

## Efficiency Maine Trust

### Board Meeting Minutes

December 1, 2010

Room 209, Cross Building, Augusta, ME

#### Trust Board Members

|                                |                                 |
|--------------------------------|---------------------------------|
| ✓ Adam Lee, Chair              | ✓ Dale McCormick                |
| ✓ Naomi Mermin, Vice Chair     | ✓ Jennifer Puser for John Kerry |
| ✓ James Atwell, Secretary      | ✓ Glenn Poole                   |
| ✓ Michelle Atherton, Treasurer | ✓ John Rohman                   |
|                                | ✓ Tom Tietenberg                |

#### Efficiency Maine Trust Staff/Consultants:

- Michael Stoddard
- John Quartararo
- Peter Roehrig
- Ian Burnes
- Andy Meyer
- Linda Pistner, AG
- Elizabeth Crabtree
- Dana Fischer
- Cindy Talbot

#### Partial List of Other Attendees:

- Kevin Bernier, Penquis Home Performance
- Dirk Faegre, Evergreen Home Performance
- Tom Rooney, TRC Energy Services
- Matt Holden, Investment Engineering
- George Callas, Build Green Maine
- Virginia Archambault, Vreeland Marketing
- Peter Zack, Maine Energy Education Program
- Ed Pineau, Pineau Policy LLC
- Cate Pineau, Pineau Policy LLC
- Pattie Aho, Pierce Atwood
- Todd Griset, Preti Flaherty
- Caura Rochette, CCI
- Emmie Theberge, NRCY
- Dan Thayer, Thayer Corporation
- Andy Burt, Maine Partners for Cool Communities

**1.0 Approve Draft Agenda and Minutes**

Chair Lee called the meeting to order at 9:33 a.m.

**ACTION:** Upon a motion duly made (Atwell) and seconded (McCormick) the Board voted unanimously to approve the agenda for this meeting.

**ACTION:** Upon a motion duly made (McCormick) and seconded (Mermin) the Board voted unanimously to approve the minutes of the October 27, 2010 Board Meeting.

## 2.0 Executive Director Report – Michael Stoddard

Stoddard reviewed highlights of his written Executive Director’s Summary Report dated December 1, which was provided to the Board prior to the meeting and is appended to these minutes as Attachment A.

## 3.0 Action Items

- **Review and Vote on FY 2010 Annual Report of Efficiency Maine**

Stoddard presented the 2010 Annual Report. This report reflects Efficiency Maine activity from July 1, 2009 to June 30, 2010, when Efficiency Maine was part of the PUC and prior to the merging of Efficiency Maine and the Trust. As such, staff intentionally prepared the report in the same format and outline as previous annual reports.

**ACTION:** Upon a motion duly made (Rohman) and seconded (Mermin) the Board voted unanimously to approve the draft report and directed staff to submit it to the Legislature.

The report will be posted on the Efficiency Maine website when finalized.

- **Vote to Authorize Adjustments to the FY 2011 Budget**

John Quartararo referred to his memo dated November 23, 2010, and requested that the Board approve the four budget adjustments detailed in the memo. Quartararo will make the adjustments and send the board members a revised budget document for 2011. The four adjustments are as follows:

- Reduce the ARRA State Energy Program (SEP) budget by \$1,454, 340 in revenues and expenditures due to a change in how funds flow through the Office of Energy Independence and Security and erroneous double-counting of certain amounts.
- Reclassify resources identified in the original budget as 2010 Designated Fund balances to current revenues and increase the amount by \$54,084.
- Accept a SEP pass-through grant of \$30,000 from OEIS to benefit the Maine Energy Education Program.
- Accept a SEP – Special Projects pass-through grant of \$151,966 from OEIS for the benefit of Northeast Energy Efficiency Partnerships. It was also noted that the amount in Quartararo’s original memo was incorrectly listed as \$146,000.

**ACTION:** Upon a motion duly made (McCormick) and seconded (Mermin) the Board voted unanimously to approve the changes to the budget with the exception that the SEP – Special Projects pass-through grant is \$151,966 rather than \$146,000.

- **Vote to Authorize MOU with MaineHousing to implement “Task 5 – Quantification of Carbon Savings” as A Sub-Grant of The Better Buildings Grant from U.S. DOE**

McCormick described the task at hand and the benefits of completing this effort. The work is on schedule to be completed by December 31, 2012 and is being executed by a team of MaineHousing staff and consultants with specific-area expertise. Board Members also discussed the value of the carbon market given recent reductions in prices. McCormick explained that the proposal was based on a low projected price for carbon and she doesn't believe that prices will fall below this level. Staff noted that this is a pass through sub-grant, drafted and proposed by MaineHousing for inclusion in the omnibus grant proposal to that Efficiency Maine received from the U.S. Department of Energy to provide financing for home weatherization projects. Efficiency Maine is functioning as the fiscal agent, but is not otherwise directing or managing the project.

**ACTION:** Upon a motion duly made (Tietenberg) and seconded (Mermin) the Board voted eight in favor, one recused, to authorize the Executive Director to execute a Memorandum of Understanding with MaineHousing to implement Task 5 of the Better Buildings grant from the U.S. Department of Energy, consistent with the draft MOU and budget provided in the Board Packet, for an amount not to exceed \$500,000.

- **Review and Vote on Chapter 110: Pace Program Regulations: Loan Underwriting Standards, Consumer Disclosure Requirements, Terms and Conditions of Participation and Quality Assurance System**

Dana Fischer presented the final proposed rule for Maine's PACE program and the basis statement supporting the rule to the Board. Discussion followed on application requirements, maximum loan amounts, anticipated interest rates, other fees and how they will be handled, loan terms, and other provisions of the program.

**ACTION:** Upon a motion duly made (Mermin) and seconded (Tietenberg) the Board voted unanimously to approve the Chapter 110 Pace Program Regulations.

- **Vote to Authorize Sole Source Contract with Conservation Services Group (CSG) for Delivery of Solar and Wind Rebates**

Stoddard explained that the current contract for delivery of the Solar and Wind Rebate program expires December 31, 2010. Considering Efficiency Maine's goal to be a "one stop shop" for the customer, staff recommends combining this delivery contract with the CSG contract, which handles other residential programs.

Ian Burns explained that these rebates are primarily associated with residential installations, although they are also available to commercial customers. Commercial call volume is light and these calls can easily be transferred to a commercial specialist as needed. The proposed contract value is not to exceed \$1,019,009, which includes

the amount of rebates to customers, as well as administrative fees. Andy Meyer explained that the administrative portion of the costs is very low, about 1 to 2 percent.

Staff's original proposal was to sole-source this contract to CSG through March 30, 2012. Mermin urged staff to take the opportunity to look at all contracts as they come up for renewal to identify opportunities to combine tasks and increase cost-effectiveness in all programs. She proposed shortening the duration of this contract by changing the end date to June 30, 2010.

**ACTION:** Upon a motion duly made (Mermin) and seconded (McCormick) the Board voted unanimously to authorize the Executive Director to enter into a contract with CSG for delivery of Solar and Wind Rebates beginning January 1, 2011 and ending on June 30, 2011.

#### **4.0 Report from Staff - Heating Fuels Efficiency and Weatherization Fund**

Stoddard presented the board with a draft report on the Heating Fuels Efficiency and Weatherization Fund. The report includes input from two stakeholder meetings held in September and October 2010, which were attended by more than 110 participants.

Andy Meyer gave a brief report on the Home Energy Savings Program (HESP). To date, 2,481 audits have been completed, 1400 retrofits are in process, and over 500 retrofits have been completed. Results indicate that if properly funded, and if rebates are offered, the market will be stimulated to develop suppliers to meet homeowner demand. Homeowner savings average \$900/home. Demand has continued even though there is no new access to the summer promotional incentives.

Stoddard presented the background of the draft report. It analyzes the model for continued funding of home weatherization, presents a review of possible funding mechanisms as directed by statute, and presents a recommendation for funding through a system benefit charge mechanism. The report is being delivered to the board for comment and released for public comment. The trust must make a recommendation to the Legislature by January 3, 2011.

Mermin commented on the value of the stakeholder meetings and the incorporation of stakeholder input on the report and recommendation. She summarized the stakeholder's concerns with the fluctuation of fuel oil prices given our state's dependency on fuel oil for home heating, the emphasis on returning investment to the state's economy and not sending profits out of the country, and the investment in jobs.

Stoddard requested that the Board send comments to him by the end of the week. After incorporation of Board Member comments, he will send the report to stakeholders for comment.

#### **5.0 New Business**

- **Committee and Workgroup Structure.** Stoddard will distribute a list of the current committees and workgroups to Board Members.

- **Board Meeting Schedule.** Mermin suggested that the Board schedule a meeting on December 15 to approve the Heating Fuels and Weatherization Fund recommendation. The meeting will be held at 11:00 a.m. at the Somerset Room of the Rooster Restaurant, at the Holiday Inn on Rte. 27 in Augusta.

Based on concerns from several Board Members, Chair Lee recommended scheduling monthly meetings until April due to the large number of important tasks that need to be addressed by the full Board. After discussion, the Board agreed to meet December 15 and February 2 and consider having a March meeting.

**ACTION:** Upon a motion duly made (Mermin) and seconded (Lee) the Board voted eight in favor and one opposed, to add a Board Meeting in March. The date and location are TBD.

- **Website Change.** Cindy Talbot noted that the [www.energymainetrust.org](http://www.energymainetrust.org) website and [info@energymainetrust.org](mailto:info@energymainetrust.org) email account are no longer active. Board information is now available on [www.energymaine.com](http://www.energymaine.com), under the “About” page. General inquiries may be sent to [energymaine@energymaine.com](mailto:energymaine@energymaine.com). There has been a message on the Trust website for about a month alerting interested parties of this change.

## 6.0 Public Comment

No public comment was offered.

## 7.0 Next Meeting Agenda Items

Wednesday, December 15, 2010. 11:00 a.m., Somerset Room of the Rooster Restaurant, at the Holiday Inn on Rte. 27 in Augusta.

- Vote on Heating Fuels Efficiency and Weatherization Fund Report.
- Other items as required by staff.

Wednesday, February 2, 2011, 9:30 a.m. to 12:30 p.m., Location TBD.

- Review of available financing options, PACE, etc.
- RFP for program delivery team report from staff.
- Work Group Reports, as needed, based on activity.

## 8.0 Adjournment

**ACTION:** Upon a motion duly made (Mermin) and seconded (Tietenberg) the Board voted unanimously to adjourn the meeting at 12:16 p.m.