

**Approved Minutes
Clean Energy Development Board
Quarterly Meeting June 12, 2019**

In Attendance (*Meeting held at Public Service Department, 112 State Street, Montpelier, VT*):

Board Members:	Attending	Absent
Jared Duval (JD) <i>Co-Chair</i>	X	
David Farnsworth (DF)	X	
Ken Jones (KJ)	X	
Janice St. Onge (JS)		X
Sam Swanson (SS) <i>Co-Chair</i>	X	
Johanna Miller (JM)	X	
Gaye Symington (GS)	X	

State Employees:

Andrew Perchlik (**AP**), Fund Manager, Clean Energy Development Fund, Public Service Department (PSD).

Members of the Public:

The meeting started at 1:07 with **JD** presiding.

I. Agenda. The draft agenda was reviewed and agreed upon.

II. Minutes.

The draft minutes of the Board's 05/29/19 quarterly meeting was considered. **AP** described three typos in the draft minutes that should be corrected for the approved version. **SS** moved to accept the minutes as presented with the three corrections proposed by **AP** included. The motion was seconded by **KJ** and passed 4-0-1 with **JM** abstaining as she was not at the 5/29/19 meeting.

III. Fund Manager's Report

There was a discussion on the two board openings with terms that start in July. **JD**, **JM**, and **AP** reported on their communications with Representative Briglin about his appointment and **AP** reported that Sen. Bray said he would be making his appointment soon.

AP reported on difficulties the CEDF was having in getting CEDF financial data that was free from errors and that he was working with PSD staff to provide a higher degree of accuracy in the financial reporting.

IV. Discussion of FY2020 Budget

AP gave an overview of the PSD's draft fiscal year 2020 budget including: estimated carry-over funds from fiscal year 2019, projected revenue for fiscal year 2020 and allocations for grants and expenses for fiscal year 2020. There was a general discussion of the projected revenue and planned expenses for the 2020 fiscal year. Board members asked questions about the new programs proposed, specifically on the sponsorship of the pellet delivery 'maker' teams and the Champlain Maker Faire, as well as the \$350,000 grant solicitation in support of bulk pellet and semi-dry chip supply/supply infrastructure in Vermont.

Board members asked about the evaluation data expected from Cadmus. **AP** reported that Cadmus could not provide detailed information in time for the meeting but did project getting the data on each technology type by July. The Board asked about when the final report would be done, saying the original plan was to have the final report by July 1st. **AP** said he would check with Cadmus to get their latest estimate for when the final report would be completed. He said the contract got started later than planned and with his absence the start of the work with Cadmus went slower than planned. He said the final report would not be done by July 1st.

V. Future of CEDF and FY2020 Budget Discussions.

The Board members discussed the future of the CEDF and how the PSD's proposed FY 2020 budget is part of the PSD's 'power down but preserve' strategy for the CEDF as available funds are expended. Members expressed interest in seeing a two or three year budget for the CEDF from the PSD. The Board wanted to know what the PSD's plan was for FY 2021 if the full \$3.2 million of remaining funds is expended or if there are still grant obligations but not sufficient funds for the staff to administer them. The Board discussed, and wanted to know what the PSD's plan is for, the 'preserve' part of the 'power-down but preserve' overall plan for the CEDF.

Members expressed interest in the fund not being focused on how to preserve the Fund when it is 'powered-down' but instead making an argument that the CEDF should receive additional funding. The Board discussed how the CEDF has done great work and specifically is currently having success with the transformation of the wood heating sector and thus the State should be leveraging that success and momentum with additional funding for the CEDF's work on advanced wood heating.

There was a discussion about the other efforts regarding wood heating and the forest products sector in VT and along the multi-state Northern Forest. Members discussed the Northern Border Regional Commission grants and potential for the CEDF to obtain funding and coordination with others in that program.

Overall the members thought the CEDF should be articulating about the good work the CEDF has done, like in Rutland County, on wood heating and that the CEDF should have a plan and argument for what a multi-year State-wide program for wood heating should be and what it would cost. They thought the CEDF should draft budgets for FY 2021 and FY 2022 that included funding for a advanced wood heating program as well as budgets that show what the CEDF will look like with no

additional funding (for example, will it have a Fund Manager in FY 2021) in order to educate the public and stakeholders on the possible future paths for the CEDF.

There was a discussion about the CED Board holding a stakeholder meeting about the future of the CEDF and how it could be used to help meet the State's energy goals, and what the PSD's latest plan is for the future of the CEDF.

The Board proposed that the Fund Manager take two actions:

1. Draft a multi-year plan and budget that shows how the PSD plans to preserve the CEDF the next couple years.
2. Draft a proposal for what the CEDF activities in the advanced wood heating sector would be if there was funding secured and what the level of funding would needed to be to obtain different goals in the thermal sector.

The Board held a vote on the two requests and the vote was unanimous in favor.

The Board also wanted **AP** to add to the agenda for the Board's next meeting to discuss the idea of a stakeholder discussion regarding the CEDF.

KJ moved to approve the Fiscal Year 2020 Budget as presented by the PSD. The motion was 2ed by **SS** and the vote was 5-0-1 (**DF** was participating by phone and didn't vote on this motion, the other members present voted in favor of the motion).

As this meeting would be Gaye's last after eight years on the Board, the other Board members and **AP** gave thanks and praise to Gaye for her service to the CED Board.

VI. FY 2020 Plan

With the budget approved **AP** gave an outline of the draft Annual Plan, which provides the details and narrative for what is in the Budget and also needs to be approved by the Board. As the Board had not received the Plan with sufficient time before the meeting to have a meaningful discussion on it there was agreement that it would be on the agenda for a July meeting. Board members did ask that the plan add language saying that the CEDF, if provided funding, could work on promoting clean energy transportation and more on advanced wood heating if more funding was allocated to the CEDF.

VI. Planning for the Next Meeting

AP was asked to coordinate with Board members to schedule a meeting in mid to late July, hopefully when the Cadmus report is done and the two new members can be present.

Without objection **SS** adjourned the meeting at 3:30

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