

Efficiency Maine Trust

Board Meeting
March 3, 2010

Meeting Minutes
Approved: March 31, 2010

Date: Wednesday, March 3, 2010
Time: 9:30 a.m. to noon
Location: Worcester Room, PUC Offices, Hallowell, ME

Attendance:

Trust Board Members				Efficiency Maine Trust Staff/Consultants	
✓	Adam Lee, Chair	✓	Dale McCormick	✓	Michael Stoddard
✓	Naomi Mermin, Vice Chair	✓	John Kerry	✓	Cindy Talbot
	James Atwell, Secretary	✓	Glenn Poole	✓	Philippe Dunsky
✓	Michelle Atherton, Treasurer	✓	John Rohman	✓	Eric Belliveau
		✓	Tom Tietenberg		

Other Attendees:

- Tim Vrabel, Efficiency Maine
- Elizabeth Crabtree, Efficiency Maine
- Rick Meinking, Efficiency Maine
- Richard Bacon, Efficiency Maine
- Sharon Reishus, PUC
- Linda Pistner, Attorney General's Office
- Bruce Harrington, ERS
- Jennifer Puser, OEIS
- Betty Angell, Burgess Advertising
- Kathy Mockler, Burgess Advertising
- Linda Frechette, Vreeland Marketing
- Stephen Ward
- Aaron Cummings, Irving Forest Products
- Tom Palma, Unitil
- Todd Griset, Preti Flaherty
- Sue Inches, State Planning Office
- Dylan Voorhees, NRCM

1.0 Approve Draft Agenda and Minutes

The meeting convened at 9:32 a.m.

ACTION: Upon a motion duly made (Mermin) and seconded (McCormick) the Board voted unanimously to approve the agenda for this meeting.

ACTION: Upon a motion duly made (McCormick) and seconded (Tietenberg) the Board voted unanimously to approve the minutes of the February 24, 2010 meeting.

2.0 Updates

2.1 IT Work Group – Lynn Kinney Consulting

Lynn Kinney provided an update of her work, which includes an inventory of current IT assets with help from the PUC staff. She is also beginning to compile a needs assessment.

2.2 Forward Capacity Market (FCM) Working Group

Glenn Poole gave a brief update on the FCM working group indicating that they had been in further contact with Denis Bergeron following the presentation at the last Board Meeting. Some members of the work group would be attending a session with Dick Spellman at the PUC on March 11 to discuss the plan for indicating a Show of Interest in the next FCM Auction. Denis Bergeron indicated that he was preparing a recommendation to the EMT on handling the FCM process.

3.0 Triennial Plan

Mermin introduced Philippe Dunsky and Eric Belliveau who provided a summary of the first draft of the Triennial Plan. This presentation focused on an overview of the plan's guiding principals and components. Details of proposed commercial, residential and enabling program strategies will be presented at the next Board Meeting. Please refer to the Dunsky Energy Consulting/Optimal Energy presentation linked on the Trust's website.

Following the presentation several Trustees offered specific questions and comments.

Rohman asked whether the estimated savings included quantified savings from people who make changes without getting the incentives. For example, people who make changes through awareness campaigns and not due directly to offered incentives. Dunsky explained that this is taken into account in the analysis based on past experience. Their calculations incorporate factors for what they call "free ridership" and "spillover" and the model does not apply the same rate for all programs.

McCormick noted that the models likely do not account for health benefits gained through more efficient heating. Belliveau also noted increased productivity in schools and businesses due to improved climate controls that is not monetized.

Poole recalled a stakeholder comment regarding the waste heat that older technologies, such as inefficient lighting, provide. Dunsky said that this is considered in the model, especially business lighting that adds to heat but also increases air conditioning demands.

Tietenberg noted that not valuing carbon may have the effect of cutting out programs that would meet the cost benefit test if a value were placed on carbon. Dunsky does not

believe that there are any programs, currently under consideration, that are being missed by not valuing carbon, but several are very close so that could change. McCormick requested an appendix that includes the analysis of the effect on cost effectiveness of low/middle/high carbon values.

Several Trust members noted that the presentation was well done and easily understood, with a good mix of brevity and detail.

Non-Trustee Questions/Comments:

Ward asked whether the model accounts for people who turn up the thermostat because their bills have been lowered. Dunsky said that they refer to this as “snap back” and that it is difficult to measure and that it can go both ways. It can cause folks to turn up the thermostat as well as cause them to implement more energy efficiency measures.

Ward asked why the RGGI funding was held constant in the budgets for the first three years. Tietenberg noted that the RGGI revenue forecasts, which are intentionally conservative, assume continued low auction prices, but also assume that all of the available allowances will be sold. The values used are consistent with the RGGI Trust’s forecasts.

4.0 Public Comment

- Tom Palma, Unital, asked about PACE financing. Dunsky explained that PACE refers to financing options whereby the municipality serves as the collector of funded loans by adding it to the residents’ tax bill. It is used primarily for residential customers and has been successful in other states. If the customer sells the home, the debt goes to the new homeowner. A draft bill is in the legislature that would allow municipalities to offer it.

Palma also noted that two New Hampshire utilities have programs called “Smart Start” where the financing goes on the meter, similar to “on bill” financing except that in the case of a home ownership change, the financing stays with the meter, hence the new owner. He also doesn’t see “snap back” being a big issue with weatherized homes that heat more evenly, etc.

- Todd Grisct, Preti Flaherty, noted that the three incentives for C&I included in the plan appear to simply be a continuation of current programs. Dunsky explained they are really talking about revamping current programs to increase offerings. Belliveau noted that they are also focused on developing more customized relationships with large industrials.

Grisct also asked whether an SBC is applied to industrials and Dunsky said that the plan, which covers only the first three years, doesn’t include this. Mermin noted that, through the stakeholder process, the Trust explored whether the industrial community would be interested in rejoining the systems benefit charge

(SBC) and understood they were not open to that at this time. The Trust remains interested in exploring ways of exploring their participation. Currently we can only support commercial entities that are paying the electric SBC with programs funded through the electric SBC.

- Dylan Voorhees, NRCM, noted that new legislation is pending on how to include industrials in the SBC program. He praised the draft plan and made the following comments:
 - Include breakouts by customer class.
 - He is curious about whether they have assessed what funding sources exist, their limitations, and where funding will be spent. Dunsky answered that they have done this analysis.
 - He would like to hear more about the enabling strategies, especially ones that have policy or legislative implications, such as labeling. Can this plan be a vehicle to help articulate these needs? He urges being specific.

5.0 New Business

- Efficiency Maine provides Qualified Partner training to help partners know the full range of programs and incentives available so they can share these with their clients. Mermin and Atherton were interested in attending a full 4-hour training. Elizabeth Crabtree offered to design a 2-hour training session for board members if there is interest. A quick show of hands demonstrated interest in the 2-hour, Board-specific version.
- Lee suggested that, beginning in May, the Board schedule monthly, rather than bi-monthly, meetings. For May this would mean canceling the meeting on the 12th and keeping the meeting on the 26th. After May, the Board would plan to meet on Wednesday mornings, generally on the 4th Wednesday of each month.

The Board discussed several schedule conflicts. The Trustees will provide information on availability and will revisit the March and April meeting schedules. Any changes will be posted on the Trust's website.

- On March 10, Mermin and Tietenberg will be making a presentation to the Joint Standing Committee on Utilities & Energy on the Triennial Plan.

6.0 Next Meeting Agenda

The next meeting is currently scheduled for Wednesday, March 17; however, the schedule may change. Whenever the next meeting is held, the primary topic will be presentation of the Triennial Plan programs by the consultants.

7.0 Executive Session

ACTION: Upon a motion duly made (Rohman) and seconded (McCormick) the Board voted unanimously to enter Executive Session, for the purpose of discussing the Executive Director position, at 11:18 a.m.

ACTION: Upon a motion duly made (Mermin) and seconded (McCormick) the Board voted unanimously to end the Executive Session at 11:45 a.m.

8.0 Executive Director

ACTION: Upon a motion duly made (Lee) and seconded (Mermin), the Board voted unanimously to appoint Michael Stoddard as the Executive Director of the Efficiency Maine Trust.

9.0 Adjournment

ACTION: Upon a motion duly made (Poole) and seconded (McCormick), the Board voted unanimously to adjourn the meeting at 11:55 a.m.