

Cape Light Compact Governing Board
Open Session Meeting Minutes
Wednesday, April 8, 2015

The Governing Board of the Cape Light Compact convened on Wednesday, April 8, 2015 at 2:00 p.m. in Room 11/12, Superior Court House, 3195 Main Street, Barnstable, MA 02630.

PRESENT WERE:

1. Dr. Joyce Flynn, Chairwoman, Yarmouth
2. Robert Schofield, Vice-Chair, Bourne
3. Peter Cocolis, Treasurer, Chatham
4. Peter Cabana, Member at Large, Dukes County
5. Barry Worth, Secretary, Harwich
6. Sheila Lyons, Barnstable County until 3:01 p.m.
7. David Anthony, Barnstable
8. Deane Keuch, Brewster
9. Brad Crowell, Dennis – remotely by phone until 3:00 p.m.
10. Frederick Fenlon, Eastham
11. Paul Pimentel, Edgartown
12. Ronald Zweig, Falmouth
13. Thomas Mayo, Mashpee
14. Richard Toole, Oak Bluffs – remotely by phone
15. Raymond Castillo, Orleans
16. Thomas Donegan, Provincetown
17. Everett Horn, Sandwich
18. Peter Fontecchio, Truro
19. Richard Elkin, Wellfleet
20. Susan Hruby, W. Tisbury

LEGAL COUNSEL:

Jeffrey Bernstein, Esq., BCK Law, PC

STAFF PRESENT:

Margaret Downey, Administrator
Stephan Wollenburg, Sr. Power Supply Planner
Margaret Song, Residential Program Manager
Meredith Miller, C&I Program Manager
Philip Moffitt, EM&V Manager
Karen Loura, Administrative Assistant

CALL TO ORDER

Chr. Flynn called the meeting to order at 2:05 p.m. The meeting notice/agenda having been posted pursuant to the Open Meeting Law on the Cape Light Compact website.

PUBLIC COMMENT

L. Argo, CVEC, commented to announce a Celebration at the largest PV System Installation at the Barnstable Municipal Airport taking place on Earth Day, April 22, 2015. She extended the invitation to the Cape Light

Compact Governing Board adding that without the Board none of this would be possible. She also asked if an Executive Committee Member would be interested in speaking. She said she will email the invitation.

CONSIDERATION OF MEETING MINUTES

B. Worth presented March 11, 2015 Meeting Minutes for consideration. P. Cocolis requested a change for clarification on Page 4 #2 Town of Falmouth 2nd paragraph to add “There was a misunderstanding on the basis of the numbers provided to the Compact in the vendor’s initial submission.” J. Flynn requested correction on Page 4, Line 3 to switch “that” for “which”. *B. Schofield moved to accept the minutes as amended, seconded P. Cabana and voted by roll call vote as follows:*

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|--------------------------------|-----|----------------------------------|-----|
| 1. S. Lyons, Barnstable County | Abs | 11. B. Worth, Secretary, Harwich | Yes |
| 2. D. Anthony, Barnstable | Yes | 12. T. Mayo, Mashpee | Yes |
| 3. R. Schofield, Bourne | Yes | 13. R. Toole, Oak Bluffs | Yes |
| 4. D. Keuch, Brewster | Yes | 14. R. Castillo, Orleans | Yes |
| 5. P. Cocolis, Chatham | Yes | 15. T. Donegan, Provincetown | Yes |
| 6. B. Crowell, Dennis | Yes | 16. E. Horn, Sandwich | Yes |
| 7. P. Cabana, Dukes County | Yes | 17. P. Fontecchio, Truro | Abs |
| 8. F. Fenlon, Eastham | Yes | 18. R. Elkin, Wellfleet | Yes |
| 9. P. Pimentel, Edgartown | Abs | 19. S. Hrubby, W. Tisbury | Yes |
| 10. R. Zweig, Falmouth | Yes | 20. J. Flynn, Yarmouth | Yes |

Motion carried in the affirmative (17-0-3).

TREASURER’S REPORT

Potential vote to ratify actions of Treasurer relative to Compact contracts

P. Cocolis reviewed the contract review and tracking process established by affirmative vote of the Board at the March 11, 2015 Meeting and distributed Jan-Apr 2015 Contracts Summary. *T. Donegan moved the Board vote to ratify the actions of the Compact Treasurer relative to Compact Contracts from January 1, 2015 through April 3, 2015, second B. Schofield.* T. Mayo questioned the even number of \$100,000 for Ancillary Services Contracted with Rise Engineering. M. Miller, C&I Program Manager said Rise Engineering is one of the Compact’s Ancillary services support vendors and this amount provides for several engineering projects. It is based on the Contract from the previous year. Atty. Bernstein suggested a contract number be assigned. The summary will contain all new contracts and contract amendments even if they do not meet the criteria to go before County Commissioners for execution. J. Flynn reviewed the history of the policy. *The Board then voted by roll call vote as follows:*

- | | | | |
|--------------------------------|-----|----------------------------------|-----|
| 1. S. Lyons, Barnstable County | Yes | 11. B. Worth, Secretary, Harwich | Yes |
| 2. D. Anthony, Barnstable | Yes | 12. T. Mayo, Mashpee | Yes |
| 3. R. Schofield, Bourne | Yes | 13. R. Toole, Oak Bluffs | Yes |
| 4. D. Keuch, Brewster | Yes | 14. R. Castillo, Orleans | Yes |
| 5. P. Cocolis, Chatham | Yes | 15. T. Donegan, Provincetown | Yes |
| 6. B. Crowell, Dennis | Abs | 16. E. Horn, Sandwich | Yes |
| 7. P. Cabana, Dukes County | Yes | 17. P. Fontecchio, Truro | Yes |
| 8. F. Fenlon, Eastham | Yes | 18. R. Elkin, Wellfleet | Yes |
| 9. P. Pimentel, Edgartown | Yes | 19. S. Hrubby, W. Tisbury | Yes |
| 10. R. Zweig, Falmouth | Yes | 20. J. Flynn, Yarmouth | Yes |

Motion carried in the affirmative (19-0-1).

Energy Efficiency Budget Update

P. Cocolis reviewed the 2015 Energy Efficiency Budget through March. He explained the reason the fund is below budget is because it is the beginning of the calendar year and the February bills are not yet reflected in report. R. Zweig asked about the Low Income Program and Cape Light Compact's support the Housing Assistance Corporation (HAC). M. Song explained the HAC is our vendor. He noted HAC does not reference the support received from Cape Light Compact on their Website. M. Downey monitors budget.

Operational Budget Report dated 4/8/15

P. Cocolis reported the Operating Budget is a Fiscal Year Budget and spending is currently in line within the budget. There was discussion about the Cape Light Compact beginning to pay rent to the County for space beginning next Fiscal Year. It was noted that the evolution of the organization which the County supported can now stand on its own.

ENERGY EFFICIENCY PROGRAM

1. 2016 – 2018 Energy Efficiency Plan Program Policies

M. Song provided Power Point presentation plan. (Attachment A) M. Downey requested a sense of the board about continuing to offer the enhanced residential programs. D. Anthony reviewed strategies for the "hard to reach" and asked if it makes sense to continue the same programs. Staff recommends managing this initiative will still help to capture those hard to reach customers. The program can help renters and homeowners alike. The number of audits increases year after year. We will eventually see some of the numbers decline. Less than 10% are repeat audits - some are those which have more than \$4000 worth of work or they had work done by a contractor. 90% of customers are new in that they have not had an audit in the last 3 years. There was discussion as to the percentage of homes served. S. Lyons said it would be helpful to know how many homes have been touched by the Compact. New data basis will have a new "premises id" Audits are tracked by electric account number. Condominiums qualify for an enhanced program if a certain percentage of residents participate. *The Board members unanimously provided a sense of support for continuing the enhanced program.*

Enhanced 60% program – The Cape Light Compact is the only administrator offering an enhanced program to customers whose income is between 61%-80% of state median income. Discussion followed regarding the differences between the income based offer - the low income offer. S. Hrubby said as long as the Compact is verifying income there is no reason to add bureaucracy. R. Schofield reported fuel assistance ran out of funds this year.

Goals and budgets will come back to Executive Committee; all Board members will be invited, on April 22, 2015 for initial approval and then be brought back to the full board in October.

Staff cannot populate the tables until the Boards wishes are known. All Programs are demand driven statewide. Board will have opportunity to consider and view impacts.

B. Crowell disconnected from remote participation at 3:00 p.m.

New residential offerings: Serve oil and propane facilities, offer Incentives for demand response and digital platforms.

There was discussion about ideas for reducing usage at peak hours. There was discussion about a digitally based avenue to further engage our customers. P. Cabana spoke about demand incentive programs. S. Wollenburg described ways to derive revenue from demand response; participate with the grid operator (in this

Case - ISO NE) which offers to pay consumers who reduce consumption when asked. Participants receive a check for being willing as well as receive an extra payment when they do reduce consumption.

M. Downey reported the consultants are encouraging the Compact to look at demand response. We are identifying ways to respond to their request including possibly utilizing a pilot program to take the matter to the next level. S. Wollenburg said ideas about what can be done to incentivize consumers to shift consumption (financial or other motivators). If financial, there will need to be a framework as to how to monetize it (recover funds to pay for the program). P. Pimentel reported the Vineyard Power did a similar program and were they were able to identify 15%.

T. Donegan said in Washington participants signed up for a lower rate and the power company shut off washer, water heater, dishwasher, etc. so it can be done.

F. Fenlon brought up the time of use meters. There is currently a grid modernization is in process. The Cape Light Compact believes it is important to document how it will work including the reward system, etc.

R. Zweig recalled years ago having lower nightly rates for electricity.

R. Elkin raised the matter of serving oil heat customers M. Downey said when founded, the Compact's policy was to treat all customers and define itself regionally. At the time natural gas did not reach the outer Cape. It now extends to N. Eastham. P. Pimentel agrees with R. Elkin. It was suggested that shortly Residential Conservation Services (RCS) regulations will affirm this needs to be done.

Condominium Associations and Multi-family buildings. R. Schofield said there are many condo associations but the impact is small.

There was discussion about Digital platforms.

T. Mayo asked for an update on the behavior study. The monitors are still being installed - no update at this time.

S. Hruby asked how the penetration study will be incorporated into the program planning.

Income eligibility Heat loan Program

There was discussion as to whether or not the Board wanted to change the program from a zero interest loan to a loan based. The staff recommends continuing as is on income. The program provides for loans up to \$25,000 for up to 7 years @ 0%. The Cape Light Compact is only paying the interest on the loan. The staff does not recommend the second product. *Sense of the board was in support of the staff's recommendations.*

Efficient Neighborhoods Program the Compact has offered this program in the past for all 21 Towns. Very popular and expensive; it is the reason for the Mid-term Modification (MTM). The Board considered whether to revisit the program in the next 3-year plan.

There was discussion and consideration given to LED fixture giveaways at Town Meeting. There was consideration about developing specific initiatives for seasonal customers. P. Cocolis said he prefers to pay more forward on LED's to lower price at retailer.

T. Donegan reported on the bulb exchange which took place at the Provincetown Town Meeting. He said it created quite a buzz in the spirit of good will and demonstrated Cape Light Compact's good public relations. There was discussion about changing from light bulb give-a-ways to exchanges.

R. Elkin said reaching seasonal ratepayers is communication challenge and asked if there is any change in the Compact's approach. . *The sense of the Board was to not include Efficient Neighborhoods+ in next 3 year plan – the Board did not support.*

Exchange up to 5 incandescent light bulbs @ Town Meeting - the Board expressed their support.
Seasonal customers – *The Board supported to explore the possibilities.*

LEAN brought to CLC attention non-profits, serving low-income customers (Head Start) struggling with high bills. There was discussion as to identifying non-profit serving 100 % or significant low-income customers. *The Board supports for all non-profit (5013c) groups.* There was discussion about the Benefit/Cost Ratio (BCR).

S. Lyons left the meeting at 4:01 p.m.

T. Mayo brought up the Board establishing a BCR policy. M. Song said current BCR is around 3 but has to be 1/1 by Statute.

P. Cabana suggested offering those who have made improvements advancement to the top of the list.

The Board expressed a sense of support to serve Non-profit Organizations. If members have annual budget amounts for non-profits, please provide to board.

Business Energy Assessment to include expanded measures.

Municipal programs to include some requirements for 100% incentives ex: EMS system installation to require staff trained and able to maintain. Otherwise are installing measure that will not produce savings over time.

P. Fontecchio reported Bayberry Nurseries participated a year ago and the owner is still talking about it including with other businesses.

R. Elkin requested a report to board on maximum wait times.

F. Fenlon reported C&I held a meeting late in March with four towns at the Elks and only 10 people showed up. Business owners will not show up to a meeting. They must be approached.

P. Pimentel Commercial energy efficiency is more involved. He said for commissioning should be included w/ECM upgrades and for large projects there needs to be follow-up periodically to ensure the equipment is operating properly.

The sense of the Board was in support of C/I policy including commissioning and compliance inspection.

S. Ruby left the meeting at 4:15 p.m.

M. Downey reviewed next steps. The DPU ordered the Penetration Study be performed to determine appropriate level of goals. A vote of the Executive Committee is needed to approve initial goals and budgets for the April filing. The final budget and goals including details will be filed in the Fall.

S. Ruby returned to the meeting at 4:18.

The Staff will seek community feedback and input. A series of small group meetings (4/month) will take place May-August to get feedback and/or new ideas.

M. Downey suggested an extra meeting after filing for budget discussion. She said we are mandated to pursue all cost effective measures. T. Mayo expressed his concern about the budget for the programs that the Board supports. M. Downey explained that at minimum the Executive Committee will need to vote at a special meeting prior to filing but all members are encouraged to participate. The 5-member Executive Committee can act if there is no quorum. The Special Meeting is scheduled for April 22, 2015 @ 1:00 pm to vote on budget and goals supported by the Penetration Study.

UPPER CAPE COD REGIONAL TECHNICAL SCHOOL

S. Wollenburg provided an overview of the energy efficiency upgrades proposed for the Upper Cape Technical High School including HVAC Systems with premium efficiency motors and variable speed drives and installing a kitchen hood control system. The estimated Annual kWh savings is 171,197, with a Benefit to cost ratio (BCR) of 1.5. He sought the Board's approval to authorize an incentive amount up to \$200,000. *P. Cocolis moved the Board vote to approve an incentive of up to \$200,000 for the Upper Cape Cod Regional Technical High School project, located on Sandwich Road in Bourne. The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote, seconded by P. Cabana.* Discussion followed. *The Board then voted by roll call vote as follows:*

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|---------------------------------|-----|------------------------------|-----|
| 1. D. Anthony, Barnstable | Yes | 10. T. Mayo, Mashpee | Yes |
| 2. R. Schofield, Bourne | Yes | 11. R. Toole, Oak Bluffs | Yes |
| 3. D. Keuch, Brewster | Yes | 12. T. Donegan, Provincetown | Yes |
| 4. P. Cocolis, Chatham | Yes | 13. E. Horn, Sandwich | Yes |
| 5. P. Cabana, Dukes County | Yes | 14. P. Fontecchio, Truro | Yes |
| 6. F. Fenlon, Eastham | Yes | 15. R. Elkin, Wellfleet | Yes |
| 7. P. Pimentel, Edgartown | Yes | 16. S. Hruby, W. Tisbury | Yes |
| 8. R. Zweig, Falmouth | Yes | 17. J. Flynn, Yarmouth | Yes |
| 9. B. Worth, Secretary, Harwich | Yes | | |

Motion carried in the affirmative (17-0-0).

ADMINISTRATOR'S REPORT

CVEC UPDATE

Round II Project is a dispute between owner and the construction co. who have asked the court to give the right to have CVEC's payments be made directly to the contractor rather than to owner. Unlikely but would still get NM Credits. There was an initial hearing and the initial request to change the payments was denied.

At 4:41p.m. D. Keuch moved to adjourn, seconded by D. Anthony and voted unanimously in favor.

Respectfully submitted,

Karen E. Loura
Administrative Assistant

List of Documents and Exhibits:

- Meeting Notice/Agenda
- Draft March 11, 2015 Open Session Meeting Minutes
- Jan-Apr Vendor Contract Summary
- 4/8/15 Cape Light Compact Operating Budget Expenditure Report
- 2015 Budgeted (based on 2015 EERF Update) and Actuals (January-March) Report.
- 2016-2018 Energy Efficiency Plan Program Policies Power Point Presentation