

**Efficiency Maine Trust
Board Meeting Minutes
June 22, 2016**

Trust Board Members:

- David Barber, Chair
- Kenneth Fletcher, Vice Chair
- Brent Boyles, Treasurer
- Daniel Brennan for John Gallagher
- Herbert Crosby (via phone)
- Al Hodsdon
- Don Lewis
- Lisa Smith for Patrick Woodcock
- David Stapp

Efficiency Maine Trust (EMT) Staff:

- Joy Adamson
- Emily Cushman
- Peter Eglinton
- Greg Leclair
- Laura Martel
- Andy Meyer
- Anne Stephenson
- Michael Stoddard

Other Attendees:

- Dot Kelly, Phippsburg Conservation Committee
- Jeffrey Packard, Alodyne
- Adam Gifford, CLEAResult

1.0 Welcome and Introductions

Mr. Barber called the meeting to order at 9:29 a.m.

2.0 Approve Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Lewis) and seconded (Mr. Stapp), the Board voted unanimously to approve the agenda and approve both the May Board Meeting Minutes and Executive Committee Meeting Minutes. Mr. Brennan and Ms. Smith abstained from the vote, as they were not present at the Executive Committee Meeting.

3.0 Public Comment on Agenda Items

None.

4.0 Executive Director's Report

Mr. Stoddard summarized and distributed copies of the Executive Director's Report. Following are items highlighted during his presentation:

- The Public Utilities Commission (PUC) voted unanimously to approve the Triennial Plan settlement last week. While the settlement addresses the majority of what was included in the Triennial Plan, a few items will require additional proceedings over the coming months. Mr. Stoddard expressed his appreciation

for the hard work of the Staff, the Board, and stakeholders who were involved in the process.

- EMT is tracking the Non-Transmission Alternatives (NTA) case at the PUC. Over the course of the summer, the PUC will develop a framework for selecting an NTA coordinator and determine the scope of its functions and duties.
- The Business Incentive Program (BIP) lifted its suspension of a number of measures on June 1 in order to lay the groundwork for the July 1 start of FY2017. EMT Staff is helping the contractor community refamiliarize itself with the Trust's rules and incentives through recertification workshops. BIP is on track to fully invest its FY2016 electric budget, and has a healthy pipeline for its natural gas budget. Despite low oil prices, the program is seeing growing demand for all-fuels projects.
- The Large Custom Program has expended, encumbered, or awarded the majority of its FY2016 budget. Mr. Stoddard highlighted a project application that was denied in the most recent Large Custom Review Committee meeting, noting some of the reasons for the rejection. Firstly, the calculated payback period was extremely close to the minimum allowable threshold and the cost estimates were speculative and unsubstantiated. Secondly, the company is in bankruptcy. Mr. Stoddard stressed that EMT should err on the side of caution in these types of situations. Mr. Fletcher noted that the company could always reapply.
- The Small Business Incentive (SBI) Program is preparing to roll out Region 5, encompassing the towns along Route 302 from Raymond to Fryeburg. Mr. Stoddard asked the Board for its help in spreading the word to chambers, officials, and business members in these towns. Mr. Fletcher suggested EMT Staff ask chambers from past SBI regions to reach out to new chambers on the Trust's behalf.
- The Home Energy Savings Program (HESP) is ramping up marketing efforts to maintain momentum during a typically slow time of year. Mr. Fletcher remarked that demand for energy efficiency remains steady despite low oil prices. Ms. Smith stated that the Governor's Energy Office has received a request from Alaska regarding Maine's experience with heat pumps.
- Beginning in FY2017, the Consumer Products Program will transition from incentivizing CFLs and LEDs to LEDs only. This program change received regional press coverage through MPBN and Boston's NPR station. Mr. Stoddard also noted that EMT's new Distributor Screw-In LED (DSIL) Program is thriving.
- EMT is exploring a number of angles for Low-Income Initiative expansion. Firstly, EMT staff is awaiting a response from MaineHousing regarding the possibility of sharing the list of eligible LIHEAP customers, as was done last year. Secondly, EMT staff is looking at ways to collaborate with CMP through their customer dashboard-based Energy Manager tool and a pilot to alert low-income customers to energy saving opportunities.

5.0 Committee Report

(a) Finance Committee

i. REVIEW Financial Reports

Mr. Boyles noted that the annual audit process has started, and reminded the Board that only one week remains in the fiscal year.

ii. APPROVE Acceptance of Governor's Energy Office State Energy Program Grant Funds

Mr. Stoddard explained that a portion of the Governor's Energy Office (GEO) annual allotment of U.S. Department of Energy (DOE) State Energy Program (SEP) funding was earmarked for work on the Quebec-Maine Electric Vehicle (Qc-ME EV) Initiative. The GEO has determined that it will not be able to expend these funds by the June 30 deadline. In order to satisfy the DOE expenditure requirements, it is an allowable use of the federal funds for GEO to transfer the funding to EMT's Revolving Loan Fund, which is used to finance qualifying home weatherization projects.

Mr. Stoddard noted that EMT's Triennial Plan III includes a commitment to exploring transportation issues, and said that involvement in the Qc-ME EV Initiative is consistent with those goals.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Hodsdon), the Board voted unanimously to authorize the Trust to accept the transfer of \$90,000 in U.S. DOE State Energy Program funds for use in the Revolving Loan Fund, and to acknowledge an understanding in principle that the Trust will commit a similar amount of funding toward the Quebec-Maine EV Initiative, consistent with the FY2017 Budget and the Triennial Plan, as approved. Ms. Smith abstained from the vote.

iii. APPROVE FY2017 Operating Budget

Mr. Stoddard provided a summary of the FY2017 budget and the Trust's financial planning process. While the majority of the budget remained unchanged since the last Board meeting, RGGI revenue forecasts were adjusted downward from \$16.6 million to \$11.2 million to reflect results from the most recent two quarters of auctions and additional analysis. The auction revenues from the last two quarters were lower than originally anticipated due to a combination of factors, including a mild winter resulting in reduced generation from dirtier power plants, carbon credit banking, and uncertainty surrounding the federal Clean Power Plan. The Trust felt it was prudent to plan for lower RGGI revenues.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Hodsdon), the Board voted unanimously to approve the FY2017 Operating Budget.

(b) Program Committee

i. CASE STUDY on Furniture Store Lighting Project and Distributor Delivery Channel

Mr. Meyer provided an overview of the Distributor Screw-In LED (DSIL) Program. Firstly, he stressed that the commercial sector has relatively high lighting savings potential for two reasons: (1) the lights are on for more hours during the day, and (2) the lights are on during peak demand hours.

Traditionally, EMT incentivized commercial lighting through the Business Incentive Program (BIP). Though BIP is well suited to sophisticated lighting projects, it can be burdensome to those customers who are simply seeking screw-in bulbs. Additionally, Qualified Partner contractors do not have a strong incentive to market screw-in bulbs since this is a step that most customers can do themselves, without outside professional assistance. While commercial customers can always take advantage of the Consumer Products Program and purchase discounted bulbs in retail stores, EMT studies show that very few do so; the sector accounts for 4% of discounted in-store purchases.

DSIL fills the gap between these two programs. First, EMT offers the incentive to the distributor. The customer experiences the mark-down in price immediately, at the cash register, and does not need to hire an intermediary or fill out paperwork or wait for the rebate to come later in the mail. Second, the distributors serve as a sales force, making calls to customers who are not necessarily considering efficiency upgrades.

As a case study, Mr. Meyer highlighted the experience of the Furniture Superstore in South Portland – a high-bay warehouse showroom lit with 800 incandescent bulbs. The owner was content having employees replace bulbs as they burned out, and was not considering any efficiency upgrades. A distributor made a sales call to the store, and convinced the owner to purchase 800 LEDs. The owner saw drastically lower electricity bills. With the EMT incentive, the distributor was able to offer an attractively low price and still make a profit. Additionally, store employees found that the light quality in the showroom had improved. EMT invested roughly \$6,000 in ratepayer dollars, saving \$36,000 over the life of the measures.

Mr. Fletcher asked how many bulbs DSIL plans to incentivize in FY2017. Mr. Meyer said the goal was roughly 500,000. Mr. Stapp asked how close EMT is to saturating the market. Mr. Meyer said that there is still significant opportunity. A number of commercial customers have dimmable and reflector fixtures that were not conducive to CFL upgrades and thus remain occupied by incandescent bulbs. EMT is eager to capture all of those remaining sockets with LEDs.

ii. REPORT on the Quebec-Maine EV Task Force

Ms. Smith presented an overview of the Quebec-Maine Electric Vehicle (QC-ME EV) Task Force. She explained that the government of Quebec has a \$3 million plan to electrify the transportation sector, with the goal of incentivizing the purchase of 100,000 EVs by the end of 2020. Given that Canadians represent the largest share of Maine's tourism traffic, the Governor and Quebec's Premier have established a joint task force to plan for the deployment of EV charging infrastructure between Quebec and Maine.

A number of parties are involved in QC-ME EV Task Force, including Iberdrola, Hydro-Quebec, ME Turnpike Authority, Drive Electric Maine, and the Greater Portland Council of Governments. The group is discussing options for charging station type and siting, as well as program administration. Ms. Smith stated that the current focus is on DC fast-charging stations that charge from 0-80% in up to 30 minutes, each of which will cost between \$50,000 and \$200,000. In addition to government funding from Maine and Quebec, the project has received financial commitments from Hydro-Quebec and Iberdrola. The goal is to select seven charging station locations by the end of August.

Mr. Hodsdon asked if the "charging stations" referred to a group of chargers or a single charger. Ms. Smith stated that a station would include at least one charger. Depending on corporate sponsorship, they may be able to include more. Mr. Hodsdon asked if the auto industry had devised a standard plug arrangement. Ms. Smith said that Tesla's charging stations can accommodate various EV models with an adapter, noting that this narrows the field of potential technology providers. Mr. Hodsdon also asked if the QC-ME EV Task Force was looking at installations along Route 26 from Montreal. Ms. Smith stated that the focus is first on Route 201, but Route 26 and Route 302 have been part of the discussions. Mr. Stoddard noted that EMT would consider ways it could help with this project in the coming weeks.

6.0 New Business

Mr. Stoddard asked new Board members to contact him if they are interested in serving on either the Finance or the Program Committee, noting that EMT Staff need an update on which Board members are officially part of each. He also reminded the Board that the Commercial & Industrial Custom Program Review Committee could benefit from one additional Board member. Finally, he asked the group to confirm that the 3rd Wednesday of the month works well for Board Meetings.

7.0 Next Meeting Agenda and Scheduling

The next Board meeting is scheduled for July 20, 2016.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Boyles), the Board voted unanimously to adjourn the meeting at 11:47 a.m.