

**Efficiency Maine Trust
Board Meeting Minutes
November 15, 2017**

Trust Board Members:

- David Barber
- Dan Brennan
- Brent Boyles, Treasurer (via phone)
- Herbert Crosby, Secretary
- Ken Fletcher, Chair
- Al Hodsdon
- Don Lewis
- Steven McGrath

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Emily Cushman
- Peter Eglinton
- Monte Haynes
- Greg Leclair
- Michael Stoddard

Other Attendees:

- Sue Ely, NRCM
- Dot Kelly, Phippsburg
- Matt Morrison, MEMA
- Ed Toombs, Phippsburg
- Dylan Voorhees, NRCM

1.0 Welcome and Introductions

Mr. Fletcher called the meeting to order at 9:32 a.m.

2.0 Approve Agenda and Minutes

Mr. Lewis suggested that EMT consider eliminating the time stamps on the agenda. Mr. Stoddard said that these estimates give presenters and members of the public a sense of when the Board will address specific issues, allowing them to tailor their participation accordingly.

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

3.0 Public Comment on Agenda Items

Ms. Kelly provided an overview of the volunteer community-build process for window inserts and circulated a sample. She noted that Mr. Eglinton contacted her with questions about cost-effectiveness and measure persistence, and that he mentioned EMT is exploring opportunities to offer window inserts as part of a low-income initiative. Mr. Barber asked about the cost of a window insert. Ms. Kelly stated that they cost roughly \$25/window, but qualifying households are asked to pay what they can. Mr. Hodsdon asked about the inserts' R-value contribution. Ms. Kelly said they add approximately 1-2 R-value.

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 TV stations are starting to air pieces on getting homes ready for winter. Sometimes these stories serve as earned (free) media opportunities for EMT. For example, WGME recently interviewed Mr. Stoddard for a segment on home heating, during which he was able to promote EMT programs.
- A delegation of EMT Staff and Board members met with the Chief Deputy Attorney General and two staff attorneys to review the legal implications of offering, or refusing to offer, incentives to otherwise qualified energy efficiency projects in the medical cannabis industry. The Attorney General's Office committed to send a letter to EMT summarizing its legal analysis. Mr. Stoddard said the discussion was fruitful and detailed, revealing helpful analysis and arguments on both sides. EMT Staff plan to bring the issue before the Board for a formal vote in December.
- Electric and other fuels activity in the Commercial and Industrial (C&I) Prescriptive Program (CIP) remains steady, while natural gas activity continues to lag. Mr. Barber asked for further detail on the demand control ventilation measure for commercial kitchens, noting that his colleague identified an inconsistency in the rebate offering for smoke-related measures versus heat-related measures. Mr. Eglinton said he would have Mr. Meinking follow up. Mr. Fletcher suggested that commercial kitchens might be an interesting topic for a future Board meeting.
- Mr. Stoddard reminded the Board that EMT suspended the Maine Advanced Buildings Program (MAB) due to low FY2017 cost-effectiveness results. Compounded by the new, lower avoided costs and a higher discount rate, this model of harvesting savings from new construction is proving unable to generate sufficient savings to break even on cost-effectiveness, notwithstanding the projects' long lifetime. He noted that EMT still has offerings for the commercial new construction sector through other channels, such as C&I Prescriptive Program (CIP) and the C&I Custom Program. Mr. Voorhees asked if EMT can distinguish CIP new construction projects in its database. Mr. Eglinton confirmed that the EMT database does indeed capture project type.
- Due to declining Regional Greenhouse Gas Initiative (RGGI) revenues, the Home Energy Savings Program (HESP) reduced its weatherization incentives last spring. Activity has slowed as a result. Mr. Fletcher asked for the number of loans EMT has provided for solar PV. Mr. Eglinton stated that number of loans for solar PV have been insignificant. In order to qualify for the loan, participants must also invest in a HESP measure. Mr. Stoddard clarified that this offering is a legacy of the American Reinvestment and Recovery Act program eligibility guidelines.
- Mr. Stoddard stated that EMT has retained counsel and is preparing to protest ISO-New England's Forward Capacity Auction #12 filing at the Federal Energy Regulatory Commission (FERC).

5.0 Committee Report

(a) Finance Committee

i. UPDATE on Monthly Financial Reports

Mr. Leclair reported that EMT's revenues are on pace with forecasts. Two utilities are late on their second quarter payments, but EMT expects to receive those soon.

ii. APPROVE Sole Source Contract for Northwest Energy Efficiency Council

Mr. Eglinton explained that EMT has a statutory requirement to offer an energy efficiency training and certification program for school facility managers. Historically, EMT has run the Northwest Energy Efficiency Council's (NEEC's) proprietary Building Operator Certification (BOC) training and Credential Maintenance events. The course typically involves 20-30 participants each year. Mr. Stoddard explained that NEEC coordinates all the outreach, marketing, space rental, and paperwork, often hiring a trainer from Maine to conduct the classes. Mr. Eglinton noted that, though this approach has served EMT well over the past ten years, Staff is exploring cheaper alternatives for FY2019. Until it decides on a replacement, EMT Staff recommends moving forward with the NEEC contract. Mr. Morrison suggested EMT partner with MEMA through its technical training school in Brunswick, which focuses on heating systems.

ACTION: Upon a motion duly made (Mr. Lewis) and seconded (Mr. Hodsdon), the board voted unanimously to authorize the Executive Director to enter into a sole source contract with NEEC in an amount not to exceed \$56,200, minus the tuition collected from students.

(b) Program Committee

i. REVIEW and APPROVE FY2017 Annual Report

Mr. Eglinton provided an overview of the FY2017 Annual Report. Mr. Lewis asked if EMT factors the load growth associated with 25,700 new ductless heat pumps (DHPs) into its MW reduction calculation. Mr. Burnes explained that these savings are not included in the MW reduction figure, and that EMT only claims the incremental savings between a standard and high efficiency DHP which (except in a limited number of low-income homes) assumes that the demand from a new standard efficiency heat pump would occur but for the Trust's program. Mr. Burnes also noted that EMT does not bid DHP savings into the Forward Capacity Market. Mr. McGrath asked for the discount rate and wondered how it was chosen. Mr. Burnes said the real discount rate was set by the Public Utilities Commission (PUC) at 6.5% for expenditures funded from the electric and natural gas procurements.

Mr. Stoddard discussed the section of the report where EMT can include any legislative recommendations. The Board did not offer any recommendations for new legislation to be included in the report

ACTION: Upon a motion duly made (Mr. Lewis) and seconded (Mr. Hodsdon), the board voted unanimously to approve the FY2017 Annual Report, with any changes discussed and adopted at the November 2017 Board meeting, as well as any non-

substantive typographical edits or computational corrections as may be required prior to submission to the Public Utilities Commission and Legislature.

ii. UPDATE on Efficiency Maine Website “Refresh”

Mr. Reed provided an overview of EMT’s website refresh process. He explained that EMT is updating the website to solve back-end issues, integrate new web standards, and make the website more user-friendly. Additionally, with a 44% increase in smartphone sessions in the past two years, it is important that EMT develop a responsive website (i.e., one that automatically adjusts its format depending on the viewing device). Mr. Reed provided previews of the new homepage, a sample program page, and the reworked Vendor Locator Tool.

iii. UPDATE on NTA Coordinator Proceeding

Mr. Stoddard provided an overview of the Non-Transmission Alternatives (NTA) Coordinator proceeding at the PUC. Generally, the proceeding’s purpose is to identify the roles and responsibilities of a NTA Coordinator and to develop the framework for its selection. On October 24, the PUC staff published its recommendations in an Examiners Report. The PUC staff found that having a NTA coordinator that has some business interest in, or no disincentive for, developing NTAs supports the foundational legislative policy. Mr. Stoddard explained that the “no disincentive” language reflects the PUC’s reluctance to have utilities play this role. The report concludes that the primary role of the NTA Coordinator will be to analyze the suitability of, advocate for, and develop NTAs, both when there are large transmission project proposals, and when there are other, smaller transmission and distribution projects that could benefit from a NTA.

The report sets forth a pathway for selecting a NTA coordinator through a competitive bid process. It says that, in the event a NTA is likely to meet the identified reliability need, the PUC will direct the NTA Coordinator to collaborate with EMT. It also says that EMT may bid to be designated as the NTA Coordinator. Mr. Stoddard said EMT has to take some time to consider whether it wants to play this role. Mr. Lewis expressed discomfort over EMT having to bid with other private entities, and wondered if it would be better for the Board to submit a letter of interest asking to be named the NTA Coordinator. Mr. Fletcher suggested that the Board consider this option at the December meeting.

6.0 New Business

Mr. Barber asked if the new Public Advocate might participate in an upcoming Board Meeting. Mr. Stoddard said he would follow up.

Mr. Stoddard noted that EMT rules require Board approval for receiving new funds. He noted that EMT Staff may present such a request in an upcoming Board meeting to facilitate EMT’s administration of a portion of the Volkswagen settlement funds.

7.0 Next Meeting Agenda and Scheduling

The next Board meeting is scheduled for December 13, 2017.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Lewis), the Board voted unanimously to adjourn the Board meeting at 12:08 p.m. Mr.