

DRAFT Minutes
Energy Efficiency and Sustainable Energy Board
Hearing Room A - NH PUC, 9 AM - 2 PM
November 20, 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, Robert Scott of DES, Alan Linder for Daniel Feltes of NHLA, James Robb for Roy Duddy of DRED, Donald Carpia for Ken Walsh of the NH Fire Marshal's Office, Patti Carrier of NH Ball Bearings for NH BIA, Dick Henry of the Jordan Institute, Karen Rantamaki, State Energy Manager, Brian Wujcik of Home Builders and Remodelers Association of NH, Senator Martha Fuller Clark, Representative David Borden, Representative Jim Garrity, and Ben Frost for Dean Christon of NH Housing & Finance.

Non-Voting Members in Attendance: Gil Gelineau of PSNH, John Puc of National Grid, Janet Brewer of Ocean Bank, Cindy Melanson for Ray Gosney of NH Electric Coop, George Gantz for Cindy Carroll from Unitil Energy Systems, James Grady of LightTec, Inc., and Charlie Niebling of New England Wood Pellet.

LINK TO MEETING AGENDA: [MEETING AGENDA](#)

1. Welcome & Introduction, Chair's Remarks

Chairman Ober convened the meeting at 9:06 A.M.; he welcomed everyone to the meeting and asked everyone in the room to introduce themselves. {Introductions followed}.

2. APPROVAL OF OCTOBER 16, 2009 MEETING MINUTES

Chairman Ober asked for a motion to approve the 10-16-09 minutes. Rep. David Borden moved to adopt the minutes. The motion was seconded by Rep. Jim Garrity. There were a few minor edits to the minutes: On Page 1, Cindy Carroll was not present at the last meeting but was listed in attendance and on Page 7, Jim Grady will represent the subgroup on EESE Board Goals and not Kathy Beliveau from Lightec, Inc. The board proceeded to vote unanimously to approve the minutes subject to these revisions being made.

3. UPDATES

JACK RUDERMAN shared 2 articles that he had recently read with the board. They are entitled, "[Solar's rapid evolution makes energy planner rethink the Grid](#)" from grist.org and "[Seas Grow Less Effective at Absorbing Emissions](#)" from the NY Times. He asked if board members wanted him to email out pertinent articles as he comes across them. Rep. David Borden suggested a '[reference library](#)' link on the EESE Board website where good articles can be linked and posted. Jack agreed that this is a good idea.

Jack discussed the residential solar & wind programs of the Renewable Energy Fund (currently a \$3 per watt rebate, which will be reviewed in 2010). There were 224 applications received to date, representing approximately \$1.3 million in grant funds requested and approx 500 KW (or ½ MW) of generation. The next step is to create a solar hot water rebate program and possibly a commercial program. The budget is approximately 4.5 million. Next year's budget is unpredictable, which makes it difficult to plan and budget for these programs and create priorities. As a result, the PUC needs input on issues such as should the rebate program be first come, first served? At the January meeting, the PUC will be looking for EESE board input on these programs prior to the commencement of a Commission proceeding to consider these issues more formally.

Dick Henry noted the importance of having a commercial program. Jack stated that the PUC will work on getting this program off the ground as soon as someone is hired.

Jack also discussed the Greenhouse Gas Emissions Reduction Fund. He noted that the Crotched Mountain project is complete and with the approximate \$150,000 in funding that they received, they replaced the heat in the building with a much more efficient campus heating system. He also noted that many first round grant winners will be submitting their quarterly reports on November 30th and that they will be posted on the PUC website.

The PUC is hoping to release another RFP around February. The PUC would like input from the EESE Board in order to sharpen the focus of future RFPs. Chairman Ober asked Jack to come up with a list of items

which need board input beyond the 6 principles agreed upon at the last meeting.

Michael Licata of the BIA asked if unsuccessful first round proposals would receive feedback received prior to the next RFP being released. Jack noted that he hopes that this will be the case, but that it was a matter of staff resources to provide this service.

Also, there will be a new posting at the Commission soon for a Temporary Sustainable Energy Analyst IV. The PUC is adding this position, among other reasons, to get these commercial programs up and running since they didn't have the necessary resources to date. If anyone is interested or knows someone who is interested, it is posted [here](#).

Eric Steltzer updated the EESE Board on the status of the State's ARRA Funding. State Energy Program: 2 RFPs have been issued and the recipients have been selected. OEP is optimistic that these first contracts will be going to the 12/9 G&C meeting. The University system program will also going to G&C soon. Two RFPs have also gone out for the Energy Efficiency & Conservation Block Grant Program. One RFP recipient has been selected for a Grant Administrator and that proposal will go to the G&C on 12/9 as well. OEP is still accepting proposals through 11/30/09 for Technical Assistance Administrator (\$2 million) which will create a structure and foundation for a municipal support network.

Weatherization Program: It is moving forward and homes are currently being weatherized. The need is still so much greater than the number of actual homes being weatherized. Approximately 200 homes have been weatherized and there are still approximately 125 homes in queue.

Appliance Rebate Program: The US DOE has requested information from OEP and they are hoping for a decision by 11/30. The program will then go into the contract phase and then to G&C. OEP is hoping to get the program providing rebates to NH residents by early spring.

Karen Rantamaki updated the board regarding the [State's Energy Annual Report](#). She noted that this report is almost complete and it will show that there has been approximately a 4% reduction of energy consumption for the state on a per square foot basis. This is the first time NH has seen a decrease.

Kate Peters discussed a grant application being submitted by OEP to US DOE "Retrofit Ramp-Up Program" to support Beacon Communities. The application is due on 12/14. The Grant requires that the applicant focuses on defined geographic locations (i.e. beacon communities). Municipalities were notified and there were 28 responses received. A small work group consisting of OEP, PUC, NH Charitable Foundation, CDFA, The Jordan Institute, PSNH, NH Electric Cooperative, the Governors office and the Community Loan Fund was formed and has narrowed the responses down to 3 communities that they hope to be working with. She noted that one of the most important parts of this program is that it requires a 5 to 1 leverage for funding.

Kate noted that there is a lot to do over the next few weeks and Senator Jeanne Shaheen is also interested and has offered to help. The 3 chosen communities will hopefully serve as mentors for future communities. The Beacon Community concept will proceed with or without this funding.

Michael Power, Director of the Workforce Opportunity Council, updated the board on clean energy Job Training and Work Force Development. He noted that NH has been involved in two ARRA grant submissions to the US Department of Labor. The first grant of \$3.9 million has been awarded to NH and the other New England states to track data on clean energy jobs through the Employment Security offices.

The second grant will be for the [Energy Sector Partnership](#) opportunity in order to define and develop energy sector training programs \$2.75 million was requested. There will be 4 career paths to take: An upgrade of current skills (HBRANH, for example), Post secondary education (Community Colleges) Green jobs apprenticeships (Unions) and the 4th will be determined by way of an RFP for private employers to develop their own ideas. The partnership was formed and includes 25 members, including several members of the EESE Board (members can be found at the end of the [application](#)). A decision is expected in January.

4. DRAFT 2009 EESE BOARD REPORT

MEREDITH HATFIELD reviewed the [DRAFT 2009 EESE Board Annual Report](#) that she drafted with assistance from Chairman Ober and Vice Chairman Jack Ruderman. She went through the sections of the report and noted which

changes were made and provided an explanation of what information she incorporated. She noted that there were still some areas that needed additional administrative information.

She requested input and edits from the board and guests, including the following:

Dick Henry and Gil Gelineau noted the importance of long term and short term cost effectiveness and carbon reduction being on the list of the EESE board's goals.

Alan Linder wondered if it would be better to not include recommendations about use of funds under the PUC's jurisdiction in this annual report, and instead formally present it to the Commission once a more concrete list is created.

Gil Gelineau suggested using the word "consider" rather than "adhere" so not to lock us in to only these recommendations. Dick Ober also recommended reserving the right for the board to make additional future recommendations at any time.

Bob Scott suggested using the words "will seek" rather than "review" legislative recommendations.

Members agreed to implement these edits in the final work plan.

Ultimately Rep. Jim Garrity moved to approve the text of this annual report, subject to additional drafting to capture the Board's discuss and additional edits as discussed at the meeting, with the final draft to be circulated prior to final submission on December 1, 2009. Ben Frost seconded the motion and it was unanimously approved by the present quorum of voting board members.

Chairman Ober called a short break at 10:49. The meeting reconvened at 11:09

Jim Grady discussed cost effectiveness and the idea of putting a value of the carbon being removed from the air, suggesting perhaps this would impact the cost effectiveness test in the future. Several Board members agreed that this is an important discussion to have at some point in the future.

5. DRAFT WORK PLAN 2010-2012

CHAIRMAN OBER reviewed the [Draft EESE Board Work Plan for 2010-2012](#).

He noted that the board would not be voting on this plan until the next EESE board meeting in December. Chairman Ober asked for comments on the plan.

Meredith Hatfield noted that the 8-15% of achievable savings in the findings section is low and should be clarified and expanded upon.

George Gantz noted that citing "Energy Pricing" as a barrier may need to be elaborated since energy pricing can be such a broad spectrum.

Alan Linder suggested adding a bullet on the Core Programs in the Significant Access section of the findings and adding "access to capital" under the lowering of barriers section.

Rep. David Borden noted that local energy committees can be a conduit to how we can reach everyone in a town. He also noted his concern of using the "first come first served" method in ARRA Funding and we may want to add a bullet regarding the fact that every town has equal access to information.

Chairman Ober asked all members to read this draft and provide 3 or 4 comments on the most important sections to you. He asked that all comments be emailed to [Jennifer Ducharme](#).

Chairman Ober handed out a roster in order for members to sign up for a specific work group which is best suited for them in the future.

Gil Gelineau and Chris Skoglund presented slides providing an update to the board on the [EESE Board Goals Work Group](#). This presentation included topics such as:

- The Group's Charge;
- EESE Emissions Reduction Goals;
- Summary of Key Points;
- Impact of Individual Actions; and
- Other Issues/Next Steps.

They noted that they and Jim Grady, Dick Henry, Joanne Morin, Beth Fischer, and Susan Olsen have been working on this work group and their efforts collectively contributed to this informative presentation.

6. LEGISLATIVE PREVIEW (INCLUDE DAVID BORDEN'S HANDOUT)

SENATOR MARTHA FULLER CLARK handed out information regarding pertinent LSRs and bills for the current session which apply or affect the EESE Board. This handout can be found [here](#).

7. Chairman Ober called a break for lunch at 12:12. The meeting reconvened at 12:36.

8. PANEL DISCUSSION: EFFICIENCY FIRST - A POLICY FOUNDATION

JACK RUDERMAN introduced the panelists and explained the methodology behind having them here.

SENATOR AMANDA MERRILL provided the board with a historical perspective of energy efficiency in the legislature. She read a memo written in the late 80's that focused on many similar issues of power supply and demand that we are grappling with today. The memo focused on efficiency, conservation, and a long term approach. She noted the executive summary from "Power to Spare" by Armand Cohen. Additionally she noted that one of the most significant historical policy issues was Least Cost Planning ([RSA 378:37](#)) from 1990. The idea was that the utilities would create long range plans for both supply and demand side options, and the PUC would determine how best to implement them. Also as a part of that legislation, an [Energy Policy for NH](#) was also passed. Since then, NH has reached great milestones with the establishment of the CORE programs, RPS, RGGI, EESE Board, etc., but we continue to grapple with similar issues such as how to increase the use of demand resources in our power supply mix. Lastly, she noted that she looked forward to working with the board in the future.

NATALIE HILDT from NEEP presented slides to the board regarding [Maximizing the Efficiency Potential in NH](#). The slides included topics such as:

- NEEP's Mission, Organization, Primary Audiences, and Approach;
- A Shared Vision for Efficiency in NH;
- Efficiency as a Resource in the Northeast;
- ACEEE Scorecard for 2009;
- Aligning Interests;
- Per Capita Electric Efficiency Spending in New England, 2006-2012;
- Per Capita Natural Gas Efficiency Spending in New England, 2006-2012;

- How We Get There;
- How It Can Work in NH; and
- Efficiency as an Economic Engine.

Natalie handed out 2 articles. Their titles are linked below.

- [Energy Efficiency in New Hampshire: Engine of Economic Growth](#)
(October 2009) by Environment Northeast
- [Maximizing Energy Efficiency as a Resource in NH: Leveraging Rate Structures and Capturing all Cost Effective Efficiency](#)

George Gantz from Unitil discussed Supply and Demand Issues as well as Distributed Energy Resources. He provided a brief background of the energy market and the history of energy in NH, including restructuring and the establishment of the SBC. Some key changes we are experiencing now are: technology, especially digital technology, where we are on the peak oil curve, climate change, and learning lessons from the past.

George focused on how best to incorporate energy efficiency in with traditional supply. He noted that they are so different that they are not subject to the same kind of planning. Supply takes 5-10 years to build capacity, requiring many decision point along the way and a great need for flexibility. Issues include measuring, evaluation and monitoring, acquisition process, free riders, financial impacts, reliability, location. One of the lessons learned is that you cannot treat supply and demand the same when dealing with planning and procurement. Efficiency is something that has a long planning cycle. When ramping up efficiency, we also need to try to match costs to benefits. George also urged the board to consider the impacts of efficiency on our infrastructure.

Rick Weston presented slides entitled, [Integrated Resource Planning and Efficiency: A Regulatory Perspective](#). His presentation reviewed topics such as:

- The Changing Technology, History and Economics of Electricity
- Integrated Resource Planning - Including Law & The Future
- Environmental Issues
- Restructuring
- Potential Monetary and Capacity Savings in New England
- PUC Oversight

- Challenges and Cost Effectiveness Testing
- Case Studies
- Costs and Benefits

A short question and answer period for the panelists followed. Due to time constraints, the panelists offered to come back at another time in the future to finish answering questions and to continue the discussion.

There being no other business to come before the board, Chairman Ober adjourned the meeting at 2:05 p.m.

The next meeting of the ESSE board is scheduled for Friday, January 8, 2010 from 9 A.M - 12 P.M in Hearing Room A (NH PUC).

All subsequent meetings will be held on the 2nd Friday of the month at the PUC.