

Minutes
Energy Efficiency and Sustainable Energy Board
Public Utilities Commission, Room A, Concord, NH
9 AM – 12:00 PM
Friday, June 8, 2012 Meeting

***Items underlined and in color are hyperlinked to documents.**

Members in Attendance:

Eric Steltzer from OEP; Steve Eckberg from OCA; Jack Ruderman from PUC; Karen Cramton from DRED; Mike Fitzgerald from DES; Alan Linder from NH Legal Assistance; Dana Nute from Community Action; Karen Rantamaki, State Energy Manger; Deborah Schachter for NH Charitable Foundation; Ben Frost for Dean Christon from NH Housing and Finance and David Borden for NH Sustainable

Non-Voting Members in Attendance:

Gil Gelineau from PSNH; Carol Woods from NHEC; Michael Bruss from Bruss Construction; Michael Behrmann from Revolution Energy; Madeline McElaney for Kate Peters from NH CDFR and Debra Hale from Liberty Utilities.

1. Welcome and Introductions

- Food sponsored by George Gantz on behalf of his new consulting practice.

2. Minutes of April and May 2012 EESE Board Meetings

- The minutes of April 18, 2012 and May 11, 2012 EESE Board meetings were adopted without discussion.

3. Updates:

- **Municipal Energy Liaison**

- David Borden, the EESE Board liaison to the Local Energy Working Group (LEWG) deferred to Chris Skoglund (NH DES) who noted that the LEWG recently met to review the work plans of three of the four committee teams (Finance, Education, and Technical Assistance) in order to prepare for implementing a suite of measures to support more robust energy management at the local level and therefore expand the scope and scale of their energy projects.

- **Outreach and Education Working Group**

- The group met on May 23rd at OEP in Johnson Hall at 107 Pleasant St. and reviewed the statutory charge to the EESE Board that was relevant the group. The co-chairs, Mike Bruss and Mary Downes, described the areas that the attendees identified to explore,

including: a central web portal; conflicting messaging; program sustainability; and stakeholder outreach.

- A discussion concerning www.myenergyplan.net was held regarding its status and future and how the state may wish to support that and similar investments in the future to promote greater energy efficiency and conservation and make the best use of public dollars. The Board identified this as a topic to which they wished to return in the future.

- **Legislative Monitoring Subcommittee**

Report out:

- Compromise versions of HB 1490 and SB 218 were passed in the House and Senate and that the next step would be for the Governor to sign into law, veto them or allow to become law without his signature.
- HB 1490, the repeal of RGGI bill, would pull NH out of the program if two New England states were to drop out representing 10% of load, direct \$1 per allowance to the CORE energy efficiency programs and remaining proceeds to ratepayers. The bill also eliminates the Greenhouse Gas Emissions Reduction Fund as of Jan. 1, 2013.
- SB 218, the RPS bill, would increase the number of facilities that qualify for Renewable Energy Credits (RECs) including biomass and small hydroelectric facilities; add useful thermal energy as qualifying for RECs; increase total percentage of sales by 2025; and lowered ACP payments for all classes with solar RECs moving from \$168 to \$55. The thermal addition was noted as being groundbreaking.

The bill also allowed small net-metered solar generation to be aggregated and credited to the distribution companies as RECs (renewable energy credits) using a 20% capacity factor, rather than an industry average of 12%. It was noted during discussion that this could potentially be characterized as an impermissible “taking” from the owners of these facilities.

Discussion

- The Board discussed how HB 1490 would affect the role of the EESE Board and the potential for the Governor to veto that bill.
- There was also discussion about the potential for the Board to weigh in and comment on the cut to the energy efficiency funding available through the RGGI program of at least half. The Board chose not to make a comment on this issue.

- **Program Updates**

- Eric Steltzer of OEP noted:
 - The Competitive State Energy Program award program was moving forward.
 - OEP will be bringing a contract with a consultant to G&C on July 11th. The consultant will provide technical assistance in pursuing the adoption of an energy efficiency resource standard and policy mechanisms to increase the capture of cost effective energy efficiency opportunities.

4. The Energy Efficiency and Conservation Block Grant’s (EECBG) Energy Technical Advisory Program (ETAP) run by CLF Ventures is winding down and will result in the development of a

database that includes EECBG projects as well as two other programs and concludes in the development of an action plan that municipalities can use to aggregate projects and create self-financing measures.

5. Tighe & Bond [Presentation](#) – Energy Efficiency and Renewable Energy Feasibility Study of State Agency Buildings and Lands

- Tighe & Bond, in partnership with AEC and Borrego Solar, provided an overview of the methodology and findings of a study that evaluated the technical and financial feasibility of a suite of energy efficiency and renewable energy measures at State owned facilities.
- The evaluations looked at energy efficiency measures for thermal and electric applications as well as solar, wind and biogas for renewable applications.
- Some of the difficulties encountered included:
 - too little structural information being available to enable some buildings being deemed capable of supporting solar arrays; and
 - state energy policy that reduces the economic attractiveness of using PPAs for renewable energy program financing.

6. Energy Study Working Group Chapter Reports:

The committee noted that they are reviewing each of the 11 topic-oriented chapters using small teams and developing chapter syntheses to share with the Board for each. The syntheses focus not only on what may need to be considered by the legislature, but also what issues may be best addressed by existing bodies through programmatic and regulatory changes for which authority already exists.

Once all the chapters have been reviewed, the VEIC committee will have a sense of what has floated to the top in terms of priorities and in terms of what needs more discussion. With that larger perspective, and with the legislative session largely wrapped up and with the findings of the LBA audit in hand, the VEIC committee will begin to draw the findings from the draft syntheses into a final report to this Board. We will also ask, "what did we miss?" and "what new information might we need to consider?"

The VEIC Study Review Committee reviewed two chapter syntheses at this EESE Board meeting.

- [Chapter 9](#) - Utility Performance Incentives Review and Assessment
 - Steve Eckberg of the OCA presented this chapter, noting that Team believes that the majority of recommendations regarding performance incentives are more appropriately acted upon through the Core energy efficiency management process rather than by the EESE Board directly. The Core energy efficiency management process reviews and modifies the Core EE Programs.
 - It was noted that this may be among the most important chapters in the study and that may want to move items from “areas for further study” to the priorities sections. While they may be clear issues to implement in the short term, dealing with any differing views and opinions in the short term may be very important.
 - There was a discussion regarding the need to revisit how goals for performance incentives are established and accomplished. As part of this discussion it was noted that,

it is hard to set incentives without program goals, and it is hard to set program goals without stable policy. This point was made in the study itself and the review committee noted that it would consider how to weave this throughout the final report.

- In follow-up, Scott Albert of GDS Associates noted the need to maintain the market transformation framework as well.
- [Chapter 11](#) - Community Planning and Municipal Engagement as Cornerstones of Sound Energy Policy
 - During its review, the team noted that there are several statewide planning-related initiatives that have largely formed coincident with or subsequent to the release of the VEIC Study. Therefore, it is the recommendation of the Chapter 11 review team that the EESE board put limited effort toward implementing the recommendations in this chapter in the coming year or two and to allow these initiatives to be implemented. Once up and running the EESE board can better evaluate specific steps needed, either regulatory or legislative, to continue to foster improvements in community planning and municipal engagement.
- The committee requested that the VEIC discussion be suspended until the next month to allow more complete review and discussion of Chapters 3-5. It was determined that the next meeting of the EESE Board should focus on the VEIC study and be held from 9 am – 3 pm on Friday, July 13th with a break for lunch. The VEIC Study Review Committee committed to making each of the 11 chapters available in their most up to date form available to the Board a week in advance of the meeting.

7. Other Business

- There was an additional discussion of HB 1490 that began at 12 pm. This was an unscheduled discussion due to the fact that an issue with the bill was discovered during the Board meeting and due to the fact that the Governor would be potentially taking action on the bill in the short term.
- The issue was that, in Section 10 of the bill, RSA 125-O:5-a-I (d) was repealed but that there was no effective date included in the bill for this section. This omission created some confusion as to when, if ever, the duties outlined in (d) would no longer be within the EESE Board's charge.
- The Board discussed whether this section, whenever it went into effect, would prevent them from making recommendations to the public utilities commission on the administration and allocation of energy efficiency and renewable energy funds. It was determined that this would not, they would simply not be charged with doing so.
- There was extensive discussion of whether to bring this issue to Sen. Bradley or to the Governor's attention, what would be the purpose for communicating this issue, and what might be some of the liabilities associated with such communication. In the end, it was decided that George Gantz would contact the Governor's office, specifically Rich Sigel, the Governor's chief of staff, and mention that this gray area existed within the bill.