

**Efficiency Maine Trust
Board Meeting Minutes
September 24, 2014**

Trust Board Members:

- Al Hodsdon, Chair
- David Barber, Vice Chair
- Brent Boyles, Treasurer
- Kenneth Fletcher, Secretary
- John Gallagher
- Patrick Woodcock

Efficiency Maine Trust (EMT) Staff:

- Peter Eglinton
- Rick Meinking
- Constance Packard
- Anne Stephenson
- Michael Stoddard

Other Attendees:

- Michael Baran, MaineHousing
- Bill Bell, MPFA
- Jeff Hubert, Macpage
- Lisa Smith, Governor's Energy Office
- Tom Snyder, P-S Performance Group
- Dylan Voorhees, NRCM

1.0 Welcome and Introductions

Mr. Hodsdon called the meeting to order at 9:32 a.m. The Board and attendees introduced themselves.

2.0 Approve Draft Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Fletcher) and seconded (Mr. Boyles), the Board voted unanimously to approve the draft agenda.

Upon a motion duly made (Mr. Woodcock) and seconded (Mr. Barber) the Board voted unanimously to approve the August minutes after the correction of a typo on page 3.

3.0 Public Comment on Agenda Items

Mr. Bell commented that Mr. Woodcock's and Mr. Stoddard's presentations at the E2Tech Heat of the Moment Conference were substantive and very well received.

Mr. Voorhees commented that the budget reflected a sound strategy for the long-term investment of efficiency funds and working towards stable growth in the efficiency industry. He added that stability and predictability in incentives and programs is critical for the marketplace.

4.0 Executive Director Report

Mr. Stoddard began the Executive Director's report with "Awareness and Press" and described the great visibility the Small Business Initiative has achieved in Northern Maine. Mr. Stoddard also added that there is a new "virtual tour" of residential energy solutions on the Efficiency Maine website. Mr. Stoddard then updated the Board on Efficiency Maine's involvement in the Smart Grid Coordinator proceeding at the Public Utilities Commission.

Mr. Stoddard highlighted the Business Program which is currently investing in projects at double the rate that it was at this time last year. Mr. Stoddard added that the efforts over the past year to scale up the Program have been fruitful. The Large Customer program is on track to invest its entire budget; the Review Committee recently approved a number of projects. Mr. Woodcock added that Maine businesses will experience a significant increase in electrical costs this winter, especially those on time-of-use rates

Mr. Stoddard moved to Residential Programs and shared that the Staff is watching the HESP budget closely because the program is right on track to invest the full budget by the end of the fiscal year. The Program and industry have been successful in generating buzz around home energy projects and there was significant program through the summer. Mr. Woodcock suggested that the Staff share a memo on the stakeholder process and the industry input with the Board and industry participants. Mr. Woodcock noted that he recently heard an ad for a heating oil loan and suggested Staff consider hosting a forum for banks on lending for energy efficiency projects.

5.0 Reports

a. Finance and Administration Committee

i. ACCEPT FY2014 Audit

Mr. Boyles reported that the Finance Committee was briefed on the audit on September 17 by Mr. Hubert and the Macpage team. Mr. Boyles continued that the audit had a very good outcome. Mr. Boyles added that audit reports are rarely so positive and congratulated Ms. Packard and the Finance team for their efforts. Mr. Hubert added that Efficiency Maine has transformed a number of internal controls and processes to achieve a high level of performance and observed that the only task remaining is to fine tune this work.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Woodcock) the Board accept the Financial Report of Efficiency Maine

Trust performed by Macpage for the fiscal year ending June 30, 2014 and the Single Audit Report of Macpage for internal control over financial reporting and on compliance and other matters during the same period.

ii. APPROVE Budget Adjustments

Mr. Boyles directed the Board's attention to a September 17 memo from Ms. Packard on proposed FY15 Budget Amendments. Mr. Boyles summarized the budget adjustments outlined in the memo. Mr. Stoddard added that the budgets were rolling forward within programs with the exception of the Multifamily Program. Mr. Woodcock asked which Programs were being funded with \$8.6 million in RGGI funds. Mr. Stoddard answered HESP, Low Income and Maine Advance Building. Mr. Woodcock expressed his concern that it was a significant carry-forward and asked that the Board be apprised of any Programs that will not be able to invest the funds during this fiscal year. Mr. Stoddard agreed to keep the Board apprised and added that the Programs were currently on track to invest the funds this fiscal year with the exception of those Programs that fund projects with long development times such as new construction and large customer projects. Those programs may have the funds encumbered but not invested.

Mr. Fletcher asked if the budget adjustment reflected the recent Maine Yankee settlement payment. Ms. Packard replied that the Phase I settlement payments have been directed to the FY15 budget and the Phase II settlement payments have been set aside for the FY 16 budget in order to reduce the MACE procurement request that the PUC will need to issue to replace the repealed system benefit charge (SBC). Mr. Stoddard added that FY16 will be the first year that the PUC will collect the Recommended MACE amount as ordered in the PUC's 2013 approval of the Second Triennial Plan.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Gallagher) the Board moved to approve the Budget amendments outlined in the 9/24/14 revised budget spreadsheet.

(b) Program Committee

i. REVIEW and Provide Input on MaineHousing's 2015 Weatherization Assistance Plan

Mr. Baran briefed the Board on MaineHousing's Department of Energy State Plan including funding allocation, quality work plan requirement, QA/QC Inspector training, and new DOE work standards. Mr. Baran facilitated a discussion with the Board on weatherization work done by the CAPs, DOE regulations, and the current program collaboration between

Efficiency Maine and the CAPs through the eCHIP program. Mr. Gallagher thanked the Efficiency Maine Staff for its helpful input on the plan and shared that he hoped that Efficiency Maine and MaineHousing would continue to collaborate on efficiency projects.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Barber) the Board unanimously moved to authorize the Staff to submit written comments reflecting the Recommended Staff Input enumerated in the September 24, 2014 Memo to MaineHousing by the deadline of October 6, 2014.

ii. REPORT – Aroostook County Kick-off of Small Business Direct Install Program

Mr. Meinking briefed the Board on the kick-off of the Small Business Direct Install program. Mr. Meinking began his report with an overview of the Small Business Pilot conducted last year, lessons learned, and the design of the current program. Mr. Meinking outlined the program's timeline for customer identification, scoping assessments and lighting installation. He also shared examples of the first projects completed in Caribou and Fort Kent as part of the launch of the program in Northern Aroostook County. Mr. Fletcher asked if the one-year payback was a condition of the program. Mr. Meinking replied that the pilot learned that the one-year payback was the tipping point for small businesses to invest in efficiency upgrades and was an important part of ensuring that the program achieves a high-level of participation in the targeted areas.

6.0 New Business

There was no new business.

7.0 Next Meeting Agenda and Scheduling

The next two Board Meetings were set for October 22 and November 19.

8.0 Adjourn

ACTION: Upon a motion duly made (Mr. Fletcher) and seconded (Mr. Barber) the Board voted unanimously to adjourn the public meeting at 11:53 a.m.