

Minutes
Energy Efficiency and Sustainable Energy Board
Public Utilities Commission, Room A, Concord, NH
9 AM – 3 PM
Friday, July 13, 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; Mike Fitzgerald from DES; Alan Linder from NH Legal; 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; Jim Garrity for NH House; Brian Ramsey for BIA; Kendall Buck for Luke Benson for the Home Builders and David Borden for NH Sustainable

Non-Voting Members in Attendance:

George Gantz for Unitil; Tom Belair for Gil Gelineau from PSNH; Carol Woods from NHEC; Michael Bruss from Bruss Construction; Michael Behrmann from Revolution Energy; Kate Peters from NH CDFR and Debra Hale from Liberty Utilities.

1. Welcome and Introductions

- Food sponsored by Ben Frost on behalf of New Hampshire Housing Finance Authority

2. Minutes of June 8, 2012 EESE Board Meeting

- Adoption of the minutes of June 2012 EESE Board meetings was postponed until the September 2012 meeting.

3. Updates:

- **Outreach and Education Working Group**

- Co-chairs, Mike Bruss and Mary Downes, are developing a Communications Plan for presentation at the September meeting.

- **Legislative Monitoring Subcommittee**

Report out:

- Compromise versions of HB 1490 and SB 218 were passed in the House and Senate, and the Governor has allowed them to become law without his signature.
- SB 252 has become law and extends the period of performance contracting from ten to twenty years.
- Representative Jim Garrity was acknowledged for his service to the EESE Board, this being his final meeting on the Board.

Discussion

- The Board discussed how HB 1490 would affect the role of the EESE Board and what action could be taken in concert with the PUC.
 - Consideration of the EESE Board's future by the VEIC Report is germane to this dialogue.
 - LBA Audit review comments upon the mismatch between EESE Board responsibilities and resources.

4. Energy Study Working Group Chapter Reports:

The VEIC Study Review Committee has completed its study of all of the topic-oriented chapters of the VEIC report. The committee's small working groups presented at the EESE Board meeting their reviews of the remaining eleven chapter summaries and chapter syntheses. Overall analysis of Chapter 14 will be presented on July 25, 12-2pm and on August 2, 10am-12pm.

The intent of these presentations is to inform development of recommendations the EESE Board will make in its report to the Legislature, and to regulatory and programmatic players.

Committee reviewers expressed a growing consensus that there is an energy policy vacuum in the State, and recommended that the Legislature generate a strongly supported and cohesive policy statement.

Discussion

- The EESE Board's role in informing the shaping of policy at the State level.
- Framing messages and engaging in tasks for discrete targets vs. the need for comprehensive and consistent policy.
- Seeking a strategic vehicle for a state energy policy; one capable of being responsive but consistent in a dynamic environment.
- Energy Efficiency Resource Standard (EERS) being developed partially addresses the need for an energy policy.
- An overarching, fully-developed energy policy may meet more opposition than clear recommendations.
- EESE Board recommendations versus strategies to implement.
- [Chapter 3](#) – Utility EE Programs – Portfolio Level Review and Assessment
 - Steve Eckberg of the OCA presented this chapter.
 - noted the need for EERS to guide EE programs.
 - noted the need to increase the SBC, extend it to cover natural gas, and systematize funding for natural gas EE programs.
 - discussion of these revealed items for more work.
- [Chapter 4](#)- Residential Energy Efficiency CORE Programs Review and Assessment
 - Carol Woods of NH Electric Coop reported .

- Noted the chapter's emphasis on programs, not policies; programs are the purview of the PUC.
- Noted the importance of having utilities review the VEIC report, to inform their plans for CORE projects, and likewise, to have PUC familiarize itself with chapters 3,4 and 5 before acting on the CORE docket.
- Noted the impact of RGGI and its funds on EE programs addressed in this chapter.
- Noted that little of this chapter's content would be appropriate to include in the EESE Board's report to the Legislature.
- Recommended for consideration by the PUC and the Legislature: how best to divide between them the responsibilities for conveying EE information to diverse audiences.
- [Chapter 5](#)- C&I Energy Efficiency CORE Programs Review and Assessment
 - Jodi Lucci of LighTec reported
 - Noted the close relationship of Chapter 5 and Chapter 10. Given this close relationship, it was recommended that the language used in this chapter review be tightened up to be consistent with that used in the Chapter 10 review.
 - Noted that, in general, more funding is needed and funding mechanisms need to be developed.
- [Chapter 6](#)- Low Income Weatherization Programs Review and Assessment
 - Ben Frost of NHHA reported.
 - Noted that DOE funding for weatherization has dropped dramatically: NH has already released half of its weatherization workforce, according to Dana Nute. Recommended that the EESE Board report harden its language to reflect this situation. Rick Menard read aloud to the Board his suggested revisions to the draft language.
 - Discussion of the need to mitigate decline in weatherization funding and activity as ARRA ends yielded the suggestion that the EESE Board identify this area as a priority.
 - Recommend to the PUC that RGGI funds be used consistently with the recommendations of this chapter, and that a percentage of this fund's proceeds go to low income projects. It was agreed that EESE Board Chair George Gantz would convey to the PUC in writing, "...give strong consideration to the needs of low income...".
 - strive to improve communication among weatherization players, to coordinate and optimize resources.
- [Chapter 7](#)- Sustainable Energy Programs Review and Assessment
 - Ben Frost of NHHA reported.
 - Discussion noted that in NH, there is no single entity with responsibilities and resources for energy policy and programs. Constraints of various State agencies from making and implementing energy policy were noted, and it was suggested that the EESE Board include an overview of these in its annual report to the Legislature, to illustrate the need for a comprehensive policy administered by a single entity.
 - OEP's and PUC's constraints for effecting energy policy were noted, and it was recommended that a single agency be designated, and charged with defining program targets.

- As an alternative to developing a state energy policy, it was suggested that a list of principles could be created – ‘value propositions’. See VEIC’s version in Chapter 14.
- Recommended: establish a policy frame and review the nature of State stimulus for Renewable Energy.
- Recommended: focus on RPS, as the market-type mechanism with greatest potential benefit for Renewable Energy in the state, and on ACPs.
- It was noted that recent changes to regulations affecting ACP’s have created a shortage of class III REC’s.
- [Chapter 8](#)- Smart Grid Deployment Review and Assessment
 - Alan Linder of NH Legal Assistance reported.
 - Noted that care should be taken not to imply that the smart grid is an involuntary demand management device.
- [Chapter 10](#)- Energy Finance Programs Review and Assessment
 - Alan Linder of NH Legal Assistance reported.
 - Power Purchase Agreements (PPA’s) were mentioned in discussion and it was noted that, although they are not mentioned in this chapter, they should be included in the EESE Board’s report to the Legislature.
 - The concern was expressed that administering loan programs might take away from investment in measures (such as through the CORE programs).
 - Recommended revisiting language used, to emphasize coordination rather than full integration of financing (loans).
- [Chapter 13](#)- State Government Leading by Example
 - Becky Ohler of DES reported.
 - In general, it was noted that accounting challenges presenting barriers to State EE and RE need to be addressed by involved parties and resolved.
 - The chapter review Team went beyond VEIC’s recommendations and identified these areas for further consideration:
 - need for staffing and resources for EE projects yielding benefits of greater magnitude.
 - State agencies must continue to allocate budget for EE measures.
 - develop a mechanism which allows agencies to capture financial savings from EE and direct them to additional EE projects.
 - modernize State energy data management systems.
 - work with DOT on lighting efficiency.
 - Recommendation: Address the State’s power generation from renewables.
 - Recommendation: Include references to State biodiesel procurement.
 - Recommendation: Emphasize in communications with Legislature the message that “The State could save money” (through EE) - and that requires adequate staff and incentives.
 - Recommendation: State modeling cost vs. benefit of EE will illustrate for the state the

advantages of EE.

5. Other Business

- The EESE Board will not meet in August. Its next meeting will be September 21, 2012. The following meeting will be October 12, 2012, and then October 26, 2012, if needed to complete work on the annual report to the Legislature.
- The Ad-Hoc report-writing team meeting (for the annual report to the Legislature) is scheduled for August 2, 2012 at 8:30 am.
- PUC Commissioner Bob Scott presented this newly-issued document: PUC DE 10-188 Electric and Gas Utilities 2011-2012 Core Electric Energy Efficiency Programs and Natural Gas Energy Efficiency Programs “Supplemental Order of Notice Relative to Electric Utilities”. In brief, it directs electric utilities to formulate proposals for use of the presently available RGGI funds in the current core program year, and to include in their 2013-2014 core energy efficiency program filings, proposed uses for these additional RGGI funds.