

Minutes

Energy Efficiency and Sustainable Energy Board
NHPUC, 21 S. Fruit Street, STE 10, Concord, NH
February 13, 2009 Meeting

*Items underlined and in color are hyperlinked to documents.

Members in Attendance: Richard Ober of NH Charitable Foundation, Jack Ruderman of NHPUC, Meredith Hatfield of the OCA, Eric Steltzer of NH OEP, Joanne Morin for Robert Scott of DES, Daniel Feltes of NHLA, Susan Olsen of NH Municipal Association, Dick Henry of the Jordan Institute, Wes Golomb of NH SEA, Ben Frost for Dean Christon of NHHFA, Chris Way for Roy Duddy of NH DRED, Karen Rantamaki, State Energy Manager, Brian Wujcik of Home Builders and Remodelers Association of NH, Ken Walsh of NH Fire Marshal's Office, Patti Carrier of NH Ball Bearings, Representative James Garrity, Representative David Borden, Senator Martha Fuller Clark.

Non-Voting Members in Attendance: Gil Gelineau of PSNH, John Puc of National Grid, Cindy Carroll of Unitil, James Grady of Lightec, Inc., Charles Niebling of New England Wood Pellet, Janet Brewer of Ocean Bank, Clifton C. Below of NHPUC, Thomas B. Getz of NHPUC.

Link to Meeting Agenda: [Meeting Agenda](#)

Welcome & Chair's Remarks.

Chairman Ober convened the meeting at 9:05 A.M.

Chairman Ober went over the agenda items for the meeting and then asked everyone in the room to introduce themselves. {Introductions followed}

1. Adoption of January 9, 2009 Meeting Minutes

Chairman Ober asked if anyone had any comments regarding the 1-9-09 minutes. Hearing nothing, **Kenneth Walsh** moved to adopt the minutes. The motion was seconded by **Meredith Hatfield** and unanimously adopted by the board.

2. Updates

Chairman Ober asked members to focus on 4 themes when discussing RGGI funds, Economic Stimulus funds, and Work Group focuses:

- Jobs; The primary metric in the Economic Stimulus Act
- Coordination; to make sure that we can maximize the effectiveness and efficiency of future programs
- Leverage; think creatively so all funds leverage each other; and
- Long-Term; to think beyond the short term projects we know right now.

Greenhouse Gas Emissions Reduction Fund Request for Proposals (RFP)

Jack Ruderman noted that the PUC was still working on the Greenhouse Gas Emissions Reduction Fund RFP and it had an expected release date of February 20, 2009 (with responses due on March 20, 2009). He noted that he had reviewed other states RFP's, primarily VT and NY, and that NH's RFP would differ in the sense that NH's RFP was to be more broad and less prescriptive. NH wants it to be open to all sorts of programs and ideas. He noted that projects were not limited to the 11 eligible categories as listed in [HB873](#) and that projects could go beyond these categories. He noted that all members and interested parties of the EESE board as well as persons on the service list for DRM 07-089 (Renewable Portfolio Standard Rules) and Renewable Energy Stakeholders would be notified when the RFP was released via [press release](#). He also noted that the RFP would be posted on the [PUC website](#).

Jack commented that all projects and programs would be given full consideration with the ultimate goals being emissions reductions, job creation, economic development and market transformation. **Rep. James Garrity** wanted to be sure that the RFP would be in "free form and plain English" format so that municipalities and counties would not need to utilize a grant writer or consulting firm in order to complete the RFP. **Jack Ruderman** noted that there would be a need for quantification of energy savings and emissions savings for all projects but that the RFP would allow for an even playing field and the hiring of consultant would likely not be necessary.

Climate Change Task Force Report

Joanne Morin updated the board on the Climate Change Task Force report. She noted that she anticipated the report being issued by the 2nd week of March. She noted that there would be a press release announcing the release of the report and the formation of a Climate Energy Collaborative which will meet quarterly to assess how the plan is progressing and identify progress and barriers - but not to act as an implementer. 1/3rd of the collaborative will be made up of business representatives, 1/3rd of government representatives and 1/3rd of non-profit representatives. She noted that the Task Force/Climate Energy Collaborative would be working hard to be certain that the word gets out about how important this report is, what the implications of the report are, and to ensure that this document is a living document. **Chairman Ober** reminded that board that significant recommendations from the task force report fit within the charge of the EESE board.

Economic Recovery Act

Amy Ignatius updated the board regarding the [Environment and Energy Related Programs of the American Recovery and Reinvestment Act of 2009](#). She noted that decisions were still being worked on and that some have been changing often (as of the meeting date). She commented that Bud Fitch from the NH Attorney General's Office is running the Office of Economic Stimulus and that it is amazing to have this kind of money to spend and to have to figure out how to spend it correctly. She noted that she was the Director of the Office of Energy and Planning and that a number of the federal programs will be funded through her office. She commented that the major funding for energy related programs coming through and managed by NH OEP were:

- [Low Income Weatherization](#) - Past funding for this program was \$1.5 million per year, this year there was \$3 million allocated beginning in April 2009, but now we will be getting an additional \$23 million coming into this program. These funds will come into OEP and is then distributed to the [Community Actions Program](#) (CAP) agencies as the delivery source. The qualifying guidelines for income eligibility have changed to income up to 200% of the federal poverty guidelines and up to \$6,500 per unit can be spent as opposed to the previous limit of \$2,500 per unit. There are huge training needs and apprenticeship needs to ensure that people are doing things right.
- [State Energy Program](#) - This funds the traditional state energy offices, i.e. OEP. This program traditionally sees \$280,000 in funding is now expected to see \$12 million. Some will be put towards revolving loan funds and grants, upgrading state facilities, improving the emissions of the state fleets, etc. OEP is still looking for guidance on how best to spend these funds.
- [Energy Efficiency and Conservation Block Grant Program](#) - A newer program created a few years back by the Bush Administration but not yet funded. This program focuses on the State, Municipalities and Counties as recipients. This program traditionally involves grants but there is some talk that a revolving loan fund may be permissible. This program will be competitive. The majority of the money will go directly from DOE in Washington to the 10 largest cities/towns in NH (OEP will not be involved). They are: Manchester, Nashua, Concord, Derry, Rochester, Salem, Dover, Merrimack, Hudson, & Londonderry. The rest of the municipalities will go through OEP for funding (approximately \$10 million) to be competitively distributed. There is not a lot of guidance yet and it will be up to OEP to develop this program and OEP is looking for guidance on how to best manage this program. This program will focus on renewable and energy efficiency investments,

fleet improvements, bringing down greenhouse gas emissions, improve transportation within communities, training, etc.

Amy also noted that all funds will need to be used by December 2010, only allowing for 18 months for distributing these funds and that there will be strict reporting requirements and accountability as well as tremendous scrutiny to make sure that funds are distributed correctly.

She noted that some other funds coming to State/Federal Agencies directly (not directly to OEP) will be for: University funding for Carbon capture, research and demonstration projects for utilities for transmission upgrades (possibly on Coos County Loop upgrade) possible smart grid upgrades, funds coming to rural areas for energy efficiency and renewable installations (coming through USDA), and possible money to schools for efficiency. She noted that additional LIHEAP funding was cut out at the last minute but hopefully we can make up for it through the weatherization program.

Kate Peters also commented that DOT would be the other big recipient of stimulus funds which will be used, among other things, for infrastructure projects as well as some funds for a freight rail system in the North Country. NH would have to apply for passenger rail funds and is working out which programs to apply for and how to best set forth the application. She noted that she had previously spoken to the board regarding the Governor's green jobs initiative which they are trying to figure out how to meld that in with these stimulus funds, i.e. for weatherization and other training programs and that the Governor would be making a proposal to the RGGI program.

Taylor Caswell, a former chief federal housing (HUD) official in New England who now runs [Caswell Strategies](#), a consulting firm, attended the EESE board meeting to provide some input into the NH [Community Development Block Grant Programs](#) (CDBG). He made the following recommendations:

- o Model our program after the [Federal \(HUD\) Community Development Block Grant Program](#) (CDBG).
- o Leverage CDBG funds with other program funds which will be coming in such as Affordable Housing Programs, Foreclosure Mitigation Programs, Section 8, elderly/mentally disabled housing programs, lead mitigation programs, and neighborhood stabilization programs in order to make the funds go further and spend them wisely. He advised to ultimately try to create financing programs as well.

- o Try to figure out what needs the highest level capital up front for the most efficient long term benefit - put stimulus money towards this since we need to use it so quickly.
- o Look into the possibility of creating a 'pre-approval' type of list compiled of energy services companies and contractors so that we are ready to go when the money is available.
- o Look into program ideas such as that of the [Cambridge Energy Alliance](#). It is a city-sponsored organization created to save money, while reducing Cambridge's carbon footprint. Mr. Caswell noted that the Alliance provides the up front cost and then shares in the long term savings. He notes the Alliance has been very effective.

Lastly, he noted that his email address was taylor.caswell@gmail.com and that he would be glad to entertain any questions or be part of any work group subcommittee.

Wes Golomb noted that there was a lot emphasis being put on residential properties in the Economic Recovery Act and not enough on Commercial which is even more of a problem. **Dick Henry** agreed, and noted that 100,000 commercial buildings use up 56% of our energy consumption, while 500,000 residential homes only make up 44%, as per the figures that came out of OEP. He noted that we must also focus on the commercial sector. **Chairman Ober** noted that perhaps RGGI funds could supplement what was not being covered by the Economic Recovery Act in regard to Energy Efficiency for Commercial properties.

Rep. David Borden noted that in Rye, NH there are many elderly people who are being forced into nursing homes because they cannot afford upgrades to their homes. He noted that leveraging these funds with programs to allow people to stay in their homes would benefit the communities. **Amy Ignatius** agreed that that would be a great way to leverage funds and also noted that they would love to try to find a way to help the middle class as well since many times, the elderly and other people in our communities struggle financially but do not qualify for programs because they do not meet low income guidelines. They also discussed the idea of possibly setting up block by block energy reduction neighborhood program to allow for separating residents of a town into neighborhood sections allowing them to work on efficiency at a local level.

Brian Wujcik noted that the Home Builders and Remodelers Association of NH website, www.hbranh.com, is very information and lists many educational programs already being utilized which could potentially be used as a model.

Chip Brown noted that the Urban Land Institute website, www.uli.org, is another great resource for program education, etc.

Kenneth Walsh noted that vocational schools are a great resource. They are innovative and students can train in these programs while gaining experience and providing a service to their school and other commercial buildings. **Dick Henry** agreed that we must coordinate training with buildings that need to be worked on so that we can leverage training as well.

Rep. Jim Garrity wondered whom people should be referred to if they want to train for these programs. Discussion ensued and it was determined that people could contact the [Fire Marshals Office](#), the [Office of Energy and Planning](#), and the [Lakes Region Community College](#) (offering 2 year programs and soon to offer shorter training sessions of 1-2 weeks). **Chris Way** from DRED also reminded the board that the Governor would be implementing a job training grant program as well.

Joanne Morin noted that the CAP agencies will need to quickly expand because people will be wondering how they can become contractors for the CAP's and there will need to be a quick turnaround for general guidelines as well as training and qualification guidelines. **Dana Nute** noted that the CAP agencies were working on this now.

3. Energy Efficiency Potential Study

Due to time constraints, the discussion of the EE Potential Study was shortened. Dan Feltes reviewed a handout produced by NHLA regarding the Energy Efficiency Potential Study. The handout can be found [here](#). He noted that we are at a critical point in time where we need to figure out what to do next. He asked members to review the [final report on the PUC website](#) and review the draft motions from the handout before the next meeting.

4. Work Groups

Chairman Ober noted that all EESE board members had accepted his recommendation to be part of one of the 4 Work Group Subcommittees.

He noted that non-board members were welcome to participate in a Work Group or welcome to provide recommendations regarding specific persons who should be part of a Work Group and they were urged to contact the chairperson of the group to provide them with that information.

Clifton Below noted that all Work Group meetings must comply with the [Right to Know Law](#) and all meetings must be publicly noticed on the EESE board Work Group Subcommittee website.

For more information on Work Group Subcommittees as discussed in the EESE board meeting, as well as future meeting schedules, please click [here](#) and see section 9 of these minutes.

BREAK - The meeting recessed at 10:29 a.m. for a short break and resumed at 10:38 a.m.

5. Guest Speaker: Vermont Energy Investment Corporation (VEIC) - Scudder Parker

Scudder Parker presented slides to the board entitled "[Deep Efficiency Acquisition - Steps in the Process](#)" regarding such topics as:

- VEIC Role in Rhode Island
 - Highlights of Least Cost Procurement Plan
 - RI Energy Efficiency Procurement Plan
 - RI Work Plan for 2009
- Update on Efficiency Vermont - Electric and All other fuels
 - Efficiency Vermont Annual MWh Savings, Negative Load Growth and Savings Yield Rates
 - What's New for 2009-2011
 - Targeting of Market Sub-Sectors
 - Financing Options and Expanded Account Management
 - Unregulated Fuels Initiative
- Dynamics of Deep Efficiency Acquisition
 - Principles and What it will take to achieve
 - Goals
 - Motivation
- Economic Stimulus Package
 - Opportunity and Concern
 - Principles
 - Examples

Answers to Post-Presentation Questions

- ? Efficiency Vermont is considered an energy efficiency utility.

? When asked about new technologies such as smart metering, **Scudder Parker** responded that efficiency needs to proceed and new technologies must integrate themselves with it. He personally noted that he cautions against thinking that smart metering is the "answer" to all efficiency problems.

? **Scudder Parker** agreed with **Dick Henry** that an Energy Star rating should be used as a minimum for code standards but believes that we should try to push the envelope as far as possible when it comes to efficiency ratings.

Scudder Parker commended the Board for the diversity of its membership, the expertise in the room, and the hard work that it is undertaking.

6. Future Presentations

Meredith Hatfield distributed a handout with possible future presentations of the EESE board. She asked members to look it over and contact her with suggestions or ideas. Additionally, she asked members to look for gaps and see if the handout was missing anything. The handout can be found [here](#). She noted that even EESE board members/interested parties could present to the board regarding initiatives/ideas within their own company/organization/etc. Due to time constraints, further discussion of this topic was deferred to the next meeting.

7. Legislative Review

Meredith Hatfield noted that there were 3 legislative matters that she wanted to discuss with the board in particular.

- [HB61](#) - Regarding the definition of "Sustainable Energy" was [scheduled](#) for a sub-committee work session on February 19, 2009 at 9:30 a.m;
- [HB354](#) - establishing a committee to study local government eligibility for certain funding for energy efficiency improvements was [scheduled](#) for executive session on February 19, 2009 at 11:00 a.m; and
- [HB375](#) - establishing a committee to study whether renters should be eligible for weatherization programs administered by the office of energy and planning was [scheduled](#) for executive session on February 19, 2009 at 11:00 a.m.

She also noted that there had been discussion regarding referring HB354 and HB375 to the EESE Board rather than creating new committees. She asked the board if there were any objections to doing so. There were no objections.

Senator Martha Fuller Clark also noted that

- [SB73](#) - requiring state departments to reduce energy consumption and to make an annual report on their energy consumption reduction efforts was [scheduled](#) for hearing on February 19, 2009 at 2:00 p.m.;
- [SB164](#) - relative to the expansion and funding of northern New Hampshire's electrical transmission system, and establishing the northern New Hampshire electrical transmission system improvement fund was [scheduled](#) for hearing on February 19, 2008 at 2:15 p.m; and
- [SB152](#) relative to an investigation by the public utilities commission to determine whether the scrubber installation at the Merrimack station is in the public interest of retail customers (bill summarized by Meredith Hatfield at the meeting) was [scheduled](#) for hearing on March 13, 2009 which conflicts with the next EESE board meeting. She noted that many people would be attending this legislative hearing and may not be able to attend the EESE Board meeting.

Senator Martha Fuller Clark also reminded members that they could check the schedule for the Senate Energy, Environment and Economic Committee for information and scheduling.

8. Other Business

Clifton Below noted that he, Bob Scott, Joanne Morin, and Jack Ruderman went before the House Finance Committee to discuss the RGGI program and the issue arose of potentially using RGGI funds to balance the State budget. **Senator Martha Fuller Clark** noted that we had to try to come up with a way to really protect the RGGI funds so that they are used for what they were intended.

Chairman Ober asked if there were any objections to him discussing this matter with the Finance Committee on behalf of the EESE board. There were no objections.

Rep. James Garrity noted that RGGI funds could be given to the state - but only for energy efficiency purposes.

Commissioner Clifton Below and Jack Ruderman handed out flyers for the [Building Energy 2009 Conference](#) on March 10-12. They noted that this was a great resource and that Marc Rosenbaum and Commissioner Below would be key note speakers.

9. Scheduling Work Group Meetings

Due to time constraints, work group members were not able to break up and discuss scheduling of work group meetings. **Chairman Ober** handed out the work

group roster at the meeting and asked that members email each other regarding possible calendar dates and try to have each work group meet within 2-3 weeks (preferably before the next EESE board meeting). Information on the Work Group Subcommittees can be found [here](#) (including Work Group duties and member rosters). He suggested using a website such as meetingwizard.com to assist in planning. He again noted that if non-board members would like to participate in a work group then they should contact the chair of the group to be placed on the list.

The next meeting of the ESSE board is scheduled for Friday, March 13, 2009 at the PUC (Room 100).

Subsequent meetings of the EESE Board are scheduled for April 10, 2009, May 8, 2009 and June 12, 2009 (the second Friday of every month) from 9 am - 12 pm and will be held at the NH PUC, Hearing Room A, 21 South Fruit Street, Concord, NH 03301.

There being no other business to come before the board, **Chairman Ober** adjourned the meeting at 12:04 p.m.