

**Efficiency Maine Trust
Board Meeting Minutes**

**December 15, 2010
Somerset Room/York Room
Holiday Inn, Augusta, ME**

Trust Board Members

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

Efficiency Maine Trust Staff/Consultants:

- Michael Stoddard
- John Quartararo
- Karen Bickerman
- Andy Meyer
- Elizabeth Crabtree
- Dana Fischer
- Cindy Talbot

Partial List of Other Attendees:

- Kevin Bernier, Penquis Home Performance
- Ed Pineau, Pineau Policy LLC
- Cate Pineau, Pineau Policy LLC
- Pattie Aho, Pierce Atwood
- Charlie Huntington, I&S Insulation, MABEP
- Deb Hart, Hart Public Policy
- Shelley Doak, Eaton Peabody
- Pam McTigue, Thermal Energy Storage of Maine
- Ann Goggin, Goggin Co.
- Tom Federle, MGEA
- Sue Jones, Community Energy Partners

1.0 Approve Draft Agenda and Minutes

Chair Lee called the meeting to order at 11:05 a.m.

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

2.0 Master Servicer for BetterBuildings Revolving Loan Fund

Michael Stoddard, Efficiency Maine’s Executive Director, explained that staff issued an RFP for services to originate and service loans for the PACE program and that no qualified bids were received. Financial institutions indicated that they declined to respond because the program is novel and unique in the country, and they found it challenging to price their bids. Staff reached out to numerous financial institutions including Camden National Bank, Bangor Savings, the Maine Credit Union, and AFC First, to determine if they would consider continued discussions to provide the requested

services. After some discussion, Camden National decided they were not interested in providing this service. Staff is continuing negotiations with AFC First. Stoddard indicated that AFC First services products in other states that is similar to what Efficiency Maine is proposing to offer, and his belief that AFC First appears qualified to provide the needed services.

Staff is seeking Board approval to negotiate a sole source contract with AFC First. Justification for the sole source contract is included in a letter dated December 14, 2010 from the Trust's Attorney General Advisor, Linda Pistner.

Discussion followed regarding the timeline for launching the program and the need to move quickly to make the program available to Maine residents as soon as possible.

ACTION: Upon a motion duly made (McCormick) and seconded (Poole), the Board voted unanimously to authorize the Efficiency Maine staff to negotiate a sole source contract to fulfill the PACE financing. If the negotiation is complete prior to the next full Board Meeting, the Executive Committee is authorized to approve the contract.

3.0 Formal Acceptance of Grants

Staff requests formal Board approval to accept the following three grants from Central Maine Power pursuant to the settlement agreement of the Maine Power Reliability Project approved by the Maine Public Utilities Commission:

- \$300,000 per year for 9 years beginning in 2013 for the benefit of low income weatherization programs;
- \$2.6 million in 2012, and \$500,000 per year for 9 years thereafter, for energy efficiency projects in the facilities of transmission and sub-transmission voltage level customers; and
- \$90,000 in 2012' and \$700,000 per year for 9 years thereafter, to be used at the Trust's discretion for cost-effective energy efficiency projects.

Details on these grants are provided in Stoddard's memorandum dated December 12, 2010.

ACTION: Upon a motion duly made (Atwell) and seconded (McCormick) the Board voted unanimously to accept these grants.

4.0 Heating Fuels Weatherization Report

Pursuant to direction at the December 1 Board Meeting, staff distributed the Heating Fuels Efficiency and Weatherization Fund report to stakeholders. Staff will post stakeholder comments on the website. Stoddard distributed a revised report to the Board for approval. The revised report includes the following changes in response to comments:

- The Maine Energy Marketers Association requested that the graph on page 4 be changed to reflect heating prices over the last decade rather than only the past 3 years.

- Environment Northeast (ENE) commented that the actual cost of energy efficiency across all programs, based on a national average is \$3 to \$5/MMbtu. The graph on page 7 reflects only residential savings, calculated by Efficiency Maine, at \$14/MMbtu. The text and the graph have been changed to reflect costs for saving heating fuel through Efficiency Maine's current Home Energy Savings program and, separately, the experience nationally for saving heating fuel for commercial and industrial customers.
- Section III-A-4, addressing the use of Ocean Energy for heating options that could make use of off-peak wind-generated energy was added.
- In response to a comment, staff added "Take No Action" to the Funding Options included in Section C-1 of the draft to describe the option of additional programs for heating fuel efficiency and weatherization programs. However, after further consideration of the Trust's legislative mandate, Stoddard recommends that this section be removed because it is not in line with the charge given to Efficiency Maine by the legislation "to address options for funding."

ACTION: Upon a motion duly made (Mermin) and seconded (Poole) the Board voted unanimously to accept the report as its recommendation, with the following changes:

- remove "Take No Action" section; and
- revise wording explaining the graph on page 4.

5.0 New Business

- **Committee and Workgroup Structure.** Chair Lee passed out notes resulting from a meeting between Lee, Mermin, and Stoddard on interactions between the Board and staff, and listing the Board's standing committees and workgroups.
 - Standing Committees:** Finance, Strategic Planning, and Governance
 - Workgroups:** Evaluation, PACE, Heating Fuels, Residential Marketing Strategy, and Business Marketing Strategy
- **Next meeting:** February 2, 2011; 9:30 a.m. to noon; location TBD.

6.0 Public Comment

- **Pam McTigue, Thermal Energy Storage of Maine.** McTigue provided clarification of the pricing that was cited for energy costs of electric thermal storage (ETS) compared to heating oil. She will provide written information at the request of the Board. She also stressed the benefits of using renewable energy to help move away from the use of heating oil.
- **Charlie Huntington, Owner of I&S Insulation and representing the Maine Association of Building Efficiency Professionals (MABEP).** Huntington presented a letter sent to Stoddard from MABEPS's President, Curry Caputo, supporting the addition of a system benefit charge on heating fuels as a long-term, sustainable funding mechanism for residential retrofit programs.
- **Sue Jones, Community Energy Partners.** Jones commented that the Heating Fuels Efficiency and Weatherization Fund report does not include a recommendation for funding alternative/renewable energy programs, as required, by the statute and requested that it be added to the report. Staff responded with the observation that the

statute limits this requirement to resources that satisfy the cost-effectiveness test and also that Efficiency Maine's programs focus exclusively on resources located on the "customer side of the meter," as opposed to central power plants such as Ms. Jones was describing. Ms. Jones thanked staff for the clarification.

7.0 Adjournment

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