

**Efficiency Maine Trust
Board Meeting Minutes
April 26, 2017**

Trust Board Members:

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

Efficiency Maine Trust (EMT) Staff:

- Nat Blackford
- Ian Burnes
- Emily Cushman
- Bridget Doxsee
- Peter Eglinton
- Greg Leclair
- Richard Meinking
- Michael Stoddard

Other Attendees:

- Jessi Baldic, DNV GL
- Adam Gifford, CLEAResult
- Chuck Hamaty, Bridgton
- Dot Kelly, Phippsburg Conservation Commission

1.0 Welcome and Introductions

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

2.0 Approve Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Lewis), the Board voted unanimously to approve the agenda, the March Board Meeting Minutes, and the April Executive Committee of the Board Minutes.

3.0 Public Comment on Agenda Items

Ms. Kelly commended Mr. Stoddard for representing EMT in the various public hearings at the Legislature's Energy, Utilities and Technology (EUT) Committee. She noted that the issue of peak load and grid constraints continues to surface in legislative discussions, suggesting that the Board make this an organizational focus. She expressed frustration over the fact that utilities are not required to publicize information about grid-constrained areas, noting that this would be useful information for EMT program planning.

4.0 Executive Director's Report

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

- Mr. Stoddard noted that Mr. Fletcher and Mr. Stapp were reappointed to the EMT Board. The EUT Committee voted to confirm their nominations after confirmation hearings. Ms. Monroe congratulated the two Board members on their thoughtful responses to legislators' questions and positive representation of the organization.
- Mr. Stoddard summarized other activity at the Legislature. EMT testified on a number of bills, including LD 260 – a proposal to elevate the Governor's Energy Office (GEO) to Commissioner status and expand its staffing and resources using \$300,000 from EMT's budget. He also highlighted two bills relating to the Regional Greenhouse Gas Initiative (RGGI) revenue reductions and proposals for stabilizing EMT's RGGI program budgets. One bill calls for a reduction in the \$3 million disbursement to Affected Customers, while the other proposes relaxing the requirement that EMT split the RGGI spending 50-50 between the residential and commercial & industrial (C&I) programs.
- Mr. Stoddard also summarized recent activity at the Public Utilities Commission (PUC). He noted that PUC Staff approved EMT's proposed budget adjustment requests to help fully fund the Home Energy Savings Program (HESP). Within the low-income stipulation, PUC Staff are currently reviewing a new proposal from the Office of the Public Advocate (OPA) that EMT relax its eligibility criteria for electric and natural gas low-income programs. Mr. Stoddard explained that this would not necessarily increase the number of eligible customers; it would simply allow EMT greater flexibility in identifying low-income customers.
- The C&I Prescriptive Program is on track to fully invest its electric budget. While the number of natural gas projects is growing, there remains room for improvement. To that end, EMT staff continues to work with natural gas utilities to find ways to collaborate on customer outreach efforts.
- Similarly, the C&I Custom Program has a healthy pipeline of electric projects, uptake of natural gas and unregulated-fuels projects is lagging.
- Mr. Stoddard attended a presentation for a new Maine Advanced Buildings project in Portland. It is a 45-unit multifamily building that meets Passive House Institute standards, achieves exceptionally low air-leakage and meets MaineHousing's low dollar-per-square-foot criteria.
- The Low-Income Home Energy Savings Program (LIHESP) continues to focus on offering enhanced incentives with a customer co-pay. Staff has noted that ensuring customers have "skin in the game" is particularly helpful with heat pumps, in that it incentivizes people to use the device to its maximum capacity. The Program is complementing this approach with enhanced education and training. Staff is also pilot testing thermostats that can automatically prioritize heat pumps over less-efficient central heating systems.

5.0 Committee Report

(a) Finance Committee

i. REPORT on Monthly Revenues and Expenditures Report

Mr. Leclair briefed the Board on revenues to date, as detailed in the most recent FY2017 Financial Report.

Mr. Lewis indicated his concern that a \$1 million budget for program evaluation seems excessive and raised questions about the level of impartiality in how evaluations are being managed. He suggested that the Board members get more involved in the process. Mr. Stoddard clarified that the PUC set the evaluation budget at 2% of EMT's total program budget. Mr. Barber suggested that updates on evaluations be included as a standing item on the Program Committee agenda. In that way, the Board can stay abreast of evaluation activity and provide input throughout the process.

ii. APPROVE "Housekeeping" Budget Adjustments for Long-Term Contracts and ARRA State Energy Program (SEP) Revolving Loan Fund

Mr. Leclair described the Staff's proposal to bring the Long-Term Contract (LTC) budget in line with remaining approved projects under contract within the C&I Custom Program. He also explained that recent Board-approved changes to the ARRA-SEP Revolving Loan Fund (RLF) to support HESP rendered certain budget items unnecessary; the RLF will no longer earn interest nor incur loan servicing fees. Staff proposes removing these items from the budget.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Lewis), the Board voted unanimously to adjust the FY 2017 budget to amend the FY 2017 LTC budget and the FY 2017 ARRA-SEP budget to reflect the changes detailed in Mr. Leclair's memo dated April 26, 2017.

iii. APPROVE Sole Source Contract for Implementation of Federal Funds through the Home Energy Savings Program

Mr. Stoddard explained that the federal funds the Board recently approved for use in HESP are subject to specific and extensive federal regulations. To facilitate compliance with these federal requirements, and to avoid the risk of extending these requirements to the program's use of non-federal funds, Staff recommends issuing a separate contract to the existing HESP delivery team.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Stapp), the Board voted unanimously to authorize the Executive Director to enter into a sole source contract with CLEAResult for up to \$1,026,497.79, on a time and materials basis using existing rates that were the result of a prior competitive bid, to support HESP.

(a) Program Committee

i. UPDATE from the Governor’s Energy Office

Ms. Monroe provided an overview of GEO’s current activities. She stated that the office recently hired two temporary employees: Larry Dunphy will assist with legislative affairs and Jim LaBrecque will provide technical support. Ms. Monroe noted that activity at the Legislature is increasing, and she expects to see a number of challenging bills emerge in the next few weeks.

Ms. Monroe highlighted GEO’s biomass study, slated for release in early May. She noted that the staff’s focus is to find solutions to the state’s biomass challenges that avoid a needless impact on ratepayers and/or taxpayers. She also described GEO’s involvement in an interstate initiative to coordinate offshore wind development efforts and shared some insights from the group’s recent trip to the United Kingdom. Finally, she discussed GEO’s involvement in planning for the disbursement of Volkswagen settlement funds, as well as its role in discussions of dam decommissioning across the state.

ii. UPDATE on the Small Business Initiative

Mr. Meinking presented an overview of the goals of the Small Business Initiative (SBI) and highlighted recent program results. SBI employs an aggressive local marketing campaign directed at Small General Service (SGS) electricity customers in a targeted geographic area. Leveraging local contractors, the program offers a lighting assessment to qualifying small business customers, followed by an LED retrofit with a 1-1.5 year customer payback.

Mr. Hamaty of Bridgton provided the Board with a testimonial of his positive experience with SBI. He explained his decision to attend a local information session after seeing an Efficiency Maine advertisement in the Bridgton News. Mr. Hamaty worked with his existing local contractor to install new lights at his business, Maine Street Graphics. The project resulted in a 39% reduction in his electricity bill. He also highlighted the resulting reduced cooling costs, the higher quality of the lights, and the reduced maintenance effort. Mr. Hamaty then described the challenge of convincing the local Chamber of Commerce to entertain a presentation from Ms. Doxsee about SBI. He explained that there was some confusion about the difference between Efficiency Maine and Electricity Maine, and that the board is generally wary of business pitches.

6.0 New Business

None.

7.0 Next Meeting Agenda and Scheduling

The next Board meeting is scheduled for May 24, 2017.

ACTION: Upon a motion duly made (Mr. Barber) and seconded (Mr. Hodsdon), the Board voted unanimously to adjourn the meeting at 12:00 p.m.