

**Efficiency Maine Trust
Board Meeting Minutes**

**January 25, 2012
Governor Hill Mansion
136 State Street, Augusta, ME**

Trust Board Members

✓ Naomi Mermin, Chair	✓ Ken Fletcher
✓ James Atwell, Vice Chair	✓ Adam Lee
✓ Glenn Poole, Treasurer	✓ Dale McCormick
✓ Al Hodsdon, Secretary	✓ John Rohman
	Doug Smith (Absent)

Efficiency Maine Trust Staff:

- Michael Stoddard
- Elizabeth Crabtree
- Peter Roehrig
- John Quartararo
- Dana Fischer
- Andy Meyer
- Rick Meinking

Partial List of Other Attendees:

- Steve Ward
- Ann Goggin
- Nick Adams
- Rep. Bobbi Beavers
- Rep. Ralph Chapman

1.0 Approve Draft Agenda and Minutes

Ms. Mermin called the meeting to order at 9:36 am.

ACTION: Upon a motion duly made (Ms. Mermin) and seconded (Mr. McCormick), the Board voted unanimously to approve the minutes from the November 30, 2011 meeting with noted changes.

ACTION: Upon a motion duly made (Lee) and seconded (Atwell), the Board voted unanimously to approve the Agenda for today's meeting.

2.0 Public Comment

Mr. Voorhees thanked the board for commencing the Triennial Plan process early in the year before the next Plan is due to allow time for methodical review and stakeholder input.

3.0 Executive Director Report

Mr. Stoddard reported highlights of recent press coverage of Efficiency Maine and implications on the Trust's operations.

Mr. Stoddard announced the award of two new projects involving in-home energy "dashboards" through its Innovation Program competitive bid process. The dashboards show homeowners information compiled from data reports from the utility smart meters installed at their home or business.

Mr. Stoddard announced that Efficiency Maine awarded eighteen grant awards totaling \$3.8 million in projects under the Competitive Grants Program.

Mr. Stoddard reported that the Business Incentive Program is ahead of goal in terms of harvesting energy savings, leveraging more than \$10 million in business customer private investments to date. The Business Incentive Program's Delivery Team is processing approximately 200 incentive applications per month in an average month, more than half of which are for smaller projects requesting an incentive of less than \$1,000.

Mr. Stoddard reported that Staff and the Delivery Team recently completed walk-through audit of the State House and much of the Cross building. Working with the facilities managers for both buildings, excellent opportunities for cost-effective energy savings have been identified and are being further analyzed for final presentation to and discussion with the Executive Director of the Legislative Council.

Mr. Stoddard reported on the LIHEAP Contingency Plan which will help lower the short-term and the long-term heating burden among LIHEAP households using the Trust's funds in a way that is consistent with its mission, its statutory targets, and the three-year strategic plan. This includes redirecting \$5 million to weatherize electrically-heated homes of LIHEAP-eligible homes and \$1 million from the Trust's BetterBuildings grant to perform air sealing of LIHEAP-eligible homes and to conduct a pilot project promoting alternative energy supplemental heating systems.

Mr. Stoddard discussed the Staff's participation in four meetings with representatives of Bangor Hydro to continue developing the utility's proposal to promote electric heating alternatives. Two meetings were held in conjunction with the Governor's Office of Energy Independence and Security and two other meetings were organized separately by the utility and Efficiency Maine Staff.

Mr. Stoddard presented on the latest results to date on our Maine PACE Loan program:

- 108 towns participating = 60% of state population
- 135 loans closed = \$1.7M in projects
- \$12,900 = average loan size
- Deemed savings projected to be 45% savings (as modeled; a competing modeling program projects savings could be 90%)
- 650 applications received and processed; about half are being declined due to insufficient debt-to-income ratio or insufficient loan-to-value ratio

4.0 Committee Reports

1. Governance Committee

Approval of Amendments to By-Laws

Mr. Stoddard presented to the Board on the request for the Board to approve the amendments to the Trust's By-Laws. The by-laws amendments will correct a citation to state law and ensure closer tracking of language in the Trust's authorizing statute.

ACTION: Upon a motion duly made (Mr. Atwell) and seconded (Ms. McCormick), the Board voted unanimously to approve the amendments to the By-Laws.

2. Strategic Planning Committee

Proposed Timeline Update for the 2014-2016 Triennial Plan and the FY 2013 Budget

Elizabeth Crabtree provided a Staff update of the timeline for both the Fiscal Year 2013 budget and the Triennial Plan for Fiscal Years 2014-2016.

Amending CSG Technical Support Contract

Staff presented a proposal to authorize the Executive Director to amend the contract with Conservation Services Group to reflect a budget increase not to exceed \$3,247,096 and to expand the contract's scope to cover the processing of incentives and payments to sub-contractors and/or homeowners and the management of the sub-contractors delivering the low income initiative in the Direct Install Program. Discussion brought to light that most of the proposed budget increase represents incentive payments help to complete energy upgrade projects at customer residences.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Ms. McCormick), the Board voted unanimously to authorize the Executive Director to amend the contract with CSG.

Contract Amendment with Taction for Call Center Services

Staff presented a proposal to authorize the Executive Director to amend the contract with Taction by increasing the contract amount by \$30,000 – from \$159,474 to \$189,474 – to provide for a third call center agent position. This change was requested to reflect the fact that the volume of call center activity has increased more than was projected in the initial RFP and bidding process, and that the excellent performance of Taction is resulting in faster and better customer service than previously experienced.

ACTION: Upon a motion duly made (Mr. Rohman) and seconded (Mr. Atwell), the Board voted unanimously to authorize the Executive Director to amend the contract with Taction.

Contract with Northeast Energy Efficiency Partnerships (NEEP) for the Evaluation, Measurement and Verification (EM&V) Forum

Staff presented a proposal to approve funding for the NEEP EM&V initiative in the amounts of \$5,148 for the Incremental Cost Research Phase 2 Project and \$44,115 for EM&V base costs of the initiative, for a total of \$49,263. This is a continuation of regional work that the Trust funded last year in partnership with multiple utilities and efficiency program administrators from across the region. The Maine PUC also participates in this initiative.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Ms. McCormick), the Board voted unanimously to approve funding for two initiatives of NEEP.

Approval of Rule – Chapter 103: Renewable Resources Fund Regulations

Staff presented a request to approve the Renewable Resources Rule as drafted and authorize Staff to complete the rulemaking process. Staff reported on the legislative directive leading to the rulemaking and the highlights of comments received during the rulemaking, and summarized the changes that would result in the Trust's programs.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Ms. Mermin), the Board voted unanimously to accept the new rule and authorize Staff to complete the rulemaking process.

3. Finance Committee

Authorization to Execute Contract with AFC First to Provide PowerSaver Loan Services

Staff presented a proposal for the Board to authorize the Executive Director to execute a contract amendment with AFC First Financial Corp. to provide PowerSaver loan origination and loan servicing. AFC First is the existing vendor of loan underwriting and loan servicing services for the PACE Loan Program, of which PowerSaver would be a simple extension. It was noted that AFC First, and the Trust, are the only lenders authorized by HUD to participate in the PowerSaver program in Maine.

ACTION: Upon a motion duly made (Mr. Atwell) and seconded (Mr. Poole), the Board voted unanimously to approve to amend the Trust's contract with AFC First to provide PowerSaver loan services.

Approval of Corporate Resolution to Open Safe Deposit Box

The Staff requested authority to adopt two required resolutions from The Bank of Maine for the leasing of a safe deposit box at their office in Hallowell.

ACTION: Upon a motion duly made (Mr. Rohman) and seconded (Mr. Poole), the Board voted unanimously to authorize the Trust to lease a safe deposit box for the off-site storage of Efficiency Maine's back-up tapes.

5.0 Presentations

Mr. Meyer gave a presentation on The Cadmus Group's evaluation of the Home Energy Savings Program. Mr. Fletcher asked if evaluators knew about the challenges inherent to Maine's heating marketplace or didn't find out until the survey was well under way. Mr. Meyer confirmed that they were prepared for this reality. Mr. Poole pointed out that when you evaluate energy savings, it's what would your load be versus what it is as opposed to basing the comparison on what it was before.

Mr. Meyer highlighted key recommendations. Mr. Fletcher recommended that in future program evaluations the Trust should allow for sufficient time between project completion and evaluation to measure results. There was discussion about the highly subjective nature of determine the effect of "free ridership." Mr. Hodsdon pointed out that even where there is some "free ridership" effect, the evaluation does not factor in how HESP served to catalyze the industry.

Mr. Meinking gave a presentation on the Business Incentive Program evaluation and highlighted its focus on three areas: impact; cost-effectiveness and process evaluation. Mr. Meinking reported that the impact evaluation looked at the Trust's EffRT database including the Technical Resource Manual review, desk reviews and site visits with completed program participants.

Key findings include high levels of approval with our electronic application process and high awareness of our Business Program among non-participants. Mr. Meinking highlighted a benefit to cost ratio of 1.93:1. Mr. Roman mentioned that the Business Incentive Program evaluation is based on actual utility data, as compared to modeling (in the HESP evaluation), which affords a more reliable analysis.

6.0 New Business

No new business.

7.0 Next Meeting Agenda

Mr. Atwell requested that the Board take up discussion of the ongoing activities of the Strategic Planning Committee as it relates to the Triennial Plan.

8.0 Adjourn

ACTION: Upon a motion duly made (McCormick) and seconded (Atwell) the board voted unanimously to adjourn.