

Efficiency Maine Trust

Board Meeting
December 21, 2009

Meeting Minutes
Approved: January 6, 2010

Date: Monday, December 21, 2009
Time: 1:00 p.m. to 4:00 p.m.
Location: Cross Office Building, Room 209

Attendance:

Trust Board Members				Efficiency Maine Staff	
✓	Adam Lee, Chair		Dale McCormick	✓	John Brautigam
✓	Naomi Mermin, Vice Chair	✓	John Kerry	✓	Jean Guzzetti
✓	James Atwell, Secretary	✓	Glenn Poole	✓	Joy Adamson
✓	Michelle Atherton, Treasurer	✓	John Rohman		
		✓	Tom Tietenberg		

Other Attendees:

- Bruce Harrington, ERS
- Linda Pistner, Chief Deputy Attorney General
- Eric Belliveau, Optimal Energy
- Stephen Ward
- Deborah Hart
- Dylan Voorhees, Natural Resources Council of Maine
- Avery Day, Pierce Atwood
- Tim Clark, GDS
- Stephen Cole, CEI
- Charlie Woodworth
- Suzanne Watson
- Matthew Smith
- Toben Galvin
- Michael Stoddard

1.0 Introductions, Approve Draft Agenda and Minutes

The meeting convened at 1:09 p.m.

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

ACTION: Upon a motion duly made (Poole) and seconded (Tietenberg) the Board voted unanimously to approve the minutes of the December 2, 2009 Board Meeting.

2.0 Briefing and Discussion on Efficiency Maine’s Training Programs and Curriculum

Joy Adamson, Program Manager, Low Income and Education and Training Programs presented a briefing on Efficiency Maine’s Low Income, Training and Education programs. Please refer to her presentation materials, located in a separate file accessible at www.energymainetrust.org.

3.0 Briefing on Efficiency Maine's Potential Study

Tobin Gavin (Summit Blue) & Suzanne Watson (ACEEE) presented a briefing on Efficiency Maine's Potential Study. Please refer to their presentation materials in a separate file accessible at www.energymainetrust.org.

Questions from Board members led to the following clarifications and additional information:

- These potential studies do not take into account that most natural gas boilers in Maine are relatively new and therefore more efficient than older boilers yielding less potential efficiency if replaced.
- The scatter diagrams comparing the Efficiency Maine programs to other state's programs include program costs ONLY, not participant/homeowner contribution. Therefore it is difficult to assess the cost effectiveness these programs are achieving.
- According to these studies the most cost effective actions, by fuel type, are as follows:
 - Oil and Natural Gas: air sealing, insulation, heating system replacements
 - Residential Electric: lighting, appliances
 - Commercial & Industrial Electric: lighting, process improvements
- The available data do not show a clear trend regarding whether states are discovering more potential or increasing their budgets.
- Summit Blue will review the actual results of existing programs to confirm potential projections.

4.0 Triennial Plan Update

Mermin spoke for the Triennial Plan Work Group and explained that the draft Strawman is meant to focus discussions among stakeholders at the January meetings; it is not a draft plan. She further explained that the purpose of this discussion was to review the draft strawman and then review the discussion questions posed by Stephen Ward. She noted that the Work Group would continue to work through strawman.

Tietenberg questioned the differences in the total budget needed to meet Maine's legislative goals projected by Summit Blue (\$686 million) and that estimated by Optimal in the strawman (\$5.4 billion). Belliveau explained that his estimate assumes that Maine will need to offer significant incentives to achieve the deep energy savings mandated by the legislation. He confirmed that Optimal's numbers only include program costs.

Poole questioned the cost differences between fuel oil and natural gas and how fuel switching would affect the goals. He doesn't want to have goals that prevent fuel switching if it is more cost effective and efficient (i.e., less Btu's). Belliveau explained that this is the reason they normalized everything to TBtu's.

Atwell questioned why, after explaining that all fuels would be normalized to TBtu's, the units beginning in Table 2 are different for each fuel. Belliveau explained that in specific

program discussions the units were left as the commonly used units for each fuel because they are more recognizable and easier for most people to grasp.

Atwell asked if there was a way to present an efficiency metric diagram to show how programs and fuel types interrelate and also requested that an executive summary be added to the document.

Several Board members noted that the document is quite long and may be difficult for stakeholders to get through. Mermin noted that the strawman is not intended to persuade anyone to a particular direction of action but to gather input that will be incorporated into the Triennial Plan. Mermin recommended removing the charts on pages 14 through 19, with the exception of Figure 5.

Atwell recommended revising terminology to be consistent throughout the document and also to explain more clearly how the savings targets in Table 1 were derived. Poole: Optimal should present what the projected 2020 or 2030, depending on the goal year, load is without any conservation.

Stephen Ward then presented a draft of questions he developed to promote discussion at the stakeholder meetings that will provide the Trust with helpful input in a structured way. His role is to be a coordinator of the conversation, not to be the provider of information.

Mermin is interested in getting information from industrial stakeholders as to whether programs described in the strawman are viable, etc. Poole asked if the Board could get a list of number and type of applications for RGGI funding. This information would help determine what programs are of interest in the marketplace.

Mermin asked board members to provide input to Ward via email. Tietenberg urged the Board to make sure that stakeholders are asked questions directly related to decisions the board needs to make.

5.0 RGGI Update

Tietenberg reported that MEDEP Commissioner Littell's presentation to the RGGI Trust is available on the ECB website. At a future meeting, the RGGI Trustees will be scheduling a presentation on carbon accounting and fuel substitution, a subject that is likely to be of considerable importance to the Efficiency Maine Trust in the future. The RGGI Trust decided to allocate the 25% of funding held in reserve to the large custom projects program (jointly funded with ARRA and RGGI money), with the caveat that no funding be given to electrical projects that are less cost effective than commercial and industrial projects funded through Efficiency Maine and no greenhouse gas projects should be funded that are less cost effective than the proposed programmable thermostat program jointly proposed by Efficiency Maine and the Maine Energy Marketers Association (formerly the Maine Oil Dealers Association). Announcements should be made soon on award of funding to new projects in this program.

6.0 Financial Report

Atherton presented estimate of ramp-up costs for 2010.

ACTION: Upon a motion duly made (Atwell) and seconded (Kerry) the Board voted unanimously to request the remaining Efficiency Maine Trust funding from the PUC.

Atherton will work with the bank to securitize the funds.

7.0 New Business

7.1 Efficiency Maine Contracts

John Brautigam informed the Trust that Efficiency Maine currently has two primary contracts, with ERS for the business program and with Burgess Advertising for marketing. These contracts total about \$10 million/year out of Efficiency Maine's total \$13-million budget. Both contracts expire on June 30, 2010 and have provisions for extension. Brautigam recommended pursuing a 6-month extension, which would allow 6 months for the Efficiency Maine Trust to go out to RFP.

Poole motioned to extend the contracts, Atwell seconded the motion. The Board discussed whether to extend the contracts. Mermin said that she would like the Trust to have an opportunity to review the contracts to make an informed decision. Poole withdrew the motion. Brautigam will provide the contracts to the Board and the discussion was tabled until the next meeting.

7.2 IT Work Group

This new Work Group will consist of McCormick, Atwell, Poole and Lee and will begin gathering information that will help inform decisions regarding the selection of a data management system for the Trust. Lee recommended that the work group begin by talking with representatives of the efficiency programs in Vermont and Oregon. Lee will organize a conference call for the Work Group.

7.3 Governance Work Group

Lee asked the work group to review possible structures and report at next meeting.

7.4 New Website

The Trust has a new website located at www.energymainetrust.org.

8.0 Public Comment

Steve Hinchman, Grid Solar. Hinchman asked the board to consider geographically targeted efficiency programs. Vermont is now beginning a program that targets inefficient pockets of the grid. He recommends targeting locations where the recent CMP study identified at-risk peak demand locations. He also urged the Board to also consider time of day, seasonality, and type of efficiency programs in their planning and Triennial Plan development.

Bruce Harrington, ERS. Harrington indicated that ERS is using a comprehensive data management system to assist in its programs. The Trust should look at that system as part of its evaluation.

Dylan Voorhees, NRCM. Voorhees offered comments on the stakeholder process and suggested that most stakeholders will skip to portions of the strawman that interest them. He urges a way to have the average public participate in the process, not just committed stakeholders and recommended working with Efficiency Maine to send notices to the Efficiency Maine allies, participants in the business program, and others on the Efficiency Maine contact list. He will review and provide comments on the strawman, and also recommended that benefits be expressed in dollar savings for stakeholders. Voorhees also commented that he agreed with extending the current Efficiency Maine contracts. He also stressed that it is important that the Trust be in agreement with the contracts because they will not just be inheriting them. After July 1, 2010, the Trust will be responsible and accountable for the contracts.

9.0 Next Meeting Agenda

The agenda for the next meeting, Wednesday, January 6, 9:00 a.m. to noon, will be developed and posted on the website prior to the meeting.

10.0 Adjournment

ACTION: Upon a motion duly made (Atherton) and seconded (Kerry) the Board voted unanimously to approve adjourn the meeting at 4:05 p.m.