

Draft MINUTES
Clean Energy Development Fund (CEDF) Board Meeting
December 15, 2010

In Attendance:

<u>Board Members</u>	Attending	Absent
Robert Dostis (RD) – Green Mountain Power	X	
Sam Swanson (SS) – Pace Energy & Climate Center	X	
Jo Bradley (JB) – VT Economic Development Authority		X
Tom Evslin (TE) –Private Citizen	X	
Ellen Kahler (EK) – VT Sustainable Jobs Fund		X
Mary Lintermann – DEW Construction	X	
Rich Sedano (RS) – Regulatory Assistance Project	X (via telephone)	
Mark Sinclair (MS) – Clean Energy Group		X
Jeb Spaulding (JS) – VT State Treasurer		X
Staff		
Andrew Perchlik (AP) – CEDF Director	X	

Public Attendees for Board Meeting: None

RD chaired the meeting and brought the meeting to order at 9:40 AM

I. Board Administration

- a. Review of prior minutes (11/17/10)
ML made a motioned to approval of the 11/17/10 minutes as presented, TE seconded the motion and the vote to approve was unanimous.
- b. Completed Per Diem expense claim forms were handed in from the Board members present.

II. Director's Report

- a. AP gave a progress report on the CEDF annual report. He said he would email out a draft to the Board soon with a goal of having a final version available for the Board to vote on at the Board's January 26, 2011 meeting.

AP asked if the CEDF report for the legislature should be switched to a fiscal year report instead of reporting on the calendar year. There was agreement that switching to reporting on the fiscal years was acceptable given the difficulty of completing a report by mid-January for the prior calendar year.

- b. AP went over the Board requested draft letter to the Legislature regarding the \$2 million of CEDF funds that was misappropriated in the capital bill at the end of the 2010 session. A couple of edits to the letter were

- requested and there was agreement that AP could sign the letter for the Board.
- c. AP gave an update on the Business Solar Tax Credits and passed out the final list of entities that received tax credit reservations and of entities on the waiting list.
 - i. The Board asked AP to send a letter in January to all the recipients of a solar tax credit reservation in an effort to determine if any of the projects on the list will not be built and, for those projects that were completed in 2010, what the final costs were.
 - d. AP reported that he will be attending a meeting on 12/16/10 with legislators and IVEK regarding IVEK's lack of a solar tax credit.
 - e. AP gave an update on the renewable energy incentive program. He reported that the contract amendment for an additional \$1.8 million was still in process but that he thought the program would be operational by 12/23/10.
 - f. AP reported that there has been no update on the status of \$1 million Seed Capital Fund appropriation. DOE approval still has not been obtained and the Seed Capital Fund has not relinquished its rights to the \$1 million. AP thought that this would be settled by the legislature during the 2011 session.
 - g. AP gave a brief financial update and report on the efforts to get grantees to either get projects started or relinquish their grants. AP reported that two ARRA and four CEDF grantees have projects that are now questionable on whether they will be able to use the funds.

III. Final EECBG Obligation

- a. AP reported on the possible obligation of the final amount of EECBG funds (\$219,686.36) to the Neighbor Works home energy retrofit program.
- b. AP said his goal is to have a residential financing program for energy retrofits operational in Vermont and that this program is the best option at the time. AP said there could be tie-ins to the smart grid and to deployment of renewables but that he thought the best use for the funds was in supporting the program with an interest rate buy-down for income eligible participants.
- c. The Board expressed concern about what the expected outcomes would be from CEDF's involvement in this large program. Board members asked why making a grant to Neighbor Works would be a better use of the funds than increasing funding to the small scale renewable energy program.
- d. AP was asked to prepare a more detailed proposal for the Board's January meeting on the Neighbor Works project as well as a proposal to use the final EECBG funds for the small-scale RE program as an alternative to the funds being granted to Neighbor Works.

IV. Possible Economic Evaluation of CEDF's Activities

- a. Public in attendance for this agenda item: Netaka White, Chris Recchia

- b. Tom Kavet, from Kavet, Rockler & Associates, LLC gave a presentation the type of economic reports he could provide to the CEDF.
 - i. There was a general discussion of: how to report jobs, different options for economic impact reports, different data points that would need to be collected, the different economic models that could be used, concerns about the accuracy of the numbers, and how the costs of CEDF funded projects are subtracted from the benefits.
 - ii. Netaka White spoke of the interest that the three different groups that he is involved with (Sustainable Jobs Fund, Renewable Energy Vermont and the 25X25 Alliance) all have in the CEDF having an economic impact study completed. Netaka handed out a list of possible questions that the study could address.
 - iii. The Board agreed that a report, if one is contracted to be completed, should only be focused on the CEDF funds and should not include the ARRA funds.

The Board requested that AP ask Tom Kavet for a written proposal outlining the costs and work product of two different reporting options. The Board asked to have the proposal sent to them prior to their January 26, 2011 meeting.

V. Loan Requests

- a. VEDA representatives Tom Porter and Steve Greenfield from gave a review of their underwriting report of the requested loan; Redstone/Bolton's \$138,000 request for pre-project costs for the installation of a 1.8MW turbine at Bolton.
- b. After general discussion, which included concern about the icing of turbines at the proposed elevation and permit risk TK moved to go into executive session to discuss personal financial information of the loan applicants. ML seconded the motion and it passed unanimously.
- c. RD brought the Board out of executive session.
- d. The Board decided to table the loan request until their January 26th, 2011 meeting due to concern about the icing at the site and about the term of the loan. There was interest in shortening the loan term to two years. VEDA was asked to discuss the possibility of a two year term, which could be interest only, with the applicant. AP was asked to speak to the installer about the proposed turbine and the icing problems at the site. Specifically the Board wanted to know what specific measures the installer and applicant were proposing as remedies to deal with icing problem.

VI. RD adjourned the meeting at 11:50 AM