

Draft MINUTES
Clean Energy Development Fund (CEDF) Board Meeting
June 3, 2011
1:30 – 4:49

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 Evslyn (TE) –Private Citizen		X
Ellen Kahler (EK) – VT Sustainable Jobs Fund	X	
Mary Lintermann – DEW Construction	X	
Rich Sedano (RS) – Regulatory Assistance Project		X
Mark Sinclair (MS) – Clean Energy Group	X	
Beth Pearce (BP) – VT State Treasurer	X	
Staff		
Andrew Perchlik (AP) – CEDF Director	X	

Meeting brought to order at 1:40 with RD chairing the meeting.

I. Minutes (from the 4-27-11 meeting)

A motion to approve the minutes as presented was made by ML with a second by MS. The vote to approve the motion was unanimous.

II. Director's Report

- A. AP gave a legislative update reviewing the changes to the CEDF within Act 47 (H.56).
- B. AP gave a funding update and presented some recommended changes to the Small Scale Incentive Program. AP referred to the memo sent to the Board with the proposed changes to the incentive program. AP reported that there will be a shift in the budget of the incentive program from administration/program delivery to incentives. VEIC will be proposing the exact dollar amount of the budget shift; AP thought it would be approximately \$1 million.

In addition to the proposed changes, AP mentioned that he had asked VIEC to propose a program change that would provide an increased incentive for a solar or wind system to those customers that performed an energy audit and an energy efficiency retrofit. There was discussion and general support for such an energy efficiency adder to the incentive program. The proposed changes to the incentive program as listed below were moved for approval by EK and seconded by JB. Vote: yes=5, no=0, and 1 abstention by RD.

Standard Residential:

- No changes (\$0.75/watt up to 10kW)

C&I:

- Allow C&I customers to participate in leasing programs at \$0.70/watt up to 5kW; \$0.60/watt for each additional watt after 10kW up to 60kW.
- Incentives payments for PV extended to 60kW (cap was 25kW, increase to 60kW until federal funds are fully reserved)
- Increased installer caps (VEIC will propose exact changes)
- PV system size allowed increased to 149kW if installed on a roof. Size cap remains at 60Kw if ground mounted.
- Starting August 1st, 2011 only approve incentives for systems that are “within the boundaries of an existing facility”. If outside the boundaries then it will need NEPA approval and we can't ask for NEPA approvals after August.

Special Customer Category:

- Incentives payments for PV extended to 60kW (cap was 25kW, increase to 60kW until federal funds are fully reserved)
- PV Systems of up 149kW if installed on a roof only up to 60kW if ground mounted
- Starting August 1st, 2011 only approve incentives for systems that are “within the boundaries of an existing facility”. If outside the boundaries then it will need NEPA approval and we can't ask for NEPA approvals after August.
- Expand definition of “special customer” to included faith-based non-profits (ex. churches and temples).

III. CEDF and ARRA Finances

- A. AP provided an update and handouts regarding the financials for both the CEDF and the separate ARRA funds. AP reported that DOE was urging the states to have at least 50% of DOE ARRA funds spent by June 30th. AP said that Vermont will be close to that but may not get to 50%.
- B. AP reviewed the grants and loans that have been re-captured and plans for ensuring ARRA funds are expended within the grant term.

AP reported that Georgia Mountain Wind was not going to try and keep its loan with the CEDF and thus the CEDF will follow through with the cancellation of the loan. Thus, the funds that were reserved for the Georgia Mountain Wind loan were made available to the other loan applications being voted on at the meeting.

IV. Loans Applications

- A. SB Electronics
Bill Roberts, loan officer at VEDA, presented his underwriting report of the loan application. Bob Britt of SB Electronics was present and gave a short description of SB Electronics and their loan request. Mr. Britt disclosed that

he was the Chair of the VEDA Board of Directors. There was a brief discussion on the merits of the applications and questions were made to Mr. Britt and Roberts.

EK moved to accept the loan application with the terms and conditions as recommended by VEDA, ML seconded the motion. The motion to approve passed on a vote was 5-0-1 (JB abstained from the vote due to the connection between VEDA and the applicant).

B. Kingsbury Hydro

Charlie Keeler, loan officer at VEDA, presented his underwriting report of the loan application. Robert and Bill Porter from Kingsbury Hydro were present and answered questions. There was a brief discussion on the merits of the applications and questions were made to Mr. Keeler and the Porters.

EK moved to accept the loan application with the terms and conditions as recommended by VEDA with funding to come from CEDF funds. JB seconded the motion. The motion to approve passed on a vote was 5-0-1 (RD abstained from the vote due to the project having a power purchase contract with GMP).

C. Long Wind Farm

Charlie Keeler, loan officer at VEDA, presented his underwriting report of the loan application. Adan Martinez from Long Wind Farm joined the meeting via speaker phone. Mr. Martinez gave a description of the farm and proposed project and answered questions from Board members. There was a brief discussion on the merits of the applications with MS questioning whether CEDF State funds could be used for a project that was solely an energy efficiency project.

After discussion regarding the CEDF statutory listed funding options, EK moved to accept the loan application with the terms and conditions as recommended by VEDA, except that the funds would be 100% ARRA. BP seconded the motion. The motion to approve passed on a vote was unanimous.

V. Other Business

The Board discussed and decided that given the May meeting was postponed into June and the lack of items needing Board action in June it was decided that the regularly scheduled June meeting (6-22-11) will be canceled. It was recognized that this, therefore, was the last meeting of the existing CED Board before the terms end on July 8th. Thanks and praise for the service of CED Board members was given and received.

3:10

Meeting Adjourned