

**Approved MINUTES**  
**Clean Energy Development Fund Board Meeting**  
**October 28th, 2009**  
**1:00 p.m. – 4:00 p.m.**

**In Attendance:**

<b>Board Members:</b>	<b>Attending</b>	<b>Absent</b>	<b>Note</b>
Robert Dostis (RD); Green Mountain Power	X		
Sam Swanson(SS); Pace Law School	X		
David Blittersdorf (BD); Earth Turbines	X		
Jo Bradley (JB); VEDA	X		
Tom Evslin (TE); Office of Economic Stimulus & Recovery	X		
Ellen Kahler (EK); VSJF	X		
Rich Sedano (RS); Regulatory Assistance Project	X		
Mark Sinclair (MS); Clean Energy Group	X		
Jeb Spaulding (JS); VT State Treasurer		X	
<b>Staff</b>			
Andrew Perchlik, CEDF	X		
Diane Reynolds, DPS	X		
Karl Johnson, DPS	X		

Meeting was chaired by RD who brought the meeting to order at 1:05

Discussions:

- I. Staff introduced to Board.
- II. Approval of prior minutes
  - a. SS moved the 9/4/09 minutes, motion seconded and approved unanimously
  - b. TE moved the 9/21/09 minutes, 2ed by SS with a suggested change regarding item V. Regarding a discussion and vote on the RSD/GroSolar request to modify. DB requested the minutes should show that DB recused himself from the discussion and vote due to a possible conflict of interest. The Motion, including the suggested change by DB, was approved unanimously.
- III. Consideration of the Slate of Sept. 30 Funding Recommendations Including Removing Funds from Brattleboro and Applying to City Market for NEPA Ease.
  - a. Rich moved to approve the slate of grants as recommended. Motion was seconded and approved unanimously.
- IV. Discussion of Formal Gubernatorial Approval Process for ARRA-Funded Projects

- a. TE provided the background that the governor has to certify that all ARRA funds are spent correctly and that the legislature included language in the CEDF statute that the governor had 30 days from when the CEDF Board approves of any ARRA funded grants, contract or loans, in which he could veto the CEDF Board's ARRA grants, contracts or loans. TE said that the governor could waive his right to veto so that the CEDF would not need to wait 30 days to see if the governor will veto. Thus, the CEDF should not notify grantees of their awards until the governor waves his right to veto a grant or the 30 day time period has elapsed without a veto.
- b. Board discussed the issue and EK suggested that the CEDF grant/loan agreement be clear in that the grant/loan is conditioned on ARRA compliance.
- c. Board discussed a proposed policy on this matter brought to the Board by the DPS. There was general support for the proposed policy but there was concern over some of the wording. MS volunteered to work with CEDF staff to re-word a section of the policy and have it come back to the Board for approval. MS also suggested that CEDF staff ask the DPS lawyer to look at the policy for any issues.
- d. CEDF Staff was directed to send a list of the approved grantees approved in today's meeting to the DPS commissioner for the governor's review.

#### V. Delegation of Signing Authority for Approved Grants/Loans/Contracts

- a. Consideration of the following resolution:
  - i. "The Clean Energy Development Board (Board) hereby assigns the Director of the CEDF as the Board's Designee for signing grants, loans, contracts and the documents listed in the Agency of Administration's Bulletin No. 3.3 (2) (B) that have been previously approved by the Board"
  - ii. Resolution was moved by MS, seconded by JB and was unanimous approved.
- b. Andrew Perchlik explained that Bulletin no. 3.3 (2) (B) did not allow designees to sign grants or contracts over \$10K and thus he was suggesting the Board send a letter to the Secretary of Administration asking for a waiver from that section of that Bulletin. JB questioned whether the bulletin 3.3 applied to the CEDF Board. It was discussed and decided that it was likely easier/better to get the waiver than test the issue of whether the Board needed to follow such administrative bulletins. The Board approved having SS and RD sign and send the letter into the Sec. of Administration asking for the waiver.

#### VI. Loan Program Criteria, Equity, and Grant/Loan Combo Decisions

- a. The Board discussed the criteria used for scoring loan applications and directed CEDF Staff to work on new evaluation criteria. EK offered to help with this based on her/the VSJF experience with loans.
- b. Upon further discussion of the loan program and how they interact with grants it was decided that a more strategic discussion regarding loans and the goals and objectives of the CEDF is needed. RS suggested a longer meeting in November to address this issue as part of a larger discussion about mission and goals.
  - i. Co-chairs agreed to work with CEDF staff to generate questions and structure for a strategic discussion for the Board's Nov. 23<sup>rd</sup> meeting. It

was suggest that a professional facilitator be used so that the co-chairs could be fully engaged in the conversation. It was agreed that the Nov. 23<sup>rd</sup> Board meeting would be extended to five hours (noon to 5:00) and that Andrew and the Co-chairs would send out a draft agenda for that meeting as well as a proposal to hire a facilitator for that part of the meeting.

- VII. Discussion and Vote on Pellergy Loan
- a. DB asked about tech. criteria for loans, and suggested that projects coming in for loans should go under a technological review.
  - b. TE expressed that he was not sure this loan could be funded as the project doesn't produce energy but just helps to build a business. After discussion it was decided that such a project/business can be supported by the CEDF.
  - c. Concerns were raised about technical aspect of the product as well as the business plan. After discussion MS moved that the application be sent to VEDA for underwriting. After further discussion there was general support and interest in the project but concerns and additional questions that needed answers. JB says that VEDA will forego their regular underwriting fee. EK said SJF could offer Janice from her office to help Pellergy with their business plan. With the underwriting fee waived TE seconds motion and motion passes unanimously. Board asks staff to get more information and specific answers from applicant for the next meeting and to have the applicant attend the meeting if they are able.
- VIII. Discussion and Vote on Carbon Harvest Loan
- a. SS recused himself for this discussion due to a possible conflict of interest and leaves the room.
  - b. After discussion of project ET moves to send the application to underwriting with the conditions that the term would be for 5 years, they would need a power purchase agreement, and that they give up their prior grant for the project at the Randolph landfill which has not moved forward. Second by DB. After discussion the Board directs staff to work with applicant to provide more info. and answers to some questions and to have them attend the next meeting to speak directly to the Board. Motion carriers unanimous.
- IX. Other Business
- a. The EECBG municipal grant program was discussed. Board agreed that they didn't need to vote on the RFP but that they wanted ample time to review it and provide changes & comments via email before it was released.
  - b. The March Board meeting date was discussed and because of EECBG grant approval process & required timeline it was suggest that the March meeting be move to the 3<sup>rd</sup> Wed (the 17<sup>th</sup>) instead of the last (the 31<sup>st</sup><sup>th</sup>). It was agreed to discuss this possible change at the Nov. meeting.

Meeting Adjourned at 4:00