

Approved MINUTES
Clean Energy Development Fund Board Meeting
August 26, 2009
12:30 p.m. – 4:30 p.m.

In Attendance:

Robert Dostis, Green Mountain Power
Sam Swanson, Pace Law School
Jo Bradley, VEDA
Jeb Spaulding, VT State Treasurer
Mark Sinclair, Clean Energy Group
Ellen Kahler, VSJF
David Blittersdorf, Earth Turbines
Tom Evslin, Office of Economic Stimulus &
Recovery

Anne Margolis, DPS
Bill Jordan, DPS
Sarah Hofmann, DPS

Other

Bill Griffin, Office of the Attorney General
Gabrielle Stebbins, VEIC
Cheryl Jenkins, VEIC
Bill Basa, Northern Power Systems
Nils Behn, Alteris
John Zimmerman, VERA
John Kidder, VTC

Staff

Discussion Items:

I. Approval of August 7 Meeting Minutes (*Action Item*)

- Ellen Kahler moved approve the August 7 meeting minutes. Tom Evslin seconded the motion. Motion passed unanimously.

II. Discussion and Vote on Policies & Procedures/Executive Code of Ethics/MOU (*Discussion and Action Item*)

- The following amendments were proposed for the Policies & Procedures, in addition to the changes presented by Sarah Hofmann and Anne Margolis:
 - regarding attendance, and the point at which the Board may request in writing that the appointing authorities ask for the resignation of any member, the question shall be called when a Board member misses 3 consecutive meetings.
 - regarding ground rules, they should be moved to the end of the Policies & Procedures document.
 - also regarding ground rules and consensus, the words “but final decisions will be decided by majority vote of the full membership” should be added.

Jo Bradley moved to accept the Policies and Procedures as amended. Tom Evslin seconded. Motion passed unanimously.

- The following amendments were proposed for the Code of Ethics:
 - Section 6.A.7 shall now read, “based upon **nonpublic** information...”

Tom Evslin moved to accept the Code of Ethics as amended. Sam Swanson seconded. Motion passed unanimously.

- The membership requested that Anne put up a notice on the CEDF website that all inquiries are to go to her (or whoever is manager/director) and not to the board members.
- Robert Dostis disclosed that Green Mountain Power is planning to take advantage of the state business solar tax credit that the Legislature mandated come from CEDF.
- Jo Bradley moved to accept the MOU with DPS as amended; Tom Evslin seconded. Motion passed unanimously.

III. Small-Scale Incentive Program Design & Budget Presentation by VEIC & Vote *(Discussion and Action Item)*

- VEIC presented the outline of changes for consideration to the Small-Scale Incentive program. These include:
 - David Blittersdorf moved to increase the system size cap to 150 kW; Robert Dostis seconded. Motion passed unanimously.
 - Tom Evslin moved to remove the distinction between residential and commercial; Jo Bradley seconded. Motion passed with a majority (Robert Dostis, Ellen Kahler, and Mark Sinclair voted no).
 - Tom Evslin moved to schedule a discussion for a later date about limiting the number of times a customer can come in for a system. Discussion: this will be a problem with leasing companies who need to own numerous systems. Mark Sinclair seconded the motion. Motion passed unanimously.
 - Mark Sinclair moved that if you are using any CEDF ARRA funding for renewable energy installation on a public building, you cannot also take an incentive in the government/nonprofit incentive program category (no double dipping). Jeb Spaulding seconded. Motion passed with a majority (David Blittersdorf and Tom Evslin voted no).
 - Tom Evslin moved to accept the new structure as presented with the rate cap design as already amended. Mark Sinclair seconded. Motion passed unanimously.
 - Remaining details include stepping the program down to \$0; limiting the number of times a customer can come in for an incentive; requiring energy audits; having tiers for residential customer incentives; making the wind incentive richer or adding a performance piece; and the made in VT adder. These items can be hashed out in a conference call.

IV. Discussion and Final Vote on Bolton Loan Application *(Discussion and Action Item)*

- Mark Sinclair moved to go into Executive Session. Tom Evslin seconded. Motion passed unanimously.
- Tom Evslin moved to come out of Executive session. Jo Bradley seconded. Motion passed unanimously.

- Tom Evslin motioned to fund the Bolton project at no more than \$206,200 and to require 15% equity by the applicant after the federal tax credit and the Clean Energy Development Fund grant are subtracted from the project's total. Jeb Spaulding seconded, with VEDA's conditions as proposed, and on the condition that a 10- year warranty is provided. Jeb Spaulding seconded. All in favor except Mark Sinclair. The Board membership also agreed that this offer should be valid for six months from this meeting's date.

V. Wind Speed in RFP (*Discussion*)

- The Board discussed the minimum wind speed requirement, with input from Bill Basa, John Zimmerman, and John Kidder. The issued include modeled (rather than measured) wind speeds; the economics of wind turbines at even low speeds vs. PV; and performance-based incentives. The Board suggests that CEDF staff talk to other state programs, including Massachusetts' program, to find out what they are doing and if it works, and to come back to the Board with a recommendation.

VI. Staffing Progress (*Discussion*)

- Anne suggested that the top two or three candidates are presented to the Board in September for a final decision. Sam and Robert will help with the first round of screening. Sam Swanson moved to go forward with this hiring plan. Robert Dostis seconded. Motion passed unanimously.

VII. Smart Grid (*Discussion*)

- Tom Evslin outlined VELCO's proposal to the DOE for smart grid stimulus dollars. The Board discussed the potential need to consider grant funding based upon a project's smart grid potential. Tom requested that DPS look into resurrecting the Northern Power microgrid project for the August 26 smart grid demonstration project DOE deadline.

VIII. Work Plan for Coming Year (*Discussion*)

- The Board discussed analyzing the feed-in tariff and its relationship to CEDF, and requested that DPS attend the next Board meeting to discuss questions and options. The Board also discussed performance-based incentives and the potential to include a solar leasing program as a significant component of the Small-Scale Renewable Energy Incentive Program. Other significant near-term needs include figuring out all the terms and conditions of ARRA, putting out a number of ARRA-related solicitations in the near term, staffing up, and determining the impact of the state solar tax credit on CEDF.
- The Board will meet on the following dates through mid-2010:
 August 26 (12:30-4:30 w/lunch)
 September 21 (12-4:30 w/lunch for proposal review)
 October 28 (1-4; 4-5 public session)
 November 23 (1:30-4:30)
 December 16 (1:30-4:30)
 January 27 (1:30-4:30, public session)
 February 24 (1:30-4:30)
 March 31 (12-4:30 w/lunch for proposal review)

April 28, public session)
May 26 (1:30-4:30)
June 30 (1:30-4:30)
July 28 (1:30-4:30, public session)

Meetings will generally be held in the Giga conference room on the 3rd floor of DPS.

IX. Hiring Process (*Discussion*)

- Anne described the status of the technical consultant and the grants assistant positions; for the director position, the Board felt that the DPS could cull through applicants and recommend the top tier to the Board; the Board would create a subcommittee to make a single hiring recommendation to the full Board. Mark Sinclair suggested DPS send the hiring announcement of VEIC and also to ask them what their advertising outlets out. Anne will distribute the job description to the Board for comment.

X. Public Comment Period

- No members of the public were present.

Meeting adjourned at 5:00 p.m.