

**Approved Minutes
Clean Energy Development (CED) Board Meeting
September 12, 2012**

In Attendance:

Board Members:	Attending	Absent
<u>Elizabeth Catlin (EC)</u> Blue Wealth Management	X(<i>by phone</i>)	
<u>Sam Swanson (SS)</u> – Pace Energy & Climate Center	X	
<u>Jo Bradley (JB)</u> – VT Economic Development Authority	X(<i>by phone</i>)	
<u>Alex Ibey (AI)</u> Commerce & Economic Development	X	
<u>Patty Richards (PR)</u> – La Capra Associates	X	
<u>Gaye Symington (GS)</u> High Meadows Fund	X	
<u>Will Wiquist (WW)</u> – Green Mountain Club	X	

State Employees:

Andrew Perchlik (AP) –Clean Energy Development Fund, Department of Public Service
Sarah Hoffman (SH) – Deputy Commissioner Department of Public Service
Ed Delhagen– Department of Public Service
Karen McNeil – Department of Public Service

Public Attendees:

Tom Halnon, VT Green Energy Systems; Matt Levin, Vermonters for a Clean Environment
John McNerney, Addison Biomass Energy, LLC (*by phone*)
Matt Levin, Vermonters for a Clean Environment

Meeting brought to order at 1:05 pm with Andrew Perchlik presiding over the meeting.

I. Agenda

- a. Discussed and agreed to agenda with the addition of a public comment period

II. Prior Meeting Minutes

- a. Reviewed the minutes from 6/13/12 meeting. SS moved to approve the minutes as presented, PR seconded. Vote to approve was unanimous.

III. Fund Manager Report

- a. AP gave a brief overview of the CEDF balance sheets and financial statements for July and August 2012. He highlighted the fact that the CEDF has approximately \$1.8 million in available funds and that the \$1.25 million being proposed for the small scale incentive program would come from that \$1.8 million. AP also noted that the CEDF has outstanding loans totaling approximately \$2.9 million that will be paid back over the next 10 years. He pointed out that the ARRA revolving loan fund balance was not included on the financial information handed out, but that there was \$3.8 million total in that

revolving loan fund with approximately \$600,000 in available cash from loan payments received.

- b. AP described the VT Village Green Program (VGP) and the requirement from the 2012 legislation that the CEDF issue a solicitation for \$100,000 of CEDF funds reserved for the VGP. There was discussion of the program and the competitive solicitation that the DPS was proposing to issue. AP requested that the Board vote on the solicitation as proposed by the DPS. PR moved to approve the proposed solicitation design. AI seconded the motion and it passed unanimously.

IV. Incentive Program Proposed Changes and Funding Request

- a. AP described the DPS' funding proposal for the program of \$1.25M and changes to the program design.
 - i. Comments from public
 - Tom Halnon. Would like to see incentives back at 2011 level. Likes that the DPS is not still suggesting a raise of the 10mph minimum wind speed. Supported getting rid of the performance based incentive structure, particularly for the smaller turbines under 10kW.
 - Matt Levin. Supported suggestion from SWCC on adding language to the program rules regarding wind turbine certification. He advocated for more evaluation of funded wind energy projects.
 - John McNerney. Objected to the DPS recommendation of changing the special customer cap for PV systems from 50% back to 35% where it was prior to ARRA.
- b. Board decided to divide the issue into two parts consisting of the funding request and the program changes. SS moved to approve the DPS proposal of allocating \$1.25M to the incentive program. With a condition that the DPS communicates publicly that this would exhaust the program, PR seconds the motion.
 - i. Discussion: GS, wanted to amend the motion to include a specific end date, so that the public and industry would know that there would be a specific termination date of the program. Furthermore, GS advocated for the CEDF to communicate clearly that the Board's commitment will only be for the \$1.25M and that there will not be any other funds available after that. There was a strong interest of Board members to have the CEDF/DPS make the message regarding the future of the incentive program very clear. It was suggested that the message also capture the need for new funds. The Board expressed their interest that no communication regarding the program be made without the inclusion of information about the fiscal reality of the program which is that the program will end without additional funds.
 - ii. SS withdrew his motion and PR made a motion that the Board approve the \$1.25M allocation to the small scale renewable energy incentive program with the understanding that the DPS conduct appropriate public outreach regarding the depletion of funds and that it is projected that this allocation

will fund the program no further than January 2013. SS seconded the motion and it passed unanimously.

- c. After discussion of the proposed changes SS moved to approve the changes to the incentive program as recommended by the DPS, 2ed by GS. The motion passed unanimously.
- d. There was discussion on evaluation of the incentive program. AP reported that evaluation to date has focused on the performance of the contracted administrator of the program but that roughly 10% of all projects in the program receive a site visit. There was strong support from the Board for the CEDF to conduct a more thorough evaluation of the incentive program, including the expense of funds to make sure it is done well. Board members were interested in having the CEDF investigate the impact of the changes made to the program and what lessons can be gleaned.

V. Strategic Plan – Discussion on the Goals

- a. AP described the work done on the new draft CEDF goals and objectives. There was not enough time for a complete discussion on the proposed goals and objectives. Thus, the Board decided to postpone the discussion to a meeting on October 10th that will be dedicated solely to the CEDF strategic plan.

Meeting adjourned at 1:25