

**Approved Minutes
Clean Energy Development Board
Quarterly Meeting April 8, 2015**

In Attendance:

Board Members:	Attending	Absent
Sam Swanson (SS)	X	
Jo Bradley (JB)		X
Jennifer Hollar (JH)	X	
Linda McGinnis (LM)	X	
Johanna Miller (JM)	X	
Gaye Symington (GS)	X	
Mark Whitworth (MW)	X	

State Employees:

Andrew Perchlik (**AP**), Fund Manager - Clean Energy Development Fund, Public Service Department
Ed Delhagen, Public Service Department

Other Attendees: None.

Members of the Public:

None present.

Meeting brought to order at 2:34 with Andrew Perchlik presiding.

- I. **Agenda:** The draft agenda was discussed and the agenda was approved.
- II. **Minutes:** There was brief discussion regarding the draft minutes from 1/14/2015. **SS** moved to approve the draft minutes as presented and **LM** seconded the motion. The motion passed unanimously.
- III. **Legislative/H.40 Update and CEDF Ramifications:** (*Asa Hopkins, PERD Director, Public Service Department, joined the meeting by phone*)
Asa gave an overview of House Bill 40, also known as RESET (Renewable Energy Standard and Energy Transformation). He explained the different aspects of H.40 and likely impacts on the work of the CEDF. Board members expressed concern that H.40 didn't address the siting issues facing renewable energy projects in VT. Members thought that the State should be trying to encourage PV to be sited on the lowest impact sites (like roofs and landfills) and that this would be helpful to getting more PV installed in the long-run.

There was a discussion about the CEDF having the flexibility, stakeholder input, and expertise to design programs to address the siting issues, and thus should do so.

IV. CEDF Program Reports: **AP** gave an update on the following CEDF programs:

- a.** Strafford-Hill Solar micro-grid/Storage Project
- b.** Windham County Advanced Wood Heating Program
- c.** Windham County Solar Financing Program
- d.** Small Scale Renewable Energy Incentive Program (SSREIP) Funding Situation and Program Changes
 - i.** PV Reservation Obligations. **AP** reported that the SSREIP has PV incentive reservations worth approximately \$689,000 and that the program does not have sufficient funds to pay out all those reservations. **AP** reported the program is short approximately \$182,000 due to the large number of PV reservations at the end of 2014. **AP** suggested that the CEDF move the funds necessary to cover all the PV reservations from the Clean Heat Community Challenge (CHCC) program. The CHCC program was established in FY 2014 with a \$550,000 budget but none of the funds have been spent. There was a discussion about the SSREIP budget, current obligations and what other options should be considered before moving the money from the CHCC program to the SSREIP. **LM** moved to use the funds necessary from the CHCC program to meet the PV reservation obligations that can't be met with the funds in the SSREIP budget. **GS** seconded the motion and it passed unanimously.
 - ii.** Pellet incentive changes. **AP** talked about the following changes the CEDF would like to make the pellet heating system incentive:
 - Increase the base incentive amount and requirements up to what is now available and required for the high performance adder. This would raise the incentive from \$2,000 with a possible adder of \$500 for pellet systems that meet higher efficiency and emission standards to a \$2,500 incentive with all systems required to meet the high performance standard.
 - Establish an adder for systems that have pellet storage larger than the currently required 14 days.
 - Changing the energy efficiency adder to a flat \$500 (instead of \$300 or \$500 depending on building type) incentive and make the energy efficiency work/audit a requirement.
 - iii.** Ending incentive for micro-hydro. **AP** explained that the micro-hydro incentive has only been used once and the CEDF would like to end this incentive given the lack of funds and lack of projects that can qualify.
 - iv.** Ending incentive for SHW and Special Customer PV when funds for those programs are fully reserved. **AP** said that the CEDF would like to end the solar hot water (SHW) and Special Customer PV incentives when those projects run out of funds to signal to the market that customers should not wait for new incentives for those technologies when the current budgeted amounts are fully reserved. He reported that there was only about \$2,000 of Special Customer PV funds and \$67,000 of SHW funds available.
 - v.** After discussion and questions **GS** moved to have the following changes to the Small Scale Renewable Energy Incentive Program noticed for comment:

- At the end of the fiscal year (June 30, 2015) discontinuing offering incentives for micro-hydro, solar hot water, and special customer PV projects.

The motion was seconded by **JH** and approved unanimously.

- e. Administration contract amendment. **AP** reported that the CEDF will be amending the contract with VEIC to administer the SSREIP to allow for more time (the current contract ends in September) and add the pilot project on solar air heating systems.
- f. Bulk Pellet Delivery Infrastructure RFP. **AP** reported on the Pellet heating stakeholder meeting held and the possible change in the amount of funds made available for the bulk pellet delivery infrastructure RFP. That RFP was budgeted at \$600,000 but stakeholders felt that a portion of those funds would be better spent on the SSREIP pellet incentive to ensure longevity of that incentive.
- g. CEDF Evaluation
 - i. There was a discussion on the evaluation of the CEDF and final evaluation report completed by NMR. Board members were concerned that a one page summary had not been created and that little effort had been made to disseminate the report and its findings. **AP** agreed to send the final version of the report to the Board members and that the CEDF could hire a contractor to create the one-page summary of the CEDF evaluation. After a brief discussion **LM** moved that the CEDF spend \$5,000 of the \$50,000 budgeted for evaluation work in FY '15 that hasn't been spent to hire a communications professional to create a one-page piece to disseminate. **MW** seconded the motion and it passed unanimously.

V. Planning for FY '16 Plan and Budget

- a. There was a discussion on when the next meeting should be held and how the meeting dates relate to the Board's review and approval of the FY '16 Annual Plan and Budget as well as for approval (or not) of changes to the SSREIP after comments on the proposed changes are received.

There was agreement that the Board's next meeting would be on June 10th at 1:00 to 3:00 and that the following meeting would be on July 6th at 2:30 to 4:30. Both meetings will be held at the PSD.

-- With no objection the meeting was adjourned at 4:32 --