Housing to generate an assessment of the current baseline. Mr. Stoddard concluded that this was a good topic for a board working group.

Mr. Boyles added that committee assignments must be addressed. Mr. Stoddard suggested that the Strategic Planning Committee be divided into smaller groups based on programs or sector in order to have a forum for more targeted conversations.

#### **7.0 Next Meeting Agenda and Scheduling**

**ACTION:** The Board set the date to meet on Wednesday May 28th at 9:30 a.m. with committee meetings scheduled in the interim.

#### **8.0 Executive Session – Performance Review**

**ACTION:** Upon a motion duly made (Mr. Gallagher) and seconded (Ms. Boyles) the Board voted unanimously to adjourn the public meeting at 11:50 a.m.