

MINUTES
Clean Energy Development Fund (CEDF) Board Meeting
November 17, 2010

In Attendance:

<u>Board Members</u>	Attending	Absent
<u>Robert Dostis (RD) – Green Mountain Power</u>	X	
<u>Sam Swanson (SS) – Pace Energy & Climate Center</u>	X	
<u>Jo Bradley (JB) – VT Economic Development Authority</u>	X	
<u>Tom Evslin (TE) –Private Citizen</u>	X	
<u>Ellen Kahler (EK) – VT Sustainable Jobs Fund</u>	X	
<u>Mary Lintermann – DEW Construction</u>	X	
<u>Rich Sedano (RS) – Regulatory Assistance Project</u>		X
<u>Mark Sinclair (MS) – Clean Energy Group</u>	X	
<u>Jeb Spaulding (JS) – VT State Treasurer</u>		X
Staff		
<u>Andrew Perchlik (AP) – CEDF Director</u>	X	

Public Attendees for Board Meeting: None

SS chairs meeting and brings meeting to order at 1:41

I. Board Administrative Matters

- a. Review of Prior Minutes (10/17/10). JB moved to approve the 10/17/10 minutes and EK seconded the motion. Vote to approve was unanimous. RD and TE abstained.
- b. The Board agreed to continue meeting the fourth Wednesday of each month into 2011, except when holidays interfere in which case the meetings will be on the third Wednesday of the month. The meetings will start at 1:30. Every calendar quarter there will be a public meeting after the Board meetings.
- c. AP agreed to send out per-diem request forms to all Board members before the December meeting.

II. Directors Report

- a. RD left the meeting to avoid a potential conflict of interest during the discussion of the Solar Tax Credits.
- b. Solar Tax Credits
 - i. AP reported that there are two different commissioning deadline dates that could be used for the projects awarded the solar tax credits. AP proposed to use the later date (September 1st, 2011) for all PV projects that applied for a CPG before July 15th, 2010. Solar thermal projects and PV projects with a CPG application date after July 15th would be giving a commissioning deadline of December 31, 2010.

The Board agreed to AP's proposed commissioning deadline dates as long as he gets legal council confirming the legality of the commissioning deadline dates. It was agreed that once confirmation is received AP will send out a public communication announcing the commissioning deadlines.

- ii. AP brought to the Board a request from Green Mountain Power (GMP) to correct their CPG application date for their Shelburne Farms solar project for which they applied for a solar tax credit. GMP asked that the date of their initial CPG application be used. Although such issues had been dealt by staff in the past this was brought to the Board for their review and decision. The Board discussed the issue and reviewed the tax credit and CPG applications in question. A motion was made by TE that because the practice had been to use the date of the initial CPG application as received by the Public Service Board than the CEDF would use the initial CPG application date for GMP's application in question. EK seconded the motion and the vote in favor was unanimous.
- c. RD returned to meeting
- d. AP gave updates on spending plans from CEDF and ARRA grantees.
- e. AP gave an update on the CEDF annual report. Board members asked staff to include trends and highlights of the Vermont's clean energy industry, as seen by the CEDF. In addition, it was requested that the report should include information on how even with decreasing incentives for solar and small wind projects there was a very successful rate of installation of projects. In discussing the report the Board also discussed the following:
 - i. That staff issue a press release together with the report in an effort to get wider readership and interest.
 - ii. That instead of jobs created supply information about the number of jobs affected and ensure that any job statistics are conditioned appropriately.
 - iii. That the report should emphasize the amount of funds leveraged.
 - iv. That staff should try to provide information on the growth of the clean energy industry before and after CEDF funding was made available.
 - v. The suggestion to include graphs of which technologies received what amount of CEDF funds.
 - vi. The value of the hiring someone to do an economic development impact analysis of CEDF funding since inception using an employment and economic impact mode. There was agreement that a reasonable objective assessment of what the CEDF has accomplished economically would be worth the effort and the cost to have such a report produced.
 - 1. AP was directed to ask Tom Kavet to come to next meeting (Dec. 15th) to talk about creating such an economic analysis of the CEDF's work since its inception.

III. Eaton Energy Loan Request

- a. Eaton Energy had requested that their loan commitment deadline be extend by seven months. VEDA had sent the request to the CEDF with their recommendation. AP informed the Board he also recommended to allow the extension. The Board agreed with the recommendation and said AP could grant the extension.

IV. Seed Capital Fund

- a. The Seed Capital Fund's \$1 million legislative appropriation of ARRA funds was discussed. AP reported that it did not seem likely that Department of Energy approval was going to be obtained to use ARRA-SEP funds for the Seed Capital Fund. The Board agreed to request that the Seed Capital Fund inform the CED Board by December 15th, 2010 if it will be able to use the \$1 million in ARRA funds.

V. 2011 Legislative Session

The Board discussed several items that may be addressed by the upcoming legislative session that could affect the CEDF.

- a. RD left the meeting to avoid a potential conflict of interest regarding the solar tax credits.
- b. The return to the CEDF of \$2 million of CEDF funds that was mistakenly taken from the CEDF for the Bennington geothermal project.
 - i. The Board discussed this issue and whether it should make a recommendation to the legislature on what the \$2million should be used for. There was support for providing the legislature information on the issue.
 - ii. SS expressed support for the Board to take a position in support of the IVEK Corporation's solar tax credit request.
 - iii. AP was asked to draft a letter to legislature regarding the \$2M of CEDF funds. The letter is to provide the legislature with the facts and to let them know that if they don't want all of the \$2 million to go to solar tax credits, there are other options.
- c. RD returned to the meeting.
- d. CEDF restructuring.
 - i. AP and others reported that the legislature will likely seek to restructure the CEDF. The Board discussed whether they should the weigh in on this issue. Some members thought that the Board should not weigh in on this and others suggested that a recommendation that that the CEDF be folded back into the DPS might be warranted.
 - ii. No action was taken except that it was agreed that CEDF staff should not offer opinions on any potential restructuring because the Board has not reached a conclusion on the issue.
- e. SS moved that the meeting be adjourned immediately after an executive session. ML seconded the motion and approval was unanimous.
- f. TE moved to enter executive session to discuss personnel matters. EK seconded the motion and approval was unanimous.
- g. Meeting adjourned at 4:05.