

ENERGY EFFICIENCY AND SUSTAINABLE ENERGY BOARD

RSA 125-O:5-a
21 South Fruit Street, Suite 10
Concord, N.H. 03301-2429

Draft Minutes for July 21, 2017

Attendees:

Board members: Ben Frost (NH Housing Finance Authority); Ryan Clouthier (SNHS); D. Maurice Kreis (NH OCA); Karen Cramton (NH PUC); Becky Ohler (NH DES); Theresa Swanick (NH Municipal Association); Rep. Herbert Richardson (NH House); Mary Krueger (NH Legal Assistance); Matt Labonte for Jeffrey Cyr (State Fire Marshal); Rep. Robert Backus (NH House); Kevin Avard (NH Senate); Brianna Brand for Kate Epsen (NH SEA); Karen Rantamaki (DAS); Kate Peters (Eversource); Eric Stanley (Liberty Utilities); Cindy Carrol (Unitil); Carol Woods (NHEC); Michael Behrmann (Revolution Energy)

Guests: Liz Nixon (NH PUC); Scott Albert (GDS Associates); Trish Walker (Liberty Utilities); Kristin Bahny (TRC); David Borden (New Castle Energy Committee); Sam Nutter (CLEAResult); Melissa Birchard (CLF); Gregg Wade (ISO-NE); Roger Stephenson (SSC); Maggie McCarey (Oracle Utilities/OPower); Joel Anderson (NH House); Ellen Hawes (Acadia Center); Christine Donovan (VEIC)

1. Welcome and Introductions:

Meeting started at 9:05 am.

2. Approval of Meeting Minutes:

Meeting minutes from June 16, 2017 were approved. Final minutes will be posted on the EESE Board's website.

3. EESE Board Committee Updates:

- EERS Committee Update:
 - The EERS Committee completed their review of the utility draft EERS plan. The Committee Chair noted that the process has been satisfying and has resulted in good conversations and movement. He further expressed gratitude for the extraordinary work that went into the review and the collaboration in the process.
- EESE & EERS Draft Plan Overview; Presentation by Christine Donovan (VEIC)
 - Christine Donovan presented an overview of the History of the EESE Board and the EERS in New Hampshire. The presentation has been posted to the EESE Board webpage.
- D. Maurice Kreis, Chair of the EERS Committee, provided an overview of the Committee's process, approach and proposed recommendations to the EERS Draft Plan
 - Overview of stakeholder engagement and plan input process
 - Draft resolution focuses on areas of controversy; not areas where everyone agreed.
 - Committee deliberated on Tuesday, July 18th and developed a final resolution for the EESE Board's consideration. An overview is provided below:
 - Introductory information – each party on committee may take different positions when the EERS docket is in front of the commission later this year

- General observations and committees desire for more details and explanations on various items:
 - Non energy impacts – “placeholder” – committee is willing to agree to a 10% adder as a placeholder until NH has data needed to develop actual value/evidence to refine the 10%. Note, Staff’s position is for a 5% placeholder; utilities position is 10% is actually quite low and that 15%-20% benefits are being seen elsewhere in the country. Review the NEEP and Eversource presentations on the PUC website for more details.
 - Funding and access to capital (i.e. financing) – maximize amount of cost effective efficiency customers often need to borrow money – not a consensus view on how to make this happen
 - EM&V –creation of a working group with utilities and Commission staff — utilities should open up the process to more stakeholder involvement but allows for experts to work with data.
 - More thought needed into how to resolve program stop/start concerns.
 - Performance incentive – programs will need to be revised to accommodate any changed performance incentives – recommend changes in 2020
 - Recommend pilot projects

- EERS Committee Motion (D. Maurice Kreis):
 - Motion to adopt committee recommendations as the EESE Board’s position and to draft a recommendation letter to be submitted to the Commission ,and copied to utilities and the EESE Board
 - Motion was accepted and voted on.
 - Motion passed unanimously with the PUC abstaining
 - EESE Board will participate in the docket proceedings as an interested party

4. Board and Program Updates:

- Public Utilities Commission (PUC) Updates:
 - Renewable Energy Fund – Alternative Compliance Payments (ACP) for calendar year 2016 equal ~\$3.6 million; calendar year 2015 ACP revenues equaled ~\$4.9 million
 - Residential and C&I Solar rebate programs closed temporarily
 - Net Energy Metering Docket – first stakeholder session – watch for letter soon noticing the date
 - SB129 now law it includes changes to the RPS regarding landfill gas facility eligibility, changes to RPS obligations for solar and the funding of a Low Moderate Income program among other items.
 - Biodiesel rules – NEPOOL markets committee met and are working on evaluating the changes needed for accommodate the inclusion of biodiesel production in NH. Changes to the 2500 rules have been drafted.
 - Jon Osgood has retired from the Commission after 35 years of service.
 - Grid Mod - Grid mod final report is under review at the Commission.
 - Divestiture Update

- Auction Advisor has been chosen. Phase I included those who participated in the indicative bid process. Phase II includes those who are eligible to participate in final, binding bids. Currently in Phase II of the auction process and are still looking for a closing by end of year.
 - Clean Energy Fund (\$5 million) - The funds will be released after the sales are completed. Use of funds is a collaborative process between Commission Staff and OEP (now OSI). There are a number of guiding principles for the use of the funds which is available after the issuance of the Rate Reduction Bonds. They are: innovation in achieving clean energy benefits; 2) leveraging sources of funds; 3) expanding clean energy across customer classes cost effectively; and 4) avoiding undue admin costs.
- Office of Strategic Initiatives (OSI) Updates:
 - No updates provided.
- Department of Environmental Services (DES) Updates:
 - Robert Scott has been sworn in by the Governor to serve as the DES Commissioner.
 - NEG ECP – preparing for annual conference in August. A draft climate action plan is being developed collectively between states and provinces for approval at the August conference. The plan includes high overarching directional actions with less detail than previous plans; it focuses on areas such as energy usage, transportation and preservation.
 - Transportation and Climate Initiative – market based initiative similar to RGGI is being discussed to provide a market pricing mechanism to drive down emissions in the transportation sector.
- Department of Administrative Services (DAS) Updates:
 - Karen Rantamaki has been promoted to Deputy Director at DAS.
 - A new State Energy Manager has been hired and will start next month.
- NH Housing Finance Authority Updates:
 - The Qualified Allocation Plan (QAP) for low income housing tax credits has been signed by the Board and the Governor. The QAP included extra points for buildings that are passive or net zero construction. This year ~\$3.5 million credits lead to ~\$25-30 million in equity.
 - Update on the Gilford development – the initial construction estimates came in higher than anticipated and the development will not proceed at this time. One barrier is the upfront costs can't amortize for net zero housing.
- ST&E Committee Updates:
 - ST&E will be working on schedule for retained bills in advance of the House filing deadline in September.
 - Note, the Senate deadline is October.
- VEIC Updates:
 - VEIC was selected by NH Charitable Foundation as the EE value chain coordinator for Coos County. The purpose is to increase local wealth through local resources. This is a five

to 6 year effort. VEIC's role will be to talk with local residents to assess unrealized opportunities to develop local wealth through EE, RE, and transportation. Working outside of the regulated utility programs.

- Still a little money left in PUC EERS contract so VEIC may provide some additional consulting time to the EERS effort.

5. August EESE Board Meeting is cancelled.

6. Next Meeting – Friday, September 15, 2017 – at the Public Utilities Commission

- Preliminary Topics:
 - a. Committee Updates

7. Adjourned at 10:32 am

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