

Efficiency Maine Trust

Board Meeting
May 26, 2010

Meeting Minutes
Approved: June 23, 2010

Date: Wednesday, May 26, 2010
Time: 9:30 a.m. to 12:00 p.m.
Location: Room 209, Cross Building, Augusta, 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	✓	Linda Pistner
✓	Michelle Atherton, Treasurer		John Rohman		
		✓	Tom Tietenberg		

Other Attendees:

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| <ul style="list-style-type: none"> • Jamie Py, Maine Energy Marketers Assoc. • Virginia Archambault, Vreeland Marketing • Pekha Paavonpera, Burgess Advertising • Kevin Melegan, Burgess Advertising • Betty Angell, Burgess Advertising • Charlie Woodworth, OEIS • Tom Palma, Unitol | <ul style="list-style-type: none"> • Adam Gifford, CSG • Matthew Smith, Maine Community Action • Ann Goggin, Green Oak Funding • Pam McTigue, Thermal Energy Storage of Maine • Patti Aho, Pierce Atwood • Aaron Cummings, Irving Forest Products • Dylan Voorhees, NRCM |
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1.0 Approve Draft Agenda and Minutes

The meeting convened at 9:35 a.m.

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

ACTION: Upon a motion duly made (Kerry) and seconded (Tietenberg) the Board voted unanimously to approve minutes of the April 29, 2010 meeting.

2.0 Executive Director (ED) Report

Michael Stoddard reported on the following activities:

- **HR Update**

The fiscal year for the current Efficiency Maine staff ends on June 11 and offers were made to fill all but one of the posted positions. Specific announcements of who will fill what positions within the Trust will be made when all applicants have been notified of the decisions. CFO finalist interviews will be held next week; there is a strong pool of candidates. Two other positions are available to be filled in connection with the recently awarded ARRA Retrofit Ramp-Up program; offers have been made and Stoddard is completing final negotiations. He anticipates that a full staff will be in operation on June 14.

- **Triennial Plan Docket**

The Plan was filed with the PUC in April, who held a Technical Conference last week with conference call participation from Dunsky and Optimal as well as the PUC's consultant, Navigant Consulting (formerly Summit Blue). The Trust has received approximately 75 data requests from the PUC and responses were provided as they were compiled, with the final answers provided just before the Technical Conference. There has been some follow-up but Stoddard does not anticipate more questions. Given the short review time provided by the statute, the PUC is being flexible in the process and is working closely with the Trust's staff.

- **Federal Grant Processing**

The Trust's staff, assisted by MaineHousing, recently submitted paperwork and associated DOE forms for the Retrofit Ramp-up grant. These documents were required to name the Trust as the awardee and to reflect the fact that the award was lower than the original budget proposal. Adjustments were made to several areas of the original proposal; however, some \$20 million is still attributed to the revolving loan fund. Discussion followed on various aspects of this award. It was noted that not all loans need to follow the PACE model, as there are intended to be other options for unsecured loans. This feature will allow homeowners to participate who live in towns who have not passed PACE legislation. One subgrant of \$3 million, provided over 3 years, will go to the Maine Green Energy Alliance.

A portion of the grant will fund building the IT resources needed to support this and other Efficiency Maine Trust programs, including the counting and tracking of carbon emissions, completing MaineHousing's ECOS system, integration with CSG's system, and building a data repository.

- **State Energy Office, State Energy Plan**

A \$230,000 Federal annual grant supports the State Energy Program (SEP). The pending proposal of the governor's office is to designate the State Energy Office at the Office of Energy Independence and Security. It was also noted that for overseeing and implementation of the SEP, the trust is the named responsible party in the enabling legislation.

3.0 Efficiency Maine Contract Extensions

In coordination with the wishes of the trust, the commission has extended the current Efficiency Maine contract with ERS and other members of the delivery team without modifications. After the July 1 transition, Stoddard will negotiate an amendment to the extension that includes any changes needed to be consistent with the Triennial Plan for the period of the coming year.

Burgess Advertising made a presentation to the Trust staff explaining all of the services that they perform for Efficiency Maine under their 3-year contract. Burgess provided an itemized list of services, which Stoddard will review with his staff to identify the services that they wish to continue after July 1. Going forward, Stoddard plans to contract services with Burgess in an 'a la carte' manner; hiring the firm to perform specific functions as needed.

Kerry asked about the status of the lease for office space at the PUC. Jean Guzzetti is working with PUC staff to assure that phones/computers/etc. will work after the July 1 transition. There are concerns with the facilities, including the limited amount of space on the fourth floor, lack of an appropriate location for computer server or copier, no bathroom, and no meeting room space. There is also not enough space for an anticipated addition of 2 to 4 new staff, some of whom are needed to support the Retrofit Ramp-up Grant. Stoddard is concerned with these issues and what will be the terms of the lease in terms of cost and access to the office before and after normal work hours.

A Board Work Group consisting of Lee, McCormick and Poole will assist Stoddard with this issue as well as the longer term office location question. Jean Guzzetti will be the staff's contact lead for this work.

4.0 Banking Services Selection

Atherton reported that she and other Trust board members met with Camden National Bank on May 13. They were prepared with their qualifications and ability to meet the Trust's needs during the transition. Trust members present were comfortable that the Camden National is able to perform all required functions through the transition. After the meeting it was decided that the RFP process could be delayed until after the transition and when a CFO is on board to assist with the process.

5.0 Program Updates

- **Large Industrial ARRA/RGGI Contracts**

Ian Burns provided an update on grants awarded under the first round as well as the status of the second round. In the first round, Efficiency Maine awarded \$9 million to 16 projects in January. Efficiency Maine staff screened all applications and they were also reviewed by a technical contractor for confirmation. Award selection was based on the following scoring scenario:

- The project's energy score (kWh or ghg saved/\$ requested) – weighted 60 percent of the overall score.
- Project readiness – weighted 20 percent of overall score.
- Economic benefit – weighted 20 percent of the overall score.

The awards were appealed but eventually upheld. Efficiency Maine is now taking up from the commission the process of contracting with the grantees. Grantees were asked to provide the specific physical measures needed to deliver the energy savings. This information was sent back to the technical consultants for verification. This has been a long process. One grantee, Fairchild Semiconductor, withdrew their application because they could not provide the matching funds. Ten grants are in process and the contracts should be completed soon. Five grants are more complicated due to Davis-Bacon Act or NEPA regulations. If a clear path to contracting is not in place by the end of the month they will transfer the funds into the second round.

Applications for the second round are due June 25 and Efficiency Maine is seeing more interest in this round. In the first round, Efficiency Maine decided whether the project was kWh savings or greenhouse gas emissions reductions, and thus whether funding would come from ARRA or RGGI. In the second round they issued separate RFPs for each funding stream. Efficiency Maine is working with ERS to expedite the technical review and they hope to finish the review by late July or early August.

Tietenberg asked about data collection and savings verification and Burns indicated that measurement and verification plans are required for each contract. In addition, funds are set aside to hire a third party, independent contractor for measurement and verification.

- **Home Energy Savings Program**

Andy Meyer provided a report on Efficiency Maine's Residential Program. The current budget is \$10 million, primarily ARRA-funded, the program is administered by CSG in the field. Vreeland Marketing is handling the marketing. Homeowners can receive up to \$3000 in rebates for energy efficiency measures they install. Homeowners must use a certified auditor, but they can hire any contractor they wish to install the measures. The program kicked off on January 1. To date 200 homes have had audits and 41 have completed their measures. This participation rate is

above the goals for the beginning of the program, but the goals ramp-up quickly and they are doing outreach through other organizations to get the word out. Efficiency Maine is also working with six communities through EECBG grants.

They are beginning a sales training program for their certified auditors through a Dale Carnegie franchise in Portland.

Discussion followed on the collection, level of detail and possible reporting of data. They are focusing on drivers in the process, like why people begin the process, why they do not continue at different stages, etc.

- **Certification Standards Update**

Meyer presented the rationale behind requiring BPI certification for auditors and explained that they may add additional certification options as they are approved by other organizations such as DOE. The contractors do not need to be BPI certified to install the measures, but the work must be reviewed post-installation by a BPI certified auditor.

- **Natural Gas Program Update**

Meyer provided an update on behalf of Elizabeth Crabtree, who was unable to attend the meeting. Efficiency Maine is working with Unitil on how to coordinate programs so that customers who call for information on natural gas savings opportunities also receive the benefit of guidance on electric savings opportunities and vice versa. They are also working to assure that the Unitil work is included in the data repository.

On the residential side, they are working with Unitil to develop the best programs to serve the ratepayers given the budget. There will be a smooth transition for natural gas customers as the programs transition to the Trust.

6.0 New Business

- Lee noted the need to amend the bylaws to change the Trust's fiscal year.

ACTION: Upon a motion duly made (Lee) and seconded (Tietenberg) the Board voted unanimously to wave the 30-day notice period for changes to the bylaws.

ACTION: Upon a motion duly made (Lee) and seconded (McCormick) the Board voted unanimously to amend the bylaws to reflect a fiscal year beginning July 1 and ending June 30.

- Stoddard noted a new \$4 million solicitation being offered by DOE specifically for weatherizing multi-family housing structures. Proposals are due in early June. Award will be based on regional impact (i.e., lessons learned sharing) as well as the

amount of non-DOE funds leveraged. Stoddard recommends allocating \$500,000 per year for 3 years from the Trust's budget to support development of a program.

Trustees noted that the Triennial Plan did not include specific provisions for multi-family housing and that the Trust received several comments on this subject. Tietenberg supports this idea and noted that this is one reason for making the Triennial Plan at a high level as it allows flexibility for specific decisions as opportunities like this arise. Mermin noted that the rural nature of Maine's multi-family housing stock could be a selling point for grant award because most federal programs deal with urban properties.

7.0 Public Comment

- **Dirk Vagre**, Camden. He offered clarification on the cost and requirements for BPI certification and HomeStar certification.
- **Steve Thomas**, Kennebunk. He provided more information on obtaining BPI certification and the potential costs associated with training and equipment.

Mermin clarified that to participate as an Efficiency Maine auditor you only need to take the BPI test, not go through expensive training.

- **Ann Goggin**, Green Oak Funding. She recommended collecting data on the Home Energy Rating System, the HERS Index, at the time of the audit and then after installation of measures. The HERS Index allows comparison of properties regardless of the household habits such as the thermostat setting.

8.0 Next Meeting Agenda

Next Meeting: Wednesday, June 23, 2010, 9:30 a.m., PUC Offices

9.0 Adjournment

ACTION: Upon a motion duly made (Mermin) and seconded (Poole), the Board voted unanimously to adjourn the meeting at 12:07 p.m.