

Approved MINUTES
 Clean Energy Development Fund (CEDF) Board Meeting
 May 26, 2010

In Attendance:

Board Members	Attending	Absent	Note
<u>Robert Dostis (RD) – Green Mountain Power</u>	X		
<u>Sam Swanson (SS) – Pace Law School</u>	X		
<u>David Blittersdorf (BD) – Earth Turbines</u>		X	
<u>Jo Bradley (JB) – VT Economic Development Authority</u>	X		
<u>Tom Evslin (TE) – Office of Economic Stimulus & Recovery</u>		X	(attended part)
<u>Ellen Kahler (EK) – VT Sustainable Jobs Fund</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

Matt Levin – Vermonters for a Clean Environment

Meeting was chaired by RD who brought the meeting to order at 1:35

Discussions:

I. Minutes

- a. Minutes from the 4-28-10 meeting were reviewed. JB moved to accept the minutes as presented, 2ed by EK. There was no discussion and the motion passed unanimously.

II. Director’s Report

- a. AP proposed to grant \$10,000 to the UVM transportation Center’s Clean cities program as per their application. This would be ARRA funded. EK moved to award the funds per AP’s recommendation, RS 2ed and the motion passed unanimously.
- b. AP gave an update on DPS ARRA staffing: the contracted position will become a temporary staff position and one additional temporary staff person will be hired for FY11.
- c. AP gave an update on the proposals on the group net metering RFP. Two proposals were received. JB moved to authorize AP to select the contractor for the group net metering work from the two applications received. The motion was 2ed by SS and the motion passed unanimously.
- d. EK asked about the RFP for wind mapping and AP reported that the RFP should be released in June.
- e. SS asked about the possibility of hiring someone to conduct an evaluation assessment of the work and grants/loans that the CEDF has completed to-date. This would provide the Board and others with a “lessons learned” and help to provide direction going forward. There was discussion on the idea, but no action taken.

III. Discussion of the proposals received in response to the CEDF's Public Serving Institution solicitation:

- a. AP explained how the proposals were reviewed and scored.
- b. AP went over the ARRA funding available for these awards.
- c. AP gave a review of some of the proposals and the CEDF staff's recommendation for funding. There was discussion and questions on the proposals and then the following slate of awards was moved by EK and 2ed by RS:

Description	Technology	grant \$
Energy retrofit one building (new home to Poverty Law + Environment Ctrs)	thermal efficiency	250,000
Retrofit 2 old RC Diocese bldgs	thermal efficiency	233,000
Insulate 10 buildings and install one new insulated roof	thermal efficiency	233,000
Extend existing biomass district heating to new campus bldg	biomass heat	149,478
Energy retrofit - replacement of 90 windows, attic insulation, air sealing.	thermal efficiency	137,964
Better insulate roof/attic of 3 bldgs	thermal efficiency	137,000
Install Sto Exterior Insulation systems in 2 dorm buildings	thermal efficiency	122,749
Install wood chip plant and district heating to 22 of 27 buildings	biomass heat	100,000
Replace 104 single pane windows in Dalrymple classroom building	thermal efficiency	83,258
Efficiency upgrades (pumps, controls, meters, heat recovery) in Mill bldg	thermal efficiency	72,500
Purchase & install new Hurst oil boiler (allow switch from #6 to #2 fuel oil)	thermal efficiency	50,000
Install geo heating/cooling sys in Allen House (Ctr For Sustainable Practices)	geothermal	50,000
Replace 15 aged heat pumps & some thermal efficiency measures	thermal & elec. efficiency	50,000
Energy retrofit two Fire Station buildings	thermal efficiency	37,052
		\$ 1,706,001

There was brief discussion on the slate of awards and then the motion passed unanimously.

VI. Auburn Star Farm Loan

- a. Charlie Keeler, an agricultural loan officer at VEDA presented VEDA's underwriting analysis of the Auburn Star Farm loan application for \$500,000. VEDA recommended to the Board that the loan be approved with terms and conditions.
- b. After discussion of the loan EK moved that the loan be approved based on the terms and conditions set forth in VEDA's recommendation dated May 26, 2010. The motion was 2ed by RS and the motion passed unanimously.
- c. After the vote RS expressed concern about renewable energy projects double counting any renewable energy certificates generated. He wanted the CEDF to make sure that there is not double counting with farm projects in the Feed-in Tariff (FIT). AP was directed to look into this in order to make sure that when the FIT RECs are pooled that the farm RECs are taken out as they are being sold separately.

VII. CEDF/ARRA Financial Summary

- a. AP went over the ARRA and CEDF financial summaries.
 1. The Board directed AP to create a FY 11 budget for the June meeting. There was discussion of the VT Energy Atlas and if funding (~\$15K) could be provided to the Atlas project for updates incorporating new data, including all the new CEDF funded project data.
 2. There was discussion about how best to monitor and display the CEDF's finances. AP was directed to rework the financial summary sheets to include the CEDF's balance sheet as well as an income and expense sheet.

VII. Small Scale Incentive Program Question

- a. On leased projects should the lease customer be considered the incentive customer or should the owner/lessor be the incentive customer?
- b. There was Discussion of the lease model that is being used in VT to sell PV and wind projects in VT.
- c. AP was directed to investigate how incentive programs in other states are handling this issue, seek the incentive program administrator's opinion on the issue. In addition, AP was to ask DB for a quantitative look at these leasing deals with specific details on the money in and out and what it looks like for the lease company and what it looks like for the customer.
- d. AP was directed to have a recommendation for the Board at their June meeting which should include information on what the affect would be on the incentive program if leased projects were allowed full access to the incentive program.

VIII. Draker Lab's Loan Request

- a. AP presented the \$450,000 loan application made by Draker Laboratories. After discussion on the details of the application EK moved and JB 2ed a motion to preliminarily approve and send to VEDA for underwriting a loan for no more than \$225,000 to fund only the following budget

items of the Draker Labs proposal: Automated System Testing Lab, Engineering/Production Equipment, and Capitalized Research and Development. There was no further discussion and the motion passed unanimously.

IX. 2010 Legislative review

- a. AP gave a review of the 2010 legislative session and the issues affecting the CEDF. The three main issues were:
 - i. Solar Tax credits
 1. The CEDF needs to create a tax credit certification process and have that process in place before July 15th, 2010. AP was directed to come to the June Board meeting with a recommended tax credit certification process for the Board to consider. AP was also directed to work with the Public Service Board to be able to identify when a CPG application is considered to be “complete” as the CPG application is required for the tax credit certification.
 - ii. \$1Million of ARRA funds were re-allocated to a new seed capital equity fund
 - iii. \$2Million of ARRA funds were re-allocated for a geothermal heating and cooling system for the newly renovated State Office Building in Bennington.

X. Other Business

- a. In discussion the agenda for the June meeting it was suggested to have someone from the Sustainable Jobs Fund come to and go through the energy atlas for the Board.

The Meeting Adjourn at 4:01