

**Efficiency Maine Trust  
Board Meeting Minutes  
December 14, 2016**

**Trust Board Members:**

- David Barber, Chair
- Brent Boyles, Treasurer (via phone)
- Dan Brennan
- Herbert Crosby
- Kenneth Fletcher, Vice Chair
- Al Hodsdon
- Don Lewis, Secretary
- Angela Monroe
- David Stapp

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

- Ian Burnes
- Emily Cushman
- Peter Eglinton
- Greg Leclair
- Laura Martel
- Michael Stoddard

**Other Attendees:**

- Elyse Doyle, DNV-GL
- Alan J. Ballard, Maine Army National Guard
- Dot Kelly, Phippsburg Conservation Commission
- Jim LaBrecque
- Dylan Voorhees, NRCM

**1.0 Welcome and Introductions**

Mr. Barber called the meeting to order at 9:30 a.m.

**2.0 Approve Agenda and Minutes**

**ACTION:** Upon a motion duly made (Mr. Lewis) and seconded (Mr. Hodsdon), the Board voted unanimously to approve the agenda and the November Board Meeting Minutes.

**3.0 Public Comment on Agenda Items**

Mr. LaBrecque stated that Maine only uses 60% of its electricity generation capacity and called for a shift to electric heating and transportation in the state. He also expressed concern that Maine's seasonal residents are not eligible for heat pumps. Finally, he suggested an informal brainstorming session between Maine's energy experts and the Board. Mr. Fletcher and Ms. Monroe noted that the Governor's Energy Office convenes a task force that serves a similar purpose.

Mr. Voorhees commented on the recently released FY2016 Annual Report, which marked the end of the Triennial Plan II period. He thanked EMT Staff and the Board for helping Mainers save \$1.5 billion in energy costs since the Trust's inception.

Mr. Ballard asked about the Commercial and Industrial (C&I) Custom Program's limitations on combined heat and power (CHP) projects. Mr. Burnes explained that the fundamental limitation is cost-effectiveness. Mr. Ballard thanked EMT for its commitment to expanding CHP in the state. He said that he recently attended a Department of Energy conference where organizers and participants were extolling the virtues of this technology.

#### **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:

- Mr. Stoddard highlighted recent press and TV coverage on the Home Energy Savings Program (HESP), noting that this type of exposure helps spur an uptick in customer activity.
- Mr. Stoddard provided an overview of current discussions and proceedings at the Public Utilities Commission (PUC). The Low-Income Initiatives proceeding is the furthest along. The Non-Transmission Alternatives (NTA) discussion currently focuses on conceptualizing the role of an NTA coordinator and shaping the request in an RFP.
- Mr. Stoddard reminded the Board that the new Legislature has been sworn in. EMT Staff anticipate that Legislators will discuss the Regional Greenhouse Gas Initiative (RGGI), given that the 2016 RGGI Program Review concludes at the end of the calendar year. Representatives have been looking at a series of policy review options, including setting a revised emissions cap and considering a course of action after 2020.
- EMT Staff hosted a discussion with a large distributor of electrical equipment to discuss the company's experience with program design changes in the first half of FY2017. EMT Staff learned that the more stringent eligibility standards have proven challenging for sales.
- The C&I Custom Program Review Committee made two awards in the month of November, including one for a CHP project at Backyard Farms. Custom Program staff also held a RGGI Affected Customer Stakeholder Group meeting to solicit input on the Trust's interpretation of LD 1398. Comments are due back from the group December 14. Staff will then develop a protocol for the program to use. Finally, the Custom Program also initiated bonus incentive for CHP projects, which Staff anticipates will accelerate project commitments before the end of FY2017. Ms. Monroe wondered why the length of the limited-time offer had changed from the original proposal. Mr. Burnes stated that for fairness, Staff wanted to make sure the initiative would be reasonably accessible to a customer who had not yet fully conceived of a project.

- Mr. Stoddard provided some Low-Income Initiative highlights. The Arrearage Management Program (AMP) continues to grow, with 888 low-income homes now participating in some capacity. Half of those participants have accepted the Trusts offer of free LEDs and water-saving devices. Additionally, the Trust launched the Low-Income Direct Install Water Heater Program in November.
- Mr. Stoddard announced that the Trust has added Bridget Doxsee as a new Program Manager. Ms. Doxsee has experience with administering a residential energy efficiency program in New York, sales with a natural gas utility in Maine, and working with community-based organizations like United Way in Maine.

**5.0 CONSIDER and APPROVE action to move into Executive Session to discuss Settlement Proposal for Triennial Plan III – Phase 2: Low-Income Initiatives pursuant to 1 MRSA §405(6)(E)**

**ACTION:** Upon a motion duly made (Mr. Lewis) and seconded (Mr. Hodsdon), the Board voted unanimously to move to Executive Session.

**6.0 APPROVE Motion to come out of Executive Session**

**ACTION:** Upon a motion duly made (Mr. Lewis) and seconded (Mr. Hodsdon), the Board voted unanimously to come out of Executive Session.

**7.0 APPROVE Motion Authorizing the Executive Director to Accept Settlement Proposal for Triennial Plan II – Phase 2: Low-Income Initiatives**

**ACTION:** Upon a motion duly made (Mr. Lewis) and seconded (Mr. Hodsdon), the Board voted unanimously to approve the motion authorizing the Executive Director to pursue settlement of the Low-Income Initiatives program design in the Public Utilities Commission proceeding, consistent with the outline of December 9, 2016, Version 4.0, as modified by the discussion for representation on the Advisory Board and use of funds for envelope measures.

**8.0 Committee Report**

**(a) Finance Committee**

**i. UPDATE on Financial Reports Year-to-Date**

Mr. Leclair briefed the Board on revenues to date, and Mr. Eglinton briefed the Board on expenditures to date, as detailed in Mr. Leclair’s memo dated December 7, 2016.

**ii. APPROVE Budget Adjustments**

Mr. Eglinton described the Staff’s proposal to transfer \$810,000 of natural gas funds from the C&I Prescriptive Program to the C&I Custom Program. While uptake of natural gas incentives in the C&I Prescriptive Program has been slow, a number of C&I Custom projects have already been identified and others are anticipated. This funding shift would continue to benefit the C&I sector, and

would continue to target the same fuel source – natural gas. Mr. Eglinton noted that the proposed budget adjustment does not require approval from the PUC as it does not exceed the threshold of “Significant Changes” (i.e., the lesser of 10% or \$1 million from one Program Budget to another Program Budget of the same fuel type).

**ACTION:** Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Fletcher), the Board voted unanimously to approve the transfer of \$810,000 of natural gas funds from the C&I Prescriptive Program to the C&I Custom Program, restricted for use only on natural gas conservation projects.

#### **(a) Program Committee**

##### **i. UPDATE on RGGI**

Mr. Eglinton briefed the Board on recent RGGI auction results and the Staff’s RGGI budget planning process. EMT’s original RGGI budget for FY2017 was \$11.2 million, based on the average closing price of the previous 12 auctions (\$5.60/ton). Given rising uncertainty in the results of these auctions, EMT Staff planned to monitor quarterly results and readjust budgets accordingly. Staff also established an unallocated reserve of RGGI funds to offset, as much as possible, any significant shortfalls. The December auction closed at \$3.55/ton. As a result, EMT is at this point of the year \$1.55 million behind pace for FY2017.

Mr. Eglinton presented two forecast scenarios: 1) RGGI revenues remain flat, or 2) RGGI revenues continue to decline at a rate comparable to that between most recent two auctions. He reviewed the potential budget implications of each. EMT Staff is currently assuming Scenario 2 (the “decline” scenario) and considering using the \$1.2 million of unallocated RGGI fund balance to offset the shortfall. EMT Staff does not anticipate program disruptions at this time.

Mr. Eglinton said that Staff would generate a formal budget adjustment recommendation and bring it to the Board for a vote at the January Board meeting.

#### **9.0 New Business**

Mr. Stoddard announced that EMT’s Annual Event will be held January 27, 2017, at the Hilton Garden Inn in Freeport.

#### **10.0 Next Meeting Agenda and Scheduling**

The next Board meeting is scheduled for January 25, 2016.

**ACTION:** Upon a motion duly made (Mr. Barber) and seconded (Mr. Fletcher), the Board voted unanimously to adjourn the meeting at 11:43 pm.