

**Clean Energy Development (CED) Board Meeting Minutes
January 24th 2013**

In Attendance:

Board Members:	Attending	Absent
Elizabeth Catlin (EC) Blue Wealth Management		X
Sam Swanson (SS) – Pace Energy & Climate Center	X	
Jo Bradley (JB) – VT Economic Development Authority	X <i>(by phone)</i>	
Alex Ibey (AI) Commerce & Economic Development	X <i>(by phone)</i>	
Patty Richards (PR) – La Capra Associates	X <i>(by phone)</i>	
Gaye Symington (GS) High Meadows Fund	X <i>(by phone)</i>	
Will Wiquist (WW) – Green Mountain Club		X

State Employees:

Chris Recchia, Commissioner - Dept. of Public Service *(attend first 30 min. of meeting)*

Asa Hopkins, Director - Planning and Energy Resource Division, Dept. of Public Service *(attended first hour of meeting)*

Andrew Perchlik (AP), Manager - Clean Energy Development Fund, Dept. of Public Service

Members of the Public:

Caleb Elder, All Earth Renewables; Duane Peterson, SunCommon; James Moore, SunCommon; Tom Hughes, Sunward Systems; Will White, Real Goods Solar; John McNerney, Addison Renewable Energy.

Meeting brought to order at 1:04 am with Andrew Perchlik presiding over the meeting.

Materials Presented:

Draft Minutes (12/12 and 10/9), SSREI Program Proposed Changes, financial reports for 12/31/12

I. Agenda

- a. Discussed and agreed to agenda as presented

II. Minutes

- a. Discussed the 12/12/12 and 10/19 minutes but at this time there was not a quorum of Board members present and thus consideration of the minutes was passed over.

III. Fund Manager Report

- a. AP and Chris Recchia gave an update on CEDF funding and finances. Chris reported that the fiscal year 2013 appropriation was supplied to the CEDF by the Emergency Board the day before. He also reported that the Governor's budget address would include funding for the CEDF for fiscal year 2014.

AP went over the December financial reports for the CEDF and discussed efforts to include more detail on the loans in future financial reports.

- b. AP discussed recent guidance from Department legal counsel that the CEDF Board should not have any phone calls where a quorum of members is present unless the calls were publicly warned and minutes taken.

IV. Small Scale Renewable Energy Incentive (SSREI) Program

- a. AP gave a brief overview of the Department's proposed allocation of \$2 million for the SSREI program and proposed changes to the program. Board members agreed to hear public comments first.
- b. Public Comments
 - i. Caleb Elder, All Earth - no comment
 - ii. James Moore and Duane Peterson, SunCommon
SunCommon passed out updated comments on the Department's revised proposed changes. Their comments focused on opposing four of the proposed changes: The lower incentive for leased residential systems as compared to residential purchased systems; the lowering of the installer caps (also advocated for getting rid of the installer caps entirely); the 15kW limit for residential systems (advocating for no kW cap or 30kW at the minimum); and the required kWh requirement for PV systems.
 - iii. Tom Hughes, SunWard. Tom focused on four points:
 - Reservation cap issue. Intermittence of program and funding is a problem. Continuity is most important aspect of program
 - Lower incentive cap helps with continuity – likes the \$100K cap the Department originally purposed better than the revised \$135K cap
 - Doesn't like the quarterly budget
 - Solar thermal projects have a cap on the number of residential system they can have reserved, in addition to a \$ cap and thus PV installers should have the same.
 - Advocated for repealing of the prohibition on incentives for pool heating for Special Customers only.
 - iv. Will White, Real Goods. Will focused on two points:
 - Incentive cap. Doesn't think the rolling \$150K is working to limit monopolization of funds. Thinks instead each company should be limited to a total \$ amount of incentives per funding round.
 - Doesn't like the 15kW size cap for residential systems.
 - v. John McNerney, Addison Renewable Energy. John focused on two points:
 - Main concern is Special Customer limit. Should give a larger incentive for a smaller system then a little incentive for a larger system. Should allow incentive to be up to 40-50% of total costs like others customers that have access to tax credits.
 - Did not support providing any incentive for commercial systems and sees leased systems (residential or otherwise) as not needing the SSREI due to the accelerated depreciation allowance they are able to take.
- b. Discussion

There was a discussion amongst Board members and the public present about the different issues addressed in the public comments and concerns of the Board members.

It was determined that there were five principle issues where Board members had concerns and/or were not clear regarding the Department's proposed changes.

These were:

- The proposed residential cap of 15kW for PV
- The proposed Special Customer \$/watt incentive for PV
- The proposed \$/watt incentive for residential leased PV systems
- The proposed minimum kWhr requirement for incentivized PV systems
- The proposed elimination of the Efficiency Adder

Furthermore the restriction on solar pool heating for Special Customers was discussed as something that was worthy of taking a look at.

Board members did not feel they have sufficient time left in the meeting to be able to craft a motion that would get the four votes necessary as JB had left the meeting and PR said she was not ready to vote on any motion involving the proposed changes.

Therefore it was agreed that a special meeting would be called for the following Friday, February 1st 2013 at 8:00 to 9:00am at the Department's office and by conference call. AP agreed to properly warn the meeting.

AP asked the Board if there were willing to vote on the Department's recommendation to allocation the \$2 million for the SSREI so that staff could prepare the necessary paperwork to re-open the program. Board members said they could vote on this and it was decided that they should also have a motion to request the Department to reconsider certain aspects of their proposed changes.

Therefore, GS moved to approve the allocation of \$2 million of CEDF funds for the SSREI program as purposed by the Department, and that the Department would re-evaluate the following changes it had proposed and to deliver a written re-evaluation to the Board no later than Wednesday, January 30th, 2013:

- The proposed residential cap of 15kW for PV
 - The proposed Special Customer \$/watt incentive for PV
 - The proposed \$/watt incentive for residential leased PV systems
 - The proposed minimum kWhr requirement for incentivized PV systems
 - The proposed elimination of the Efficiency Adder
- As well as considering lifting the existing prohibition on solar thermal incentives for pool heating for Special Customers.

SS seconded the motion and the motion was approved unanimously by the four members present (SS, PR, GS, AI).

With no objection the meeting was adjourned at 3:12pm.