

Minutes
Energy Efficiency and Sustainable Energy (ESEE) Board
Public Utilities Commission, Concord, NH
9 AM – 12:00 PM
Friday, July 12, 2013

Voting Members in Attendance:

Kate Peters (Chair), NHSEA; Elizabeth Nixon (for Jack Ruderman), PUC; Alan Linder, NH Legal Assistance; Mike Fitzgerald, DES; Karen Rantamaki, DAS; Rep. Chuck Townsend; Kevin Peterson (for Deborah Schachter), NH Charitable Foundation; Ben Frost (for Dean Christon), NH Housing Finance Authority; Karen Cramton (for Brandy Chambers), OEP; Susan Chamberlin, OCA; Brian Ramsey, BIA; Rep. David Borden for Rep. Robert Introne; and Dana Nute, Jordan Institute.

Non-voting Members in Attendance:

Gil Gelineau, PSNH; Carol Woods, NHEC; Deb Hale, Liberty Utilities; Mary Downes (for Cindy Carroll), Unitil; Mike Behrmann, Revolution Energy

1. Welcome and Introduction

The meeting was chaired by Kate Peters and held at NHPUC.

2. Minutes of June ESEE Board Meeting

The board approved the minutes of the June 14, 2013 meeting with no amendments.

3. Update on Outreach and Education Subcommittee

Mike Fitzgerald -- O&E Committee met, talked about need to define mission of committee. Big need to raise awareness of importance of EE/RE, especially economic development aspect. Regional context—NH has 5MW of solar, Mass moving toward 1600MW; NH missing out. ESEE Board cannot be “doers”, but can be thought leaders, can push ideas and brainstorm and figure out how to accomplish goals. Important for committee to look beyond resources that currently exist, and look at what needs to/can be done with *more* resources. Have to have targets/goals first. Idea of creating a web portal being revived—there needs to be a go-to place for energy info.

With recent funding changes (end of ARRA, changes to RGGI), CORE programs have become even more crucial, and perhaps Board could provide more regular updates on them. Can't be a formal intervener, but can give feedback. Commissioner Harrington strongly encouraged this approach; PUC appreciates guidance from people “in the field.” Susan Chamberlin noted that the earlier we weigh in, the better. ESEE Board can be a good, open venue outside of the formal (often time-consuming) docket. Cindy Carroll suggested hosting a stakeholder forum at a Board meeting before the docket begins.

4. Update on Senator Shaheen's efforts at national level

Sarah Holmes

- The Senator has been added to key appropriations committees (but had to drop Energy committee)

- Shaheen-Portman S1000 re-introduced (Now S71)
 - Last session, were able to sign into law several provisions:
 - Industrial Efficiency—
 - Better R&D coordination within DOE; report due in 2 yrs.
 - DOE to do study on barriers in Industrial Sector
 - Federal Agency EE
 - Best practices for advanced metering
 - Data collection standard—agencies must use web-based tracking system
 - New components introduced:
 - 4 sectors—Buildings, Building EE Finance, Industrial EE, and Federal Agency EE
 - Strengthens Building Energy Codes and includes workforce training
 - Funding for states to ramp up commercial private retrofits—comprehensive, deep retrofits
 - Cross-state multifamily collaboration funding opportunity
 - DOE Advanced manufacturing office to engage more in private collaboration, move research forward more quickly
 - “Supply Star” for supply chains
 - GSA can force redesigns of buildings to include more EE measures
 - Data center energy management practices
 - Bill voted out of committee, on way to floor, hopefully this month
- Rep. Borden noted that DRED has been discussing attracting industrial businesses by being able to offer efficient (ideally zero-net-energy) facilities.
- May be a way to leverage small amount (as insurance) to attract larger private financing.

5. Utility Program Design for new Municipal Program (SB123)

- Carol Woods— Bill gave specific guidelines for what elements should be included in program; utilities looking for more feedback on those items
 - Better understand perceived market barriers
 - Expand on what helpful technical assistance would look like
 - Define what a ‘comprehensive’ project is
- Kate Peters—Technical Assistance (TA) piece got into the bill as a result of parallel discussion between CDFA, LEWG, NHCF, OEP about CLF Ventures report regarding town efficiency projects—it recommended better TA. That conversation is still continuing, to an extent, and it will be important to coordinate these efforts. It’s expected/needed that there will be additional (non-CORE) financing for municipalities.
- Mike Fitzgerald – Various conversations over the last few years have revealed how daunting it can be for small towns to even begin to understand how to undertake an EE project—lacking technical expertise, no dedicated staff. It’s really Project Management assistance. Even in instances where there is a person with vision and drive, they may need help convincing decision-makers (e.g. presentations at town meeting).
- Kevin Peterson-- What amount would go to TA? Make sure to focus on good projects. CLF report envisioned a self-funded model for TA person. ETAP/other programs identified nearly \$20 million worth of projects in towns. NHCF expects to issue grant to CDFA to examine taking these

projects further. Studying how long it will take before program becomes self-funded—CORE funding would be a great leverage to get through that period.

- Cindy Carroll – Regarding the \$20M of municipal projects, should the priority in the early years be to do audits in communities that didn't get included in the last round? Or should we instead focus on projects that are ready to go but just need a little push?
 - Kevin Peterson—The latter; we have to get some good showcase projects done. One remaining piece is to figure out which projects among the \$20M are truly shovel-ready, and get those done.
 - Mike Behrmann —Agree, we already have tons of reports sitting on shelves, time to act on them; field changes so quickly, especially financing, that reports almost immediately become outdated. Have to focus on shortening project timelines in order to better leverage private financing. Investors/developers not interested in dragging projects out. That could be a great role for utilities.
 - Carol Woods noted that utilities don't yet have that info.
 - OEP will at the least provide list of towns who participated in ETAP (more complete database has become corrupted)
 - Utilities will work closely with CDFA/NHCF effort on this.
 - Cindy Carroll—This is not a one-and-done, there are always opportunities for redesign, tweaking, long-term planning for these programs
 - Laura Richardson—Continuity is critical; towns need to know that the TA will be there before, during, and after projects. Have to keep contact, support during personnel changes or other shifts in town structure, help with M&V post project, etc.
 - Commissioner Harrington—Don't underestimate the resources available in towns, even the smallest ones. On projects we oversee we really do see them with great resources/technical knowledge, whether they're volunteers or retirees or other, if you can get people excited, they will participate.
 - Mike Behrmann—A lot of towns have undergone MEAP, ETAP, NHLAX, etc., many have undertaken audits on their own. Might be worth reaching out to auditors to see if they can recommend towns that are shovel ready.
 - Theresa Swannick—There is a great disparity in the level of expertise in small towns—some do indeed have that technical expertise, and some only have a single staff person for everything. My town was awarded a full grant and initially turned it down because they couldn't do the project management.
 - Though audits are helpful, need data tracking to keep towns motivated and engaged—LEWG benchmarking campaign. Automatic uploading by utilities?
 - TA needs will be different for each town.
 - Scott Albert—Identification of barriers definitely an important first step and TA approach will need to be balanced/customized. Help with benchmarking, help connecting to funding, help expediting actual project construction.
 - Kevin Peterson— Enduring capacity is a key piece for NHCF.
 - Mike Behrmann – Investment community has developed a model for other technologies where projects can be uploaded to a platform, and investors can pick ones that appeal to them. Development of that platform for EE could be really helpful.

- Becky Ohler— Have to make sure we’re considering that this is RGGI funding and that most of these measures are thermal, and we need to be aware of the limitations in the CORE process and mechanisms that might discourage thermal measures.
- Laura Richardson—Are the utilities required to follow the standard CORE cost-effectiveness test? This is a different funding source (RGGI); could we consider a different standard that might better encourage deeper retrofits?
 - Scott Albert— Many of the projects needed here will NOT pass the standard test (TA, 30-year paybacks, etc.)
 - Cindy Carroll—It’s something to consider; we’ve never previously strayed from the TRC test. Programs that don’t have savings (e.g. education) just get carried by the other programs. But we could propose an exemption - it’s not outside the realm of possibility.
- Tom Belair —Should we design it such that a town has to go forward with all of the options on the table or none at all, force it to be comprehensive? What does comprehensive mean?
 - Susan Chamberlin—Certainly seems that some judgment is needed.
 - Theresa Swannick—We don’t want to allow towns to put a brand new boiler in a building with no insulation. Part of it might be education, get municipalities to think long-term.
 - Karen Rantamaki –Agree, this could be a big part of the TA, getting towns to understand idea of combined projects and paybacks.
 - Mike Behrmann—It really comes down to who’s doing the financing; towns are willing to do more measures once we’re doing the financing.
 - Scott Albert—Need to be leading by example; program design could set some criteria for what measures should be considered. Maybe also have award systems, encourage more comprehensive projects.
 - Rep. Borden – Is it possible to have the utilities reach out to the towns, as we’ve discussed, and report back in September?
 - Mark – There are a dozen ESCOs that operate in NH and we do comprehensive projects all the time, law allows 20-year outlook. Might want to consider items that are usually hard to get done, like windows.
 - Theresa Swannick—Many of the small projects are too small for ESCOs; utilities might be able to prioritize finding funding for these projects.
- Discussion of process in CORE docket—Carol Woods noted that the utilities did file a 2-year plan that included 2014, but there’s always a mid-program filing, and this time we will be pulling money out of the programs we had proposed in order to re-purpose it for this.
- Scott Albert—One of the biggest problems towns have is just getting their bills straight; many have a ton of meters that get billed all over town, and consolidation is a huge challenge.

6. Board and Program Updates

Program updates were provided by PUC, OEP, and the Board’s legislative subcommittee.

Meeting adjourned.

Minutes submitted by Brandy Chambers, OEP.