

**Efficiency Maine Trust  
Board Meeting Minutes**

**March 28, 2012**

**Trust Board Members**

<b>Adam Lee</b>	<b>Peter Merrill</b>
<b>Naomi Mermin</b>	<b>Al Hodsdon</b>
<b>James Atwell</b>	<b>Glenn Poole</b>
<b>Ken Fletcher</b>	<b>John Rohman (Arr: 10:15)</b>

**Efficiency Maine Trust Staff:**

- Michael Stoddard
- John Quartararo
- Ian Burnes
- Peter Roehrig
- Elizabeth Crabtree

**Partial List of Other Attendees:**

- Steve Ward
- Douglas Baston
- Beth Nagusky

**1.0 Approve Draft Agenda and Minutes**

Naomi Mermin called the meeting to order at 9:32 A.M.

**ACTION:** Upon a motion duly made (Mr. Lee) and seconded (Mr. Atwell) the Board voted unanimously to approve the agenda for this meeting.

**ACTION:** Upon a motion duly made (Mr. Atwell) and seconded (Mr. Poole) the Board voted unanimously to approve the minutes from the February 2012 meeting with amendments.

**2.0 Public Comment**

Beth Nagusky commented on the significance of the recent issues weighed by the Legislature with regards to energy policy in Maine as it pertains to Efficiency Maine.

Doug Baston attested to the strong reputation of EMT among key stakeholders and the important role that played in the outcome of the bill.

### **3.0 Executive Director Report**

Michael Stoddard, Efficiency Maine's Executive Director, discussed the materials provided to the Board including the amended version of LD 1864 as passed unanimously by the EUT Committee. Mr. Stoddard also distributed copies of various testimony submitted during the public hearing on LD 1864 and related press clips surrounding debate.

The original bill proposed to change the governance of the trust and implement two new programs, promoting heating equipment loans and rebates.

The amended bill as passed by the EUT Committee was presented and discussed with the Board.

Mr. Poole asked about how the Public Utilities Commission (PUC) will screen and fund proposals for future electric heating pilot programs.

Mr. Lee asked whether the Trust will be in a position to review or participate in any evaluations of any pilot programs implemented by the utilities related to electric heating. Mr. Stoddard reported that the amended bill provides that two reports will be conducted, one by the PUC and another by the Trust regarding electric heating, and expressed his hope that through the process of developing these reports the Trust would have access to data and evaluations related to the utilities' pilots.

Mr. Lee asked if we will offer electric heating options through Maine PACE Loans. Mr. Stoddard confirmed that we are already offering this as an option with Maine PACE.

Ms. Mermin recommended that there be an iterative process by which the initial draft of the Triennial Plan will be vetted by the Board before it is presentation to the legislative Committee.

Ms. Mermin observed that discussion around the heat pump program includes both residential and commercial. Mr. Stoddard confirmed that proposals could come forward from either market. Ms. Mermin noted some concern surrounding the manner in which some EMT programs (such as promotion of electric heating) has recently departed from the prescribed process contemplated by the statutory provisions for developing and approving the Triennial Plan.

Mr. Poole asked if electric thermal storage (ETS) will qualify as an efficient electric heating system. Mr. Stoddard pointed out that CMP believes that ETS should qualify but that EMT staff believes it would not qualify for SBC-funded programs since it does not achieve the requisite improvement in electrical efficiency, but that it may qualify for RGGI-funded programs as a means for reducing greenhouse gases.

Ms. Mermin suggested a need for further analysis of cost implications associated with load growth from increased air conditioning usage in Maine as a potential indirect result of installation of electric heat pump systems.

Mr. Stoddard also reported on a separate bill that proposed changing the name of the Governor's Office of Energy Independence and Security (OEIS) to the Governor's Energy Office. This bill proposed to require EMT to pay for OEIS staffing. Mr. Stoddard reported that this bill did not pass, but the Governor's Supplemental Budget pending

before the Appropriations Committee was proposing to allocate EMT funds to pay the OEIS staff costs proportionate to the time OEIS works on Trust related activity.

Ms. Mermin voiced concern about the precedent of this outcome. Ms. Mermin recommended that the Board continue to look out for the best use of ratepayer funds.

Mr. Stoddard noted that Lucia Nixon has returned to EMT to continue her analysis and evaluation work and announced the retirement of John Quartararo, the Trust's CFO. Mr. Stoddard recognized Mr. Quartararo professionalism and prolific contributions to getting the new Trust established during the past two years.

## **4.0 Working Reports**

### **1. Finance Committee**

Ms. Crabtree updated the Board on the Forward Capacity Market (FCM) and addressed EMT's requirement of market rules for a third party entity to certify that the data is correct and accurate. ISO-NE accelerated its schedule by two months. Staff requested Board approval to provide authorization for a sole source contract with The Cadmus Group, who provided this service pursuant to a competitive bid process last year, to complete this third party evaluation again this year and to help meet the accelerated timeline.

Mr. Poole made a motion to authorize the Executive Director to open a sole source contract for no greater than \$16,500. Mr. Lee seconded the motion.

Mr. Atwell asked about the price break. Mr. Burnes confirmed that it was a 10% price break. Mr. Atwell voiced his support for this but suggested that in an environment that we are in we should limit our usage of sole source contracts.

The Board voted unanimously in support of the sole source contract.

Mr. Poole asked for Mr. Quartararo to report on other items from the last meeting. Mr. Quartararo informed the Board that the Trust had issued an indirect cost allocation RFP and made an award and that the Trust had issued an RFP for an independent Single Audit and had received three proposals.

#### **a. Forward Capacity Market Presentation**

Ian Burnes from EMT and Doug Hurley from Synapse Energy presented information on the Forward Capacity Market (FCM).

Presenters discussed the purpose of the FCM, how it operates, and the Trust's participation.

Mr. Stoddard noted the emerging potential to use the revolving loan fund from the BetterBuildings grant to offer loans to the commercial and industrial (C&I) sector in

Maine which could in term be incentivized by collecting FCM payments from the resulting projects.

Mr. Poole asked for additional information on the mechanics of the loan program.

Mr. Lee recommended that EMT talk to some small commercial lenders and the Small Business Administration to get a better sense of the marketplace to inform financing and program design.

Mr. Hodsdon recommended that we also consider targeting municipalities.

## **5.0 New Business**

Mr. Poole asked for a report back on final legislation on governor's energy bill.

## **6.0 Next Meeting Agenda**

**ACTION:** The Board set the date to meet on April 25, 2012 at 9:30 AM.

## **7.0 Adjournment**

**ACTION:** Upon a motion duly made (Mr. Hodsdon) and seconded (Mr. Rohman) the Board voted unanimously to adjourn at 12:03PM.