

Minutes
Energy Efficiency and Sustainable Energy (EESE) Board
Public Utilities Commission, Concord, NH
9 AM – 12:00 PM
Friday, June 14, 2013

Voting Members in Attendance:

Kate Peters (Chair), NHSEA; Jack Ruderman, PUC; Alan Linder, NH Legal Assistance; Mike Fitzgerald, DES; Jackie Hanscome (for Karen Rantamaki), DAS; Rep. Chuck Townsend; 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; 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), Unitol; Mike Behrmann, Revolution Energy

1. Welcome and Introduction

The meeting was chaired by Kate Peters and held at NHPUC. Coffee was provided by Kate Peters and PUC staff. Introductions were made prior to start of business.

2. Minutes of February EESE Board Meeting

The board approved the minutes of May 17, 2013 with no amendments.

3. Program Updates

Jack Ruderman, PUC, provided the following updates:

Renewable Energy Fund (REF) – a Request for Proposals was issued in May with applications due June 7th – 35 proposals received and included hydroelectric, solar, biomass, and wind proposals.

Approximately \$21 million in proposals were received for the \$1.8 million that is available. The evaluation team for the RFP includes Jack Ruderman, PUC; Liz Nixon, PUC; Brandy Chambers, OEP; and Becky Ohler, DES.

The Senate passed budget sweeps approximately \$16 million of Alternative Compliance Payments (ACP) from the REF into the General Fund. Senate/House budget negotiations are currently underway. NH Sustainable Energy Association (NHSEA) and numerous partners submitted a strong letter urging the Legislature keep the funds in the REF and use them for their intended purpose.

The next round of ACPs are due July 1st.

Regional Greenhouse Gas Initiative (RGGI) – the most recent auction was June 5th, with 1.65 million allowances sold at \$3.21. This will provide \$1.65 million to CORE programs and the rest will be rebated to ratepayers. The most recent [GHG Emission Reduction Fund report](#) has been posted on the PUC website. As of June 2012, cumulative energy savings due to projects that received GHGERF funds (\$21.8

million spent) are expected to be \$107.8 million through 2030 based on current energy prices. For every dollar spent as of June 2012, the expected return is \$4.95 in energy savings.

Many RGGI grants are still active, but winding down. Five have asked for extensions of 6 to 12 months to complete their work.

4. Panel Discussion – Marketing and Communications Panel Discussion

Panelists were:

- Eric Stanley - Liberty Utilities, Manager of EE Programs and Manager of Market Strategy Team and Residential Advertising
- Bob Walker - Sustainable Energy Research Group (SERG), formed original local energy committees in VT and NH (Upper Valley area) and is an auditor with the CORE HPwES program.
- Peter Adams – co-director of PAREI and EVP Marketing and Media – PAREI was formed in response to lack of planning for peak oil and rising oil prices.
- Mike Turcotte – Turncycles Solutions , home performance contractor for CORE programs

Questions for discussion:

What do you see as the most important motivations of customers who are considering EE/RE projects?

Eric – there is lots of data on this issue (studies in CA, NY, MA) that show the motivators are a) saving money, b) environmental concerns, and c) avoiding waste. However, these motivators are very weakly linked, therefore need to focus on primary barriers as well which include a) lack of information; b) customers think they are already doing pretty well; and c) lack of resources.

Bob - an Efficiency VT study into barriers for homeowner participation in HPwES found primary motivators are a) financial return (increased value of home), b) increased comfort, and c) environmental benefits.

Peter – people want to do this for a variety of reasons, but they need both ability and tools. If they feel alone in this effort it is too overwhelming. The Energy Raisers help with both of these. One major barrier is that people do not want to hear that there is a problem with their “castle”, so have to be very careful with that message.

He also talked about “dual sell” versus “single sell” – first you have to convince them that they need this, then need to help them create the solution.

Mike – people want to be motivated and will be for a variety of reasons as long as there is clear messaging. Contractors are the boots on the ground that are out there motivating customers. Give them the tools/network they need.

In your experience what are some of the most effective methods of outreach to potential customers?

Eric – effective communications strategy depends on the audience, but in general need to use multiple channels: strong web presence that includes data; direct mail (works well with residential customers

who generally trust utility mail); direct telemarketing and door-to-door canvassing to small businesses; use of account executive relationships with large businesses; and utilize other market intermediaries such as contractors.

Bob – need to focus at the local level, use local case studies to portray benefits, find a local homeowner who has done the work and get them to promote it to their neighbors. Also found that inter-town challenges worked well – targeted 3% participation in HPwES per town.

Peter - what has worked for PAREI is neighbor-to-neighbor outreach through knocking on doors or being at community events to talk about it. Mass media didn't work at all. Homeowners need to make their own decisions, let them be creative with their solution. Use a step-by-step process – don't push Cadillac solutions if they are not ready to go there.

Mike - co-branding is essential – it creates business for the contractor (thus motivates them) and puts customer at ease by having a “preferred vendor” network that they feel they can trust.

Need to create the right image – solar panels are “Cadillacs”, not granola bars – develop an image that puts them at the top, not as the odd man out.

If there were a statewide education/communications effort what elements to you think would be the most critical?

Eric – A statewide effort needs to start with trying to understand the customer mind set – what are the barriers and motivators – and then develop a campaign around that research.

Bob - Put case studies on a list serve. Also provide access to on-line calculators that help homeowners make informed decisions. In VT it is helpful to have all the available programs under one “roof” for easier one stop shopping. Consistent messaging across the state is key.

Peter – give permission. Someone in a respected position talking about EE/RE gives others “permission” to go there too. Information needs to be understandable, believable, and current. There should be one message statewide. Create the message and then put it in the hands of other organizations/contractors, etc. who are already out there talking to people.

Mike – consistency in the message is key. MASaves radio ads are good – very clear what is being offered – whereas NH programs keep changing and message is not clear.

Co-branding – build upon relationships between contractor and residents, and between programs and contractors.

Need to educate the real estate market, get the market to value EE/RE. Also need to involve home inspectors – they have a big role in getting message to customer – can be confusing with different information coming from auditors versus home inspectors who look at many of the same things.

Other general discussion followed including a lengthy discussion on the role of auditors, inspectors, banks, appraisers in moving the market for EE.

5. Discussion of EESE Board Outreach and Education Committee

There was a robust discussion of how to move forward with meeting the EESE Board statutory charge. [RSA 125-O:5-a \(b\) and \(f\)](#) say the charge of the Board is to (among other things) develop a plan and develop tools for O&E. Why is NH lagging as compared to other states? How can we develop a NH solution?

- O&E committee has been around a long time, but doing intermittent work. Lack of staff resources is a big problem.
- O&E tends to bite off too much. Need to focus on manageable tasks.
- the EESE Board needs to just pick something and do it! Spending too much time “circling the wagons.”
- could bring in a panel of reps from other states – what are they doing that works? What are their drivers (e.g. MA Global Warming Solutions Act)?
- The Board needs to be the one deciding work to be done by the O&E committee. Keep the work at the Board level until direction is decided and need to dedicate more Board time to this discussion.
- We have done the Independent Study, just haven’t taken the next step. The current work on the Energy Efficiency Resource Standard is a necessary step. Look at ACEEE scorecard, how can we use that to measure and improve our progress?

Several resources and previous work were mentioned:

- 1) NH OEP Communications Plan, by Burgess Advertising & Marketing, Aug. 2011
http://www.nh.gov/oep/programs/energy/documents/burgess_strategic_communications_plan_081711.pdf
- (2) Findings Report of the EESE Board Strategic Communications Summit, Sept. 2010
<http://www.puc.nh.gov/EESE%20Board/O&E%20Energy%20Summit%20Findings%20Final%20Report%2011-15-10.pdf>
- (3) Driving Demand for Home Energy Improvements, Lawrence Berkeley National Lab, 2010
<http://drivingdemand.lbl.gov/> The full report is quite long, but excellent brief summaries.
- (4) "Marketing Recommendations in the VEIC Study" Compiled by Mary Downes at OEP

On the issue of resources, Mike Fitzgerald offered to staff a group to work on this issue. OEP and PUC also offered their agencies as resources.

A subcommittee of the Board, led by Mike Fitzgerald, will review the charge to the EESE Board and present to the next Board meeting. They will look at available resources and may develop a straw proposal for action for consideration of the full Board. In addition to Mike, other participants will be Jack Ruderman, Karen Cramton, Carol Woods, Mary Downes, and Scott Albert. Scott agreed to help facilitate a discussion.

6. Renewable Energy Fund Resolution

Mike Behrmann presented a draft resolution for the EESE Board's approval relative to the use of REF funds. The resolution ([attach or link to here](#)) is meant to be a first step. Today's discussion has repeatedly mentioned the need for consistency. This is a first step toward that.

There was general agreement that when the REF was created it was recognized that there would be variability in the level of funds, so current funds should not be viewed as a windfall, but rather as part of the design of the program.

Some minor changes were made to the draft resolution. Kate Peters will draft a cover letter and sign as chair of the Board and will present it to the Governor, House and Senate leadership, and House STE and Senate ENR committee chairs. Nearly all EESE Board members present voted in support of this resolution and the Chair's plan to distribute it. At least one member abstained.

Rep. Townsend noted that the conference committee is meeting now to discuss the budget so any action needs to happen quickly.

Laura Richardson recommended a press release. Susan Chamberlin with OCA agreed to release a notice regarding issuance of the letter. It was suggested that some outside groups may want to use the letter to do their own press releases.

7. Board and Program Updates

In addition to the updates provided at the beginning of the meeting Mike Fitzgerald provided a brief legislative update:

SB 123 – RGGI proceeds to support municipal EE projects – Senate concurred with House amendment

SB 191 – state energy strategy – Senate concurred with House amendment

HB 306 – RGGI program changes – House concurred with Senate amendment

HB 630 – 15% of funds to low income core program - Enrolled

SB 98 – Group net metering – revised to reduce administrative burden on utilities by allowing for a group “host”. Passed House and Senate.

HB 542 and SB 148 - both in Committee of Conference – to meet 6/19/13

Mike Behrmann mentioned an [article](#) about a Senate bill related to mortgages and energy efficiency that may link to the Shaheen/Portman bill.

8. Recognition of Gil Gelineau

Gil is retiring from PSNH after 41 years on the job. He was one of the original members of the EESE Board. Members and attendees recognized and thanked Gil for his outstanding contribution to the EESE Board and the CORE EE programs. Carol Woods presented a commendation from Governor Margaret Woods Hassan for his service to the state. Mike Fitzgerald presented a framed State of NH state seal signed by EESE Board members and friends. Thank you Gil, we will miss you.

Minutes submitted by Rebecca Ohler, NHDES.