

**Efficiency Maine Trust
Board Meeting Minutes
February 25, 2015**

Trust Board Members:

- Al Hodsdon, Chair
- Brent Boyles, Treasurer
- John Gallagher
- Patrick Woodcock

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Peter Eglinton
- Catherine Minahan,
Communications Intern
- Constance Packard
- Anne Stephenson
- Michael Stoddard

Other Attendees:

- Will Beck, MEMA
- Adam Gifford, CSG
- Michael Baran, MaineHousing
- Lisa Smith, Governor's Energy
Office
- Dylan Voorhees, NRCM

1.0 Welcome and Introductions

Mr. Hodsdon called the meeting to order at 9:49 a.m. The Board and attendees introduced themselves.

2.0 Approve Draft Agenda and Minutes

Approval of draft agenda and minutes was tabled due to lack of quorum.

3.0 Public Comment on Agenda Items

Mr. Voorhees shared several energy efficiency case studies recently published by NRCM. Mr. Voorhees said that the case studies highlight efficiency projects incentivized with RGGI funds. Mr. Hodsdon thanked Mr. Voorhees for developing the case studies.

Mr. Beck expressed concern about Efficiency Maine acting as an administrator for Summit Natural Gas Incentives now that Summit has an affiliate contracting company that is focused on burner replacements rather than efficiency projects. Mr. Stoddard noted that, when Summit's program was initially approved by the PUC and launched, acting as the administrator appeared to be among the best ways that Efficiency Maine could reach

homeowners to make them aware of Efficiency Maine incentives. He agreed that Mr. Beck's concerns merited further consideration.

4.0 Executive Director Report

Mr. Stoddard began the Executive Director's Report with an overview of awareness and outreach efforts including the Efficiency Maine Annual Symposium. Mr. Stoddard thanked Mr. Hodsdon, Mr. Fletcher, and Mr. Woodcock for attending the event. Mr. Stoddard shared that a number of legislators had also attended. Staff has heard that attendees found the workshops substantive and the networking reception of good value. In other news about outreach, Mr. Stoddard noted that Efficiency Maine has scaled back marketing since most programs are meeting goals. Mr. Stoddard added that an RFP for call center services would be released this week.

Mr. Stoddard then briefed the Board on Government Relations and shared details on the current question before the Public Utilities Commission on the interpretation of the wording around the cap that applies to utility procurement of "all cost-effective" electrical energy efficiency resources. Mr. Stoddard recounted some of the debate around the issue that occurred during the passage of the Omnibus Energy Bill, including details on the information provided to the Commission from the EUT Committee and Trust Staff about the interpretation of the cap. Mr. Stoddard said he will keep the Board apprised of updates from the ongoing proceeding.

The report then moved to the Business Incentive Program, which was scheduled to be the topic of a larger budget discussion at this meeting. Mr. Stoddard added that program results were positive and the status of multiple programs would be addressed in the context of the proposed budget amendments. Mr. Stoddard concluded the Executive Director's Report by welcoming two new members of the Communications Team, Katye Charette, Communications Manager, and Catherine Minahan, an intern and senior at Colby College.

5.0 Reports

(a) Program Committee

i. REVIEW – MaineHousing DRAFT Plan for Weatherization Assistance Program (2015)

Mr. Baran began his presentation by describing the timeline for the draft weatherization plan and collecting feedback from Efficiency Maine. Mr. Baran addressed the health and safety guidelines that are a significant requirement of the plan, as well MaineHousing's quality assurance program. Mr. Baran described the training process required for field inspectors. Mr. Baran presented energy saving goals and the number of units targeted for the year ahead. MaineHousing anticipates weatherizing 314 units and investing an

average of \$7,105 per unit. Mr. Baran indicated that there were not significant changes from last year's plan.

Mr. Hodsdon asked Mr. Baran if Quality Insurance Inspectors are also being trained on the Maine Uniform Building Energy Code. Mr. Baran answered yes, and that it is a rigorous training that is IREC accredited. Mr. Stoddard thanked Mr. Baran and asked the Board to pass along any comments to the Staff to be submitted as part of Efficiency Maine's comments on the plan.

ii. UPDATE- Large Customer Program

Mr. Burnes provided an update on the Large Customer Program and explained that a major focus for the year has been expanding the number of customers participating in the program. The team has made important strides toward achieving that goal partially through cost-sharing technical assistance studies. Mr. Burnes also shared that a partnership with the Maine Hospital Association has led to a number of large projects within the hospital sector.

Mr. Burnes briefed the Board on the current level of investment for greenhouse gas (GHG) reduction projects -- \$1.1 million has been invested and another \$1.6 million of project proposals are in the pipeline. Mr. Woodcock asked for clarification on the \$/pound CO₂ threshold for GHG reduction projects. Mr. Burnes replied that the original goal reflected experience in the program when several projects achieved unusually high CO₂ savings per program dollar. Review of subsequent project proposals indicates that using those early projects as the standard would set the bar too high and would screen out too many otherwise very strong projects. Mr. Burnes shared that the GHG reduction funds have gone towards two combined heat and power projects and two large-scale controls projects. The Large Customer Team anticipates awarding \$8-\$10 million for electrical saving projects by the end of the fiscal year.

Mr. Boyles shared that the review team has heard from a number of program participants that they would not be able to move forward with the projects if they could not get project payback close to a one-year because of competing corporate investment opportunities.

Mr. Stoddard added that this was one of many programs where RGGI funds will be fully invested this fiscal year.

iii. APPROVE – Authorization for Membership in State and Regional Chambers of Commerce within Existing Budget

Approval of authorization for membership was tabled due to lack of quorum.

iv. APPROVE – Sole Source Contract for Analysis and Modeling for Third Triennial Plan

Approval of the contract was tabled due to lack of quorum.

v. APPROVE – FY 15 Budget Adjustments

Approval of the budget adjustments was tabled due to lack of quorum.

(b) Finance and Administration Committee

i. UPDATE – Revenues and Expenditures Year-to-Date

Mr. Boyles directed the Board's attention to the most recent revenue and expenditure report and indicated that proposed budget adjustments would be handled at a subsequent meeting.

ii. UPDATE – Quasi-Independent Entity Expense Reporting

Mr. Boyles referred the Board to the supplemental finance report dated 1/31/2015. The report is provided to the Legislature and highlights the Trust's travel, meals, entertainment, and contribution expenses in compliance with state statute.

iii. REPORT – Review of Third-Party Vendor Procedures

Mr. Boyles explained that the audit team recommended that Efficiency Maine visit the vendors to review their rebate processing. Mr. Boyles directed the Board's attention to a memo from Constance Packard dated February 25, 2015 about a site visit to Energy Federation, Inc. which includes Staff findings from a review of EFI's processes. The review found no concerns about EFI's incentive handling process.

iv. APPROVE – Update Listing of Trust's Agents on BlackRock Account

Approval of the BlackRock update was tabled due to lack of quorum.

vi. APPROVE – FY 15 Budget Adjustments

Mr. Stoddard invited the Board to discuss the proposed budget adjustments in advance of the next Board meeting and vote. Staff is forecasting a budget deficit of \$2.5M-\$4M in the Business Incentive program.

Mr. Stoddard added that the Staff's recommendation was to close the budget gap in the Business Incentive Program with a transfer from the Small Business

Initiative and with RGGI funds currently allocated to the Business Program Maine Advance Building, and the Multifamily Efficiency Program. Mr. Boyles contributed that he thought it was most important that the Trust invest as much of its funds as possible in the current fiscal year. He also expressed a concern about the difficulties of starting and stopping programs and retaining trust and activity from the marketplace. Mr. Woodcock said that he thought it was most important to invest RGGI funds in all fuels opportunities since there is a large need and limited funds that may be applied to those measures. Mr. Hodsdon added that funds “sitting on the shelf won’t help save energy” and that he preferred to invest the funds in electric saving projects given the current situation.

Approval of the Budget update was tabled due to lack of quorum.

6.0 New Business

There was no new business.

7.0 Next Meeting Agenda and Scheduling

The next Board Meeting was tentatively scheduled for Thursday March 5, 2015 at 10:00 a.m.

8.0 Adjourn