

Energy Efficiency & Sustainable Energy Board
VEIC Study ("SB323 Report") Review Committee

NH Department of Environmental Services
29 Hazen Drive, Concord NH
Rooms 213- 214
Thursday June 28, 2012
10 AM - Noon

DRAFT MEETING SUMMARY NOTES

Members in Attendance:

Gil Gelineau - PSNH; Steve Eckberg - OCA; Chris Kintz – National Grid; Rebecca Ohler - NHDES; Jack Ruderman - NHPUC; Deborah Schachter – NHCF; Chris Skoglund – NHDES; and Carol Woods – NHEC.

Members by Phone:

Ben Frost – NHHFA; George Gantz – Unitol; and Eric Steltzer – OEP.

Guests:

None.

Discussion

1. Introductions & Framing of the Day

The review committee agreed to review as many of the chapter syntheses as possible in the two-hour timeframe in order to prepare the reviewed chapter syntheses for presentation to the EESE Board on July 13th. This was be the second presentation of four chapter syntheses.

2. Chapter Team Findings

The review committee heard from three chapter teams that had presented at the last meeting (6/20). This was the third meeting that the committee had an opportunity to hear the chapter team findings and to hear how their prior observations and comments had been incorporated.

- Chapter 6 - Low Income Weatherization Assistance Programs
- Chapter 7 - Sustainable Energy Programs Review and Assessment
- Chapter 13 - State Government Leading by Example

In addition, the review committee also heard from one chapter team that had last presented at the May 17th EESE Board meeting.

- Chapter 10 - Energy Finance Programs Review and Assessment

As before, each chapter team presented their material in a slightly different fashion reflecting the differences among each teams' membership and among the chapters' contents. The discussion around the variations in format and content enabled the committee members to reflect further on what should be in the final syntheses and what should be in the introductory sections of the final report to the EESE Board.

Highlights from chapter discussions include:

Chapter 6 - Low Income Weatherization Assistance Programs

After review of the synthesis document, the review committee asked that a several key points be included to highlight that:

1. weatherization programs in the past had *insufficient* funds to meet demand;
2. ARRA had filled some of that gap and created expanded infrastructure to meet some of that demand; and
3. clear goals could help support the development of expanded and adequate funding.

The key message to be drawn from these points is that the committee is not suggesting that the SBC be increased in order to replace ARRA funds, but rather that ARRA met a longstanding need and that the additional provision of state resources would ensure that the more robust program continued. It may be noteworthy that the original VEIC chapter didn't include a recommendation regarding funding. Instead, the review committee chose to connect this chapter to funding recommendations in the earlier chapters.

While goals may help support the development of funding, the committee did note that it is within the power of the PUC to increasing the funding for low-income weatherization. The chapter team believes that the Commission should direct the Commission Staff, the utilities and other interested parties to the CORE efficiency programs docket to review the options and make specific recommendations for additional funding.

Chapter 7 - Sustainable Energy Programs Review and Assessment

While Chapter 7 was the longest chapter written by the VEIC team and included 74 recommendations in all. However, the chapter team presented a relatively shorter synthesis as NH Senate Bill 218 ("SB218") had just been signed into law. The chapter review team recommended that a pause be taken to allow the NH PUC to undertake any necessary administrative and regulatory proceedings before the full set of VEIC recommendations be prioritized and acted upon.

There were a number of issues that the team did feel could be acted upon while the impact of SB218 is evaluated. This included recommending that the EESE Board approach the questions of:

- how to incent further renewable development in the state through either expanded net-metering or the development of a feed-in tariff; and
- encouraging the use of competitive solicitations for long-term RECs to increase stability in the market.

The team also recommends that the Commission revisit the issue of utility investment in distributed generation in order to assess the barriers to broad implementation such as administrative procedures, the details of cost recovery provisions, potential ratepayer impacts and benefits and the attribution of value in determining costs and benefits.

Chapter 10 - Energy Finance Programs Review and Assessment

The review team introduced a revised synthesis that incorporated comments made at the EESE Board meeting on May 18th and subsequent conversations with funding program administrators. The changes presented clarified the statements made in earlier versions which were intended to

strengthen financing opportunities in NH without developing a single statewide entity as VEIC had recommended. The primary changes occurred in the area related to narrowing the range of loan models that are in used and coordinating efforts with the CORE programs.

Chapter 13 - State Government Leading by Example

The team presented significant changes that had been made to the synthesis between meetings including recommending items that were within the VEIC Study and additional to it.

The VEIC Study had recommended, “13.2 Educat[ing] and Inform[ing] the Public” (Recommendation 13.2) and this was moved up to be a priority for early action out of recognition of the importance that education can play in building support for the other actions recommended within the study and by the review committee.

Among the additional recommendations that the review team and review committee developed, there were several new concepts added into the synthesis. They included recommending that the state should allocate more financial resources to energy management projects, but also allocate more resources for the staff needed to conduct that work. There was also inclusion of recommendations for mechanisms to increase the funds flowing in to the State Energy Efficiency Fund, and therefore increase the number of size and number of projects that could be undertaken using that fund.

3. Approach/Process for Future Work

- At the next EESE Board Meeting, the committee will
 - Present several chapters for the first time:
 - Chapter 3 - Electric and Gas Utility Energy Efficiency Programs – Portfolio Level Review and Assessment;
 - Chapter 4 - Residential Energy Efficiency CORE Programs Review and Assessment;
 - Chapter 5 - Commercial & Industrial Energy Efficiency CORE Programs Review and Assessment;
 - Chapter 6 - Low Income Weatherization Assistance Programs Review and Assessment;
 - Chapter 7 - Sustainable Energy Programs Review and Assessment; and
 - Chapter 13 - State Government Leading by Example
 - Make available the most up-to-date syntheses for chapters that have already been reviewed:
 - Chapter 8 – Smart Grid Deployment Review and Assessment
 - Chapter 9 - Utility Performance Incentives Review and Assessment
 - Chapter 10 - Energy Finance Programs Review and Assessment
 - Chapter 11 - Community Planning and Municipal Engagement as Cornerstones of Sound Energy Policy
 - Chapter 12 - The Importance of Building Energy Codes and Code Enforcement in Developing Markets
 - Present a schedule and process for developing the final report to the legislature. Here the committee has decided to recommend that the VEIC Study Review Committee facilitate the EESE Board’s discussion and develop mat

4. *Adjourn*

The meeting ended at noon.

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