

**Efficiency Maine Trust
Board Meeting Minutes
September 30, 2015**

Trust Board Members:

- Al Hodsdon, Chair
- David Barber, Vice Chair
- Brent Boyles, Treasurer
- Kenneth Fletcher, Secretary
- Donald Lewis
- Patrick Woodcock
- Margaret Bean for John Gallagher

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Peter Eglinton
- Greg Leclair
- James Leyko
- Laura Martel
- Constance Packard
- Anne Stephenson
- Michael Stoddard

Other Attendees:

- Bill Bell, Maine Pellet Fuel Association
- Jennifer Connors, Runyon Kersteen Ouellette
- Jim LaBrecque, Flexware Control Technology
- Casey Leonard, Runyon Kersteen Ouellette
- Dylan Voorhees, NRCM

1.0 Welcome and Introductions

Mr. Hodsdon called the meeting to order at 9:35 a.m.

2.0 Approve Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Lewis) and seconded (Mr. Barber), the Board voted unanimously to approve the draft agenda and approve the July Board Meeting Minutes.

3.0 Public Comment on Agenda Items

Mr. Voorhees presented a letter to the Trust and Board urging the Board to approve a Triennial Plan that maximizes savings and benefits for Maine ratepayers and energy consumers. The letter was signed by NRCM members as well as by members of the public. Mr. Voorhees mentioned that the draft plan was an excellent start, but that NRCM would suggest ways that the plan may be strengthened (citing in particular the appropriateness of a more robust and well-funded Small Business Initiative). Mr. Voorhees also presented a letter on behalf of a consortium of engineers working in Maine. The letter from these engineers encouraged the Trust to do more with custom efficiency projects.

Mr. Bell mentioned that Northern Forest Center would host a celebration of the pellet boiler model community project in Farmington. He reminded the Board that the Northern Forest Center was a recipient of a Community Renewable Energy Demonstration Grant.

4.0 Executive Director's Report

Mr. Stoddard summarized and distributed copies of the Executive Director's Report. Following are particular activities that he highlighted during his presentation:

- The Executive Director's Report has undergone an update to present more uniform information across all programs and facilitate tracking over the course of the year.
- Mr. Stoddard provided an overview of press mentions, including the new issue of *Green & Healthy Maine Homes*. Mr. Woodcock referred to a recent *Portland Press Herald* article on home energy audits that characterized an air leakage standard, and commented that weatherization goals and standards were not final and were a topic for ongoing discussion. Mr. Lewis mentioned that there were some inaccuracies in a recent article on water heating in the *Bangor Daily News*.
- Incentives for homeowners and businesses in Bangor Natural Gas and Maine Natural Gas territories will be launched in October. Incentives for businesses in Summit Natural Gas territory will also be launched at that time.
- Mr. Stoddard provided an update on the Large Customer Program. Mr. Woodcock asked about the project at the Lincoln Paper and Tissue mill. Mr. Stoddard said that the Trust recently invested \$900,000 and is in wait-and-see mode. The mill and its equipment may be sold and remain operational. The Staff will plan a discussion once the status of the incentivized equipment has been determined. Over the past year, the Large Customer Program has instituted a tighter screening of projects; screenings include an evaluation of an applicant's financials. The Lincoln Paper and Tissue project was subject to this increased scrutiny. Mr. Woodcock mentioned that it would be important to share Efficiency Maine opportunities with any prospective buyer.
- The Small Business Initiative remains popular. Staff plans to complement incentives with loans as a pilot project later this year. The Maine Advanced Building program also has a good pipeline of new construction projects underway.
- The Home Energy Savings Program has a good investment rate and the program has launched a big fall marketing push.
- The Staff will review business loan options for an innovation pilot with the Board at the next meeting.
- Mr. Stoddard, Mr. Hodsdon, Mr. Boyles, and the rest of the Board congratulated Ms. Packard on her retirement and thanked her for her work.

5.0 Committee Reports

(a) Finance Committee

i. Financial Reports

Mr. Boyles began the finance report by thanking Ms. Packard for making his role as Treasurer so enjoyable. He mentioned that the Finance Committee and Board will need

to follow up on signatures and authorizations after Ms. Packard's replacement has been appointed.

ii. APPROVE Budget Amendment

Mr. Boyles directed the Board's attention to a memo from Ms. Packard titled "Proposed FY2016 Budget Adjustments." Mr. Boyles provided a brief overview of the adjustments, including the removal of new Long Term Contracts from the FY2016 Budget.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Lewis), the Board voted unanimously to adjust the FY2016 source of funding (revenue) and expenditure budgets by a decrease of \$95,923 as detailed in the attached budget spreadsheets.

iii. ACCEPT FY2015 Audit

Mr. Leonard from Runyon Kersteen Ouellette (RKO) provided an overview of the FY2015 audit. He mentioned that the Trust had no adjusting journal entries resulting from the audit, which he said was impressive and infrequent (compared to other clients). Mr. Boyles added that the positive results were a testament to the work of Ms. Packard and her team. Mr. Leonard finished his presentation by thanking the Staff for their patience and professionalism during the audit process.

ACTION: Upon a motion duly made (Mr. Boyles) and seconded (Mr. Fletcher), the Board unanimously accepted and approved the audited Financial Report of the Efficiency Maine Trust and the Single Audit Report issued by RKO for the fiscal year ending June 30, 2015.

(b) Program Committee

i. UPDATE on Triennial Plan III (Draft) and Stakeholder Process

Mr. Eglinton updated the Board on the Triennial Plan process and provided a brief overview of the Stakeholder Forum held September 24, 2015, and the stakeholder comments received to date. Mr. Woodcock asked for clarification on the schedule for Board approval and submission to the PUC.

Mr. Burnes then provided a more detailed overview of the market potential study recently presented to the Program Committee. He provided information on initial market study results, including a projected 25MW of on-peak savings and an average benefit-cost ratio of greater than 2.5 for all Triennial Plan III investments, combined.

Mr. Burnes also summarized recent RGGI auctions and RGGI investment projections. Mr. Woodcock asked for clarification on how RGGI investments were proposed to be allocated in the Plan; Mr. Burnes answered that they were all allocated to "all fuels" energy efficiency projects, and that they were divided 50% for residential programs and 50% for C&I programs. Mr. Stoddard added that the draft Triennial Plan proposes to use FCM and MPRP to offset some of the electrical energy efficiency procurement. Mr. Woodcock asked if this was consistent with the PUC's interpretation of the electric cap, and specifically if it is necessary to allocate RGGI funds to offset the electrical energy efficiency procurement. Mr. Stoddard indicated that past practice of the Commission has been to defer to the Trust's discretion and authority in allocating the RGGI funds, so long as the allocation is consistent with Section 10109 of Title 35-A (the RGGI law).

Mr. LaBrecque commented that site-specific analysis of cogeneration facilities was important, given that not every facility is well-suited for the technology because of seasonal heating and cooling loads. Mr. Burnes agreed and mentioned that current program guidelines require customized site analysis for all cogeneration projects.

Mr. Burnes then walked through the potential study process, including supplementing measures from the current Technical Reference Manuals (TRMs) and evaluating their cost effectiveness in different permutations of end use. Mr. Woodcock asked how discount factors are applied to reflect improvements in the marketplace. Mr. Burnes replied that there is a discount for market shifts, which are tempered by new efficiency opportunities made possible through new technologies. He added that these market shifts were one reason why the Trust submits annual updates to the Triennial Plan. Mr. Barber asked for clarification on investing electric funds in heat pump water heaters. Mr. Burnes clarified that the assumption is that a homeowner is choosing a new electric water heater and their choice is between a conventional electric resistance unit and a heat pump water heater; no fuel savings are claimed in the calculation.

6.0 New Business

Mr. Hodsdon mentioned that there will be four Board officer positions up for nomination at the next meeting. Mr. Barber is on the slate for Chair and Mr. Fletcher as Vice Chair. Mr. Hodsdon extended the request for Mr. Boyles to serve as Treasurer again; Mr. Boyles mentioned that his term has expired. Mr. Hodsdon shared that he hoped Mr. Boyles would serve until replaced. Mr. Hodsdon asked Mr. Lewis if he would be willing to serve as Secretary. Mr. Lewis volunteered. Mr. Hodsdon mentioned that the slate of officers would be presented at the next meeting.

7.0 Next Meeting Agenda and Scheduling

The next meeting of the Efficiency Maine Board of Trustees was set for Tuesday October 27, 2015. The meeting will be held at the Efficiency Maine Trust at 9:30 a.m. Meetings were also scheduled for Wednesday November 19, 2015 and Wednesday December 16, 2015. The November meeting may be held in Bangor scheduled in conjunction with a site visit.

ACTION: Upon a motion duly made and seconded, the Board voted unanimously to adjourn the meeting at 12:08 p.m.