

Minutes
Energy Efficiency and Sustainable Energy (EESE) Board
Public Utilities Commission, Getz Room 103
9 AM – 12:00 PM
Thursday, September 27, 2012

Members in Attendance:

Deborah Schachter from NH Charitable Foundation; Susan Thorne from OEP; Steve Eckberg¹ from OCA; Jack Ruderman from PUC; Mike Fitzgerald from DES; Timothy Fortier from NH Municipal Association; Rep. Naida Kaen from NH House; Alan Linder from NH Legal Assistance; Luke Benson from NH Home Builders and Remodelers Assoc. ; Rep. James Garrity from NH House; Ben Frost for Dean Christon from NH Housing Finance Authority; Dana Nute from Jordan Institute; and Jackie Hanscomb for Karen Rantamaki, State Energy Manager.

Non-Voting Members in Attendance:

Gil Gelineau from PSNH; Debra Hale from Liberty Utilities; George Gantz from Unitil; Carol Woods from NHEC; Michael Bruss from Bruss Construction; and Kate Peters from NH CDFA.

1. Welcome and Introduction

- The food was sponsored by Dana Nute on behalf of Belknap Merrimack Action Agency.

2. Minutes of [June 8, 2012](#) and [July 13, 2012](#) EESE Board Meeting

- The Board approved the minutes as amended from the June 8, 2012 and July 13, 2012 EESE Board meetings.

3. Energy Study Working Group – Review Draft Documents

- Chris Skoglund of DES explained that Senate Bill 323 required an independent review of energy policies and options for the state. This study was conducted by Vermont Energy Investment Corporation (VEIC) and completed in November 2011. The Board is tasked with providing recommendations to the legislature based on this report. The ad hoc writing group has developed four documents to serve this purpose:
 - [EESE Board Report on VEIC Study Matrix](#) is a summary of the key actions suggested in each chapter of the VEIC report, the priority level, and the potential lead entities responsible for development, establishment and implementation of the action;
 - [Independent Energy Study Draft Final Report](#) (9 pages) is a summary of the EESE Board's review of the VEIC report including four key themes of the report, three key

¹ Susan Chamberlin, Consumer Advocate, was also in attendance and will be the OCA designee from this point forward.

recommendations, five near term recommendations for implementing energy efficiency and renewable energy actions, and the future of the EESE Board.

- [Independent Energy Study \(“SB 323”\) Final Report Summary](#) (3 pages) is a concise summary of the four key findings of the VEIC report and the three key recommendations and five short-term recommendations for implementing energy efficiency and renewable energy actions.
- [Chapter Syntheses](#) provide summaries of each chapter of the VEIC report.
- Chris requested feedback on the Matrix, the Report, and the Summary so that he can revise the draft by the next EESE Board meeting. The Chapter Syntheses are fairly complete.
- George Gantz asked for comments from the group. Many praised the ad hoc writing group for their efforts and noted that the documents have the right focus. Specific comments included the following:
 - Highlight the recommendations on the Matrix and add subheadings to the Report;
 - Enhanced funding is a key component and may want to make it a specific recommendation.
 - Could add a column to matrix as to whether a legislative action or administrative action.
 - Note that many actions of VEIC report have been completed, but many projects were funded with ARRA money that is no longer available.
 - Regarding RPS, policymakers need to keep ratepayers in mind. Also, other fuels in addition to renewables have low emissions.
 - If market transformation is an overarching theme, then low income schemes do not fit into that approach. Also, the first bullet on page 6 is not really a specific recommendation for low income funding.
 - Need legislative action but the ground work of this committee will help educate and move the legislature along faster.
 - The challenge is ahead for the Outreach and Education Working Group to get an exciting, relevant message to the public.
 - Does not explain the consequences of not achieving these goals—the economic drain and NH’s disadvantage. Does not mention that the playing field is not level for renewable energy since it is competing with heavily subsidized fossil fuel industry. Does not explain how the EESE Board will implement these actions.
 - Will need more guidance to implement. Could add a few bullets to set a vision for success/milestones to track progress.
 - Need a champion in the legislature or elsewhere. Report should be a stronger voice of the EESE Board (not passive verb tense).
 - Market transformation is a process not a goal, since technology continues to change over time. For example, we started with T12 lighting and now have LED lighting.

4. RGGI Grantee [Presentation](#) - Chris Miller – NH Housing Finance Authority

- Chris Miller from the NH Housing Finance Authority (NHHFA) gave a presentation providing an overview of how the RGGI grant was spent and highlighting a few of the projects.

- NHHFA received \$2 million from RGGI funds plus funding from other sources for total funds of \$6 million. They completed 28 projects, making energy improvements to 950 units with additional projects in progress.
- Wamesit Place in Portsmouth – converted electric heat and hot water to gas and insulated with foam and installed Energy Star appliances. Resulted in a net annual operating cost savings of \$107,220 plus tenant paid electric converted to owner paid gas resulting in \$1000 annual savings to each household.
- McKee Inn in Lancaster – insulated attic and basement; installed high efficiency boilers, Energy Star refrigerators, and new water heater; replaced windows; and replaced light bulbs with CFLs. Resulted in 50% fuel use reduction, 35% electric reduction, and annual operating cost savings of \$19,282.
- Eastern Apartments in Concord – replaced windows, weather stripped doors, installed modulating boiler, Energy Star refrigerators, and water heater and storage tank; and installed solar thermal panels. Resulted in 37% fuel use reduction without solar thermal (60% with solar thermal) and reduced air infiltration.
- Greener Homes has saved nearly \$500,000 in annual operating costs, completed projects at over 1000 units subject to extended affordability restrictions, saved 1 million kWh, and reduced 3,631 metric tons of carbon dioxide.
- Chris Miller noted that the grants have leveraged more than \$40 million of improvements. In one case, the project cost \$300,000 and leveraged \$14 million in improvements.
- Others suggested that he try to quantify the economic benefit from these grants, including the number of local contractors, the number of towns, the local companies supplying materials, etc.

5. Energy Study Working Group – Review Draft [Documents](#)

- George Gantz walked through the documents in detail. Comments on specific sections of the Report included the following:
 - On p. 6, recommendation two, transition to an Energy Efficiency Resource Standard (EERS), is that what the Commission wants? EERS could be stipulated as in Massachusetts at x% of load growth. The group discussed goals established by the legislature versus a policy statement. The goals could be set by achieving as much energy efficiency as possible, determine the cost-effective level, and support the goal with the analysis.
 - On p. 4, footnote 4, in terms of aspirational goals, is this framed right? How do you set the right goals? The footnote oversimplifies the CORE process. Earlier discussions indicated a need for more funding. Will first need to establish goals and then figure out budget. Rates and SBC can be set to match that.
 - Not only do goals need to be set, but results also must be reviewed.
 - Can set goals, but data can show where the need is and where the funding is. Roughly 1/5 of housing stock is low income at 200% of poverty or below.
 - On p. 6, discrete recommendations, are there any low hanging fruit or near term items that are not included (e.g, enhancing PACE, tweaking net metering, etc.)

- On p. 6 recommendation on renewable portfolio standard (RPS), the policy statement must say that Alternative Compliance Payments (ACPs) must be used for renewable energy since the recent regional renewable energy certificate (REC) market has indicated that NH sources realize more money by selling RECs in other states, thus requiring electricity suppliers to pay the ACP.
- On p. 9, the last sentence of the paragraph preceding the conclusion was discussed. Some suggested just mentioning functions of the EESE Board and the continuation of these functions while not discussing funding (e.g., from general funds, CORE, etc.). Others suggested changing funding to resources so that the EESE Board can make best use of available resources.
- Process for these documents will be discussed at the next meeting.
- The statute does not set a specific date for submittal of these reports, but the annual report is due in December. The Board will wait until after the election to issue these reports in conjunction with the annual report.

6. Board and Program Updates

Jack Ruderman – PUC

- RGGI Grants
 - HB 1490 sunsets Greenhouse Gas Reduction Fund on January 1. The auction revenue goes to CORE and ratepayer refunds.
 - The current grants run through June 30 and will be honored.
- Request for Proposal (RFP) for Commercial and Industrial (C&I)
 - With the renewable energy fund, issued an RFP for C&I. Received approval for seven projects from Governor and Council. An eighth project is on hold due to financing issues.
 - Cartographic Associates, Inc. - \$43,000. To install a new, high efficiency wood pellet boiler at grantee's office space in downtown Littleton. Total project cost: \$65,762.
 - Claremont Fire Department - \$52,000. To install a new, high efficiency wood pellet boiler at the municipal fire station. Total project cost: \$65,000.
 - Colby Solar, LLC - \$100,000. To install a 125 kilowatt solar photovoltaic system on several buildings on the Colby Sawyer College campus in New London. Total project cost: \$474,662.
 - Northeast Bioenergy Systems – \$93,000. To install a wood chip boiler at Russell Elementary School in Rumney. Total project cost: \$372,000.
 - Sullivan County - \$300,000. To install a wood boiler to generate heat and electricity for the buildings in the Sullivan County Complex. Total project cost: \$3,181,000.
 - University of New Hampshire - \$59,750. To install a solar hot air heating system on the façade of Kingsbury Hall. Total project cost: \$119,500.
 - Walker Wellington LLC. - \$100,000. To install a turbine at the effluent of a wastewater treatment plant to generate electricity. Total project cost: \$129,500.
- Revenues from Renewable Portfolio Standard in Alternative Compliance Payments (ACPs)
 - The PUC received \$19 million as compared to \$ 4.48 million in 2008, \$1.3 million in 2009, and \$2.6 million in 2010. The ACPs this year were mainly from Class III Renewable Energy

Certificates (RECs). Also, Class I RECs were about \$1 million. The market for RECs is regional, and therefore influenced the ACPs in NH.

- To gain approval to spend the new funds, the PUC will have to go to the Joint legislative Fiscal Committee since the original budget was \$6 million. The next meeting Fiscal Committee meeting is October 26.
- With this funding, the rebate programs will continue, and hope to continue wood pellet program which was originally funded with ARRA money.
- By March 1, will issue an RFP for C&I.
- Annual Report on Renewable Energy Fund is due to Legislature on Monday, October 1.
- Commercial Energy Efficiency Workshop in Nashua on Oct 10.

Susan Thorne – OEP

- OEP's contract for a DOE-awarded grant was tabled at the last G&C meeting. The time period for obtaining approval of the grant from both the legislature's joint fiscal committee and the Governor and Executive council has expired so now OEP must go back to the fiscal committee in Oct.

Gil Gelineau – PSNH

- Home Performance with Energy Star
 - Fuel neutral approach for home efficiency measures.
 - Commission issued an order on August 23 for a fuel neutral program in 2013 and 2014 and said that the savings, especially electric, must reduce demand on system peak.
 - Must include specific outreach to single and multi-family houses for electric particularly.
 - Directed staff to investigate a performance incentive.
- Regional Greenhouse Gas Initiative (RGGI) Funds
 - On July 13, Commission asked utilities to make a proposal for RGGI funds; proposal was submitted on August 10.
 - \$2 million in RGGI funds now then a total of an additional \$4 million expected in the next two RGGI auctions. Jordan Institute put a proposal in for \$4 million and utilities for \$2 million.
 - Waiting for decision from the Commission right now.
- CORE
 - Electric and gas utilities programs have merged, and have \$33.7 million budget for 2013.
 - Program includes residential, commercial, and industrial sectors and low income home weatherization, new homes and existing homes, lighting, etc. Also includes an education component.

Tim Fortier– Municipal Energy Liaison (Local Energy Commissions)

- Three committees (Finance, Capacity Building, and Technical Assistance) met.
- Finance committee developed a roadmap and met with local governments.
- Capacity building committee will scale back conference and instead will hold training series through webinars and workshops.

- Technical assistance committee is working with EPA to develop an energy calendar to advance energy related projects. Hoping to develop an app with reminders.
- Municipalities submitted 127 annual reports for an annual contest – 28 of those municipals have an energy report in their town’s annual report.
- They are developing a series of case studies for reference.

Next meetings: October 26 and November 16, depending on availability of meeting space.