

**Efficiency Maine Trust
Board Meeting Minutes
March 26, 2014**

Trust Board Members:

- Jim Atwell, Chair
- Al Hodsdon, Vice-Chair
- Naomi Mermin
- John Gallagher
- Patrick Woodcock

Efficiency Maine Trust (EMT) Staff:

- Elizabeth Crabtree
- Dana Fischer
- Rick Meinking
- Lucia Nixon
- Constance Packard
- Anne Stephenson
- Michael Stoddard

Other Attendees:

- Will Beck, MEMA
- Dylan Voorhees, NRCM
- Aaron Paul, Tilson
- Tom Snyder, Dave Ireland Builders
- Matt Damon, Penobscot Home Performance

1.0 Welcome and Introductions

Mr. Atwell called the meeting to order at 9:35 a.m. The Board and attendees introduced themselves.

2.0 Public Comment on Agenda Items

Mr. Voorhees informed the Board that NRCM was opposing legislation that proposes to direct forest harvest proceeds to the Efficiency Maine Trust for use in the home heating program. Mr. Voorhees added that it was not for lack of support for funding high-efficiency residential heating systems, but because he and his colleagues oppose reducing revenues invested in parks and land management. Mr. Voorhees added that the timing of the bill was curious considering a parallel move to take RGGI funds from Efficiency Maine for use in balancing the FY2015 state budget.

3.0 Executive Director Report

Mr. Stoddard focused his Executive Director's report on government relations because of the recent activity in the legislature. Mr. Stoddard briefed the Board on a proposal before the Appropriations Committee to take 25% or more of the RGGI funds in FY15 and put it in the General Fund. Mr. Stoddard added that he was uncomfortable with this transfer

because it would set a precedent for the idea of taking electric utility customer's funds to pay for the General Fund, a precedent which might be expanded to SBC funds as well. It would be very disruptive for budget planning and marketplace expectations if the Efficiency Maine budget were subject to General Fund discussions annually. The Energy, Utilities, and Technology Committee appeared before the Appropriations Committee to ask that Appropriations not undo what was accomplished through last year's energy bill.

Mr. Stoddard then moved his briefing to other bills before the legislature including one to promote "transformational business expansion projects", defined as projects costing more than \$50 million and a net gain of at least 1,500 job opportunities, expanding in Maine. The bill includes a provision to take RGGI funds from Efficiency Maine to reimburse a portion of the project's electricity costs for 5 years. Depending on how the bill is interpreted, Mr. Stoddard shared that the Staff estimates that this could cost between \$5 million and \$15 million per project per year. Mr. Woodcock added that the administration opposes taking any money from the Efficiency Maine Trust and that the intent of the Governor's bill was to direct the portion of RGGI funding currently transferred to the utilities to these large employers to offset the difference between Maine electricity prices and the national average.

Mr. Stoddard then discussed LD 1825, a bill that proposes to establish a new Utility Arrearage Management Program. Under the program, eligible low income customers who agree to pay off a portion of past arrearages on electric bills would receive information and outreach from Efficiency Maine about options for reducing their consumption and, where appropriate, would receive efficiency measures funded by Efficiency Maine's Low Income Program. Details of what measures and funding levels to offer would need to be developed.

Mr. Stoddard continued that HESP incentives average \$800 per household and the program uptake is at a pace that can be sustained through the end of FY 15. Participation is continuing to build. Inspection of projects is at 19% of project jobs to date; that percentage will decrease as program participation grows. There is significant uptake in the new unsecured loan products which demonstrates that the Trust is reaching more people with the new loans.

4.0 Approve Draft Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Gallagher), the Board voted unanimously to approve the draft agenda with the addition of the Travel Policy in the Finance Committee section.

Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Gallagher) the minutes from the previous meeting were unanimously approved.

5.0 Reports

a. Finance Committee

i. Travel Manual

Ms. Packard briefed the Board that the original travel policy was in need of updating. The proposed update makes the policy shorter and easier to use. It also makes a distinct separation between the travel policy and travel procedures. The Board will approve the policy portion while the staff will implement the procedures and make minor adjustments to the procedures as needed. Ms. Packard outlined the following changes:

1. Policy changes:

- a. The Executive Director remains responsible for the entire document, but has delegated authority for implementation of and compliance with the travel manual to the Controller;
- b. Division Directors may not approve their own forms;
- c. The Trust's credit card may now be used for non-travel purchases;
- d. Removal of personal liability on Trust's credit cards;
- e. Changed meal payments from per diem maximums to reimbursement for a Trust-based per meal amount.

2. Procedure Changes:

- a. Added a dollar limit to the use of personal credit cards;
- b. Added web-based map application as method of calculating mileage;
- c. Removed blended rate commuter mile calculations and replaced that with a simpler method;
- d. Removed the two-hour rule for meal reimbursements.

Mr. Woodcock asked for clarification about the ways in which the Trust's policy now differs from state policy, which staff provided. Mr. Woodcock asked for further clarification if the travel budget was expected to increase based on this change. Mr. Stoddard replied that travel costs in FY 15 are not anticipated increase.

ACTION: Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Gallagher), the Board voted unanimously that the Travel Policy be approved as amended.

ii. Financial Report

As the Treasurer, Mr. Boyles, was unable to attend the Board meeting due to bad weather, Mr. Stoddard provided a brief overview of Trust expenditures and revenues year-to-date.

iii. APPROVE Budget Adjustments

Mr. Stoddard provided a brief overview of the budget amendments described in a March 26, 2014 memorandum from Constance Packard.

ACTION: Upon a motion duly made (Ms. Mermin) and seconded (Mr. Hodsdon), the Board voted unanimously to approve the budget transfer and associated contract changes as referenced in the March 26, 2014 memo.

b. Strategic Planning Committee

i. Multifamily Efficiency Program Evaluation Report – Dr. Lucia Nixon

Dr. Nixon provided an overview of the Multifamily evaluation period, objectives, and methods. She described the most common improvements made through the program including air sealing, attic insulation, and low-flow devices.

Dr. Nixon briefed the Board on the gross and net impacts of the program. The Program Net Energy Savings was 6,774 MMBtu and 248,916 kWh; the per project net energy savings was 103 MMBtu and 3,771 kWh. The program was determined cost-effective for all three cost-effectiveness tests with the following results:

- Total Resource Cost Test = 1.2;
- Program Administrator Cost Test = 1.2
- Participant Cost Test = 3.6

Dr. Nixon concluded her presentation with the high overall satisfaction of building owners with the program.

ii. LED Incentives in the Business Program – Rick Meinking

Mr. Meinking shared information about the DesignLights Consortium and its Qualified Products List with the Board. He then discussed the large number of Prescriptive Incentives offered for LEDs and demonstrated a number of new, high-efficiency LED fixtures incentivized through the Business Program

iii. Home Energy Savings Program Design – Dana Fischer

Mr. Fischer provided an overview of rebates processed to date. He described the uptake in HESP incentives and the stabilization of the efficiency marketplace

after the launch of the new program. Mr. Fischer then described a change to the Unitil Incentive program that would double the HESP incentive for the modeled path, air sealing, insulation and natural gas central heating systems. The Rebate amounts for RGGI and Gas SBC will be tracked and accounted for separately. Mr. Fischer added that the staff was exploring incentives for instantaneous, high-efficiency water heaters.

Mr. Woodcock thanked Mr. Fischer for his work on modifying the Unitil incentives; he added that he thought it was prudent to leverage the existing HESP program.

iv. Education and Awareness Program Update – Dana Fischer

Mr. Fischer briefed the board on the two winning projects for the Public Information and Outreach RFP – Island Institute and the Sustain Mid-Maine Coalition. The Island Institute proposes to support energy efficiency projects on the islands, including the coordination of installation and bulk purchase of efficiency measures. The Sustain Mid-Maine coalition project proposes to launch a new initiative that would mobilize community resources to weatherize homes through a combination of Efficiency Maine and TIF funding and will focus on areas of the region switching to natural gas.

6.0 New Business

Mr. Woodcock shared that he was interested in the potential for adding certain “All Fuels” prescriptive measures to the Business Incentive Program and has several suggestions he wanted to share with the rest of the Board. Mr. Stoddard added that he would put the items on the agenda for the next Strategic Planning Committee.

Mr. Woodcock asked that scheduling Board meetings outside of Augusta be considered at the next board meeting in order to allow for additional stakeholder involvement.

Mr. Stoddard added that the Board officers and committee assignments will need to be on the next agenda.

7.0 Next Meeting Agenda and Scheduling

ACTION: The Board set the date to meet on Wednesday April 23rd at 9:30 a.m. with committee meetings scheduled in the interim.

NOTE: After the meeting, it was noticed that April 23 falls during school vacation week in Maine and it was decided to move the Board meeting back one week to April 30 at the usual time. Notice was sent to stakeholders by email and posted online.

8.0 Executive Session – Performance Review

ACTION: Upon a motion duly made (Mr. Atwell) and seconded (Ms. Mermin) the Board voted unanimously to adjourn the public meeting at 11:57 a.m. and adjourn to the executive session.