

**Efficiency Maine Trust
Board Meeting Minutes
July 29, 2015**

Trust Board Members:

- Al Hodsdon, Chair
- David Barber, Vice Chair
- Brent Boyles, Treasurer
- Donald Lewis
- Patrick Woodcock
- John Gallagher

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Peter Eglinton
- Dana Fischer
- Laura Martel
- Rick Meinking
- Constance Packard
- Anne Stephenson
- Michael Stoddard

Other Attendees:

- Bill Bell, Maine Pellet Fuel Association
- Adam Gifford, CSG
- Chuck Quintero, Acadia Center
- Matt Rolnick, TRC
- Lisa Smith, Governor's Energy Office
- Dylan Voorhees, NRCM
- Steve Ward, Maine Community Action

1.0 Welcome and Introductions

Mr. Hodsdon 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. Boyles), the Board voted unanimously to approve the draft agenda and approve the June Board Meeting Minutes.

3.0 Public Comment on Agenda Items

Mr. Voorhees mentioned that the lengthy Legislative Session prevented him and other stakeholder from participating in the early stages of the Triennial Plan process. He expressed his interest in being more active moving forward.

Mr. Bell complemented Mr. Stoddard and the Staff on an interesting and strong first Triennial Plan Stakeholder event.

4.0 Executive Director's Report

Mr. Stoddard summarized and distributed copies of the Executive Director's Report. Following are particular activities that he highlighted during his presentation:

- A recently published independent report by the Analysis Group shows significantly cost-effective results in Maine from RGGI investments (see http://www.analysisgroup.com/uploadedfiles/content/insights/publishing/analysis_group_rggi_report_july_2015.pdf).
- Staff is closely monitoring call center operations as the transition to a new provider has faced a number of technical issues over the past month.
- Staff and the Governor's Energy Office had a successful On-Site SEP Monitoring visit with U.S. Department of Energy, including discussions about ongoing Efficiency Maine incentive and financing programs.
- Preliminary FY2015 results for the Business Incentive Program show lower than expected participation in the natural gas measures. Staff is exploring alternative approaches and related outreach in the new fiscal year.
- The Multifamily Program will be integrated with the Business Incentive Program to provide a more consistent approach to incentives and program delivery across all commercial building types.
- Incentivizing technical assistance studies under the Large Customer Program has led to a number of good, well-designed energy savings projects.
- The Home Energy Savings Program had a solid year. Pellet boiler applications have slowed recently due to the drop in the price of oil, but numbers for other measures are up now that the lull at the end of the winter has passed. The HESP team is planning on increased marketing at the end of the summer.
- Low Income Initiatives have been a particular focus of stakeholder comments during the early stages of the Triennial Plan process; Staff is exploring alternative delivery mechanisms for Low Income Initiatives.
- Staff is currently exploring the launch of a few Innovation pilots, including a test of commercial financing for business prescriptive measures, and is seeking input from the Board and stakeholders.

5.0 Committee Reports

(a) Finance Committee

i. Financial Reports

Mr. Boyles referred to the Financial Reports provided in the packets as well as the accompanying memo from Ms. Packard. Mr. Boyles added that the Long Term Contract appears as "under-collected" revenue but that the Trust only receives this revenue for eligible projects under commitment by June 30, 2015.

ii. APPROVE FY2016 Budget Amendment

Mr. Boyles introduced a budget amendment to re-allocate a portion of the Large Customer Program budget to the Business Incentive Program budget in order to cover Business Incentive Program commitments made in FY2015 and to gradually reintroduce limited prescriptive lighting measures for the commercial and industrial sector. Mr. Woodcock added that he had shared some concerns with the Program Committee about this budget allocation and repeated that he hoped that Staff would develop a process to alert the Program Committee about future significant programmatic changes that may impact the budget. Mr. Woodcock asked that the proposed budget allocation be accompanied by an effort to explore loan products for energy efficient investments in the business sector. Mr. Stoddard agreed that the Staff would pursue this suggestion and added that the Program Committee will continue to be a good venue for the Board members to share their experience from the industry and discuss programs in greater detail. Mr. Gallagher shared that several efforts were underway at MaineHousing to help staff be more nimble to react to changes in the marketplace, and that a similar process might be helpful to Efficiency Maine. He added that he was an advocate for loans.

Mr. Woodcock proposed an amendment to explore loan options; Mr. Hodsdon suggested taking it up as a separate motion.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Lewis), the Board voted (5 approved; Mr. Woodcock voted nay) to approve transferring \$2.22 million from the Conservation Fund Large Customer Program to the Conservation Fund Business Incentive Program for the purpose of covering BIP commitments made in FY2015 and gradually reintroducing limited prescriptive lighting measures for the commercial and industrial (C&I) sector.

ACTION: Upon a motion duly made (Mr. Woodcock) and seconded (Mr. Lewis), the Board voted unanimously to instruct the Staff to present business loan product options to the Board at the October 2015 Board Meeting.

(b) Program Committee

i. REPORT of Residential Baseline Study

Ms. Martel presented an overview of the Residential Baseline Study currently underway which is evaluating the magnitude of residential potential and identifying target measures. The study is characterizing Maine's single-family housing stock including age, type, building envelope, central and space heating technologies, and other characteristics. The results of the study will also be used in the on-going work to define weatherization targets.

Ms. Martel described the sample design and provided an overview of the 80%/10% precision goal. Ms. Martel then provided preliminary data on residential heating fuels, air leakage, insulation, heating systems, and supplemental heating systems. Preliminary findings show that air leakage was the largest source of heat loss and that air leakage rates appear to be higher than elsewhere in the country. Inadequate insulation also presents a significant opportunity.

Mr. Woodcock mentioned that the preliminary results were interesting in terms of weatherization targets; targets could set a minimum standard across the portfolio or could meet certain tiered standards. Mr. Woodcock suggested considering presenting the results in HERS rating numbers or other benchmark standards in addition to MMBtu/sq. ft.; he added that MMBtu/sq.ft. does not resonate with homeowners. Mr. Stoddard agreed that simple benchmarks or targets will be important for communicating weatherization goals to homeowners; Mr. Stoddard added that previous Staff analysis has concluded that HERS ratings are expensive and would be unsustainable in the Maine marketplace.

ii. REPORT on Triennial Plan III Stakeholder Outreach

Mr. Eglinton briefed the Board on the stakeholder forum, in-person meetings, and webinars conducted to date. He also provided an overview of the various submission methods for submitting stakeholder comments. Mr. Eglinton then provided a brief overview of the stakeholder comments submitted to date and the timeline for how those comments will be incorporated in the draft plan. Mr. Eglinton mentioned that the Staff will be emailing stakeholders for comments on weighty issues in the coming weeks.

Mr. Eglinton invited the Board for suggestions for topics for the plan or stakeholder comment. Mr. Gallagher suggested that the Staff create a survey-format for comments so that stakeholders could vote or rank their take on specific issues. Mr. Lewis suggested that vendor code of conducts be strengthened to ensure greater accuracy in energy savings estimates, or that programs could provide savings data on prescriptive measures for use by contractors.

Mr. Woodcock asked if efficient transportation was something that should be included in the Triennial Plan. Mr. Woodcock also asked if there was going to be a specific presentation of the Market Potential Study to the Board. Mr. Hodsdon suggested a Program Committee Meeting or workshop in early September.

6.0 New Business

There was no new business.

7.0 Next Meeting Agenda and Scheduling

The next Board meeting was set for Wednesday, September 30 at 9:30 a.m.

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