

**Renewable Energy Investments Board  
Minutes - Regular Meeting  
Monday, April 27, 2009**

A regular meeting of the **Renewable Energy Investments Board hereinafter referred to as “the Connecticut Clean Energy Fund Board”** (the “Board”) was held on April 27, 2009, at the office of the Connecticut Clean Energy Fund, 200 Corporate Place, Rocky Hill, CT.

**1. Call to Order:** Noting the presence of a quorum, Tim Bowles, Chairperson of the Board, called the meeting to order at 12:15 p.m. Board members participating: Tracy Babbidge representing the Commissioner of the Department of Environmental Protection; Tim Bowles; Scott DeVico, Emergency Management and Homeland Security (by phone); Norma Glover; Alan Greene; Mary Healey, Office of Consumer Counsel; Kevin Hennessy (by phone); Bob Maddox; John Mengacci representing the Secretary of the Office of Policy and Management; Carol Muradian; John Olsen; Jerry Peters; Jessie Stratton and Patricia Wrice.

Staff and Adjunct Staff Attending: Lise Dondy, Dale Hedman, Peter Longo, Paul Michaud, Shelly Mondo, and Emily Smith (by phone).

Others present: Richard Steeves, Office of Consumer Counsel.

**2. Public Comments:**

Mr. Bowles welcomed the public and requested that anyone speaking limit his/her comments to three minutes each or five minutes per organization.

Keith Brothers, business manager for Connecticut Laborers’ Local 567 and President of the Building Construction Trades Council who represents more than 7,000 workers, spoke in support of the Plainfield Renewable Energy (“PRE”) project. He noted that the project will help to revitalize the area and provide greatly needed jobs.

Dave Roach, the business manager for the sheet metal union, expressed support for the PRE project and noted that the project will provide a significant number of jobs in the community and the state. He noted that the PRE project is a good renewable energy project.

Kevin Swaiffen, the business manager for the heat and frost insulator union, provided support for the PRE project. He indicated that the project will help to reduce electric costs.

Joel Gordes stated that he does not support the PRE project. He questioned the success of a biomass project absent a resource assessment study. Mr. Gordes expressed concerns with the competency of the management team for the project. He

referred to the National Resource Council opinion which indicates that the project is supported “if specifications for sorting and picking materials is adhered.”

Mike Trahan, the Executive Director of Solar Connecticut, urged the Board to work with Solar Connecticut on job training and eligibility for a solar thermal program to be developed for federal stimulus funding.

Henry Link asked that staff to provide the e-mail distribution list and community with advance notice of dedications and events.

Dan Donovan from PRE asked the Board to consider providing additional funding for the Plainfield project and noted that the funding from CCEF would move the project forward quicker. He discussed some of the events that have occurred since the last CCEF Board meeting. Mr. Donovan stated that the DEP has rejected for the third time the motion by the Friends of the Quinebaug River to reconsider. He mentioned that the financial institution that provided the loan to PRE has agreed to a compromise based on certain conditions. Mr. Donovan also stated that PRE received approval from ISO New England.

Georgian Lussien from C.O.D.E. questioned the eligibility requirements to participate in CCEF programs and potential new opportunities.

John Harrity from Grow Jobs CT provided support for the PRE project. He noted the importance of trying to keep and grow jobs in Connecticut. Based on the permits received from the DEP, the siting council and other approvals, Mr. Harrity questioned the debate on environmental issues. He stated that under Project 150, many of the approved projects have not come to fruition; and therefore, the PRE project will help to fulfill the requirements under Project 150. Additionally, Mr. Harrity stated that the project will generate greatly needed jobs in the State of Connecticut.

Roger Smith from Clean Water Action encouraged CCEF to take advantage of as much federal stimulus funding as possible. He urged CCEF to partner with others to put together a tool to provide guidance so that federal funding is not lost. Mr. Smith encouraged work force development and training to get ready for new programs. He indicated that he is opposed to the PRE project and noted the delays that have been caused by the developers.

Randy Stilwell indicated that he works for a company that recycles wood wastes and noted that the supply of wood waste has been significantly reduced as a result of the current economic conditions. He questioned the ability of the PRE developer to obtain supply to run the project. Mr. Stilwell urged CCEF not to provide additional funding for the PRE project.

Frank Kuchinski urged CCEF to ensure that there is proper training for the solar thermal industry.

Bob Noiseux noted some of the environmental concerns with the PRE project. He stated that CCEF should not utilize ratepayer funds to “bail out” PRE. He referenced the Board’s discussion about the PRE project on March 30, 2009. It was clarified that the Board took no action with respect to the PRE project at the March 30, 2009 Board meeting.

Steve Orlomoski, a resident of Canterbury and the Secretary of Friends of the Quinebaug River, stated the costs, number of jobs and other information provided by PRE with respect to the project is constantly changing. He asked the Board not to provide additional funding for the PRE project.

**3. Office of State Ethics Presentation:**

Ms. Trimble and Attorney Lamb from the Office of State Ethics provided a brief overview of the guide to the Code of Ethics for Public Official and State Employees. Ms. Trimble indicated that the main objective of the Code of Ethics is to ensure that public officials are not using their public positions for personal financial benefit. Ms. Trimble discussed voting and official action by public officials and described when public officials should abstain from a discussion or vote. She explained the process for reporting violations. Ms. Trimble reviewed the provisions of the Code of Ethics relating to gifts and explained the definition of those considered “restricted donors.” Ms. Trimble noted that if an agency has its own ethics policy which is more restrictive than the State Code of Ethics, the agencies’ ethics policy should prevail. Discussion ensued on the definition of gift and some of the exemptions. Ms. Trimble discussed the outside employment restrictions for both state employees and public officials.

It was noted that the annual Statement of Financial Interests for public officials is due by May 1. The Office of State Ethics was asked to look into adding CCEF to the drop-down menu when filing electronically. Ms. Smith was asked to periodically send out Office of State Ethics’ decisions to the Board.

**4. Approval of Minutes:** Mr. Bowles asked the Board members to consider the minutes of the March 30, 2009 meeting.

On page 4, in the last paragraph, suggestion was made to change the words “the PRE request was not approved” to “no action was taken.”

**Upon a motion made by Ms. Muradian, seconded by Mr. Peters, the Board voted in favor of adopting the minutes from the March 30, 2009 regular meeting as amended (Ms. Healey abstained from the vote, and Mr. Hennessey was not present for the vote)**

**5. Chairman's Report:** Mr. Bowles mentioned that the Executive Committee discussed the process for developing agendas. He stated that Board members may add items to the Board agendas up until approximately 10 days before Board meetings. He indicated that staff will make every effort to finalize Board packages and send out Board materials approximately 6 days before Board meetings.

**6. President's Report:** Ms. Dondy reported on the forum recently held to discuss the federal stimulus funding for energy and technology areas. She noted that CCEF will be following up through postings on the CCEF Website and other actions. In response to a question about the grant writer, Ms. Dondy indicated that the grant writer will be providing advice rather than writing grants. She stated that there will be a link on the CCEF Website about the grant writer to try to help as many people as possible. Ms. Dondy briefly discussed the federal stimulus funding coming to CCEF through the State Office of Policy and Management. She noted that CCEF will have two new programs—a solar thermal program and a geothermal program. Recommendations about the programs will be brought forward at the May Board meeting.

**7. Project Committee Report:**

Mr. Peters, Chairperson of the Projects Committee, provided the Projects Committee report. He mentioned that at the April 9, 2009 meeting, the Projects Committee approved a 129.68 kW PV project for the University of Hartford and a 112.0 kW PV system for the Bristow Middle School in West Hartford. He mentioned that the Projects Committee considered a PV project at the Glastonbury Tennis Club but had questions about the costs. Ms. Glover noted that the Projects Committee will be discussing whether there is a need to review the projects in a different way considering the limited amount of funding that is available. Mr. Olsen mentioned that there was also some discussion on whether higher performing U.S. manufactured PV panels should be required.

**8. Loan Request by Plainfield Renewable Energy:**

Mr. Bowles noted that at the March 30 Board meeting, Attorney Boucher from Halloran & Sage, CCEF's outside counsel, provided advice on proceeding with the discussion of the request for additional funding by Plainfield Renewable Energy, LLC ("PRE"). Mr. Bowles mentioned that the Board should first determine whether the request should be considered as a "strategic award." If there is an affirmative vote of 2/3 of the members present, then the Board can consider the merits of the proposal. Mr. Bowles explained that PRE is requesting additional funding in the amount of \$500,000 rather than the \$2,500,000 requested at the March 30, 2009 Board meeting. In accordance with the CI/CCEF Joint Operating Procedures, the Board was asked to consider the criteria to first determine whether the request should be considered a "strategic award." After consideration, there was general consensus that at least two of the five criteria were met to consider the request further as a "strategic award."

**Upon a motion made by Ms. Healey, seconded by Mr. Mengacci, the Board voted in favor of adopting the following resolution regarding the Plainfield Renewable Energy project VOTE: 13-0-1** (In favor: Babbidge, Bowles, DeVico, Glover, Greene, Healey, Hennessey, Maddox, Mengacci, Muradian, Olsen, Peters, Wrice; Abstention: Stratton). MOTION PASSED

RESOLVED: It has been determined by the Connecticut Clean Energy Fund Board of Directors (“CCEF Board”) that the request for funding in the amount of FIVE HUNDRED THOUSAND (\$500,000) DOLLARS for the Plainfield Renewable Energy Biomass Project in Plainfield (the “Plainfield Project”) be reviewed pursuant to the Strategic Selection and Award provisions of Part VIII (C) of the Joint Operating Procedures of the Renewable Energy Investment Board and Connecticut Innovations, Inc., as Administrator, based on the determination of the CCEF Board that the advantages of Strategic Selection and Award clearly outweigh the general public interest in an open public process based on the CCEF Board’s finding that at least two (2) of the following characteristics are present and are of predominant importance to the Fund:

- a. Special Capabilities—the opportunity is presented by a party with exceptional experience, expertise or availability or holding patent or other proprietary rights of special value to the Connecticut Clean Energy Fund (the “Fund”).
- b. Uniqueness—the opportunity is one-of-a-kind by virtue of location, high visibility and leverage with other already committed public or private funding or similar unique attributes.
- c. Strategic Importance—the opportunity has exceptionally strong compatibility with the mission of the Fund or offers the Fund an organizational role, participation in governance, a formative or other key role in the industry, high funding leverage potential, broad market reach, exceptional educational or public relations value or similar special strategic advantages important to the Fund.
- d. There is an urgent need to act on the opportunity as a result of public exigency or emergency or a strategically important opportunity would become unavailable as a result of delay, or it would take an unacceptable length of time for a similar opportunity to reach the same level of readiness.
- e. Multiphase Project; Follow-On Investment—the opportunity relates to the next phase of a multiphase proposal or the expenditure is necessary to support or protect an existing Fund investment or initiative.

**Upon a motion made by Mr. Mengacci, seconded by Ms. Muradian, the Board voted unanimously in favor of going into executive session at 2:30 p.m. to discuss confidential information related to the Plainfield Renewable Energy project. Ms. Dondy, Mr. Hedman, Mr. Longo, Attorney Michaud, Attorney Boucher and Mr. Steeves were invited to remain during the executive session.**

The executive session ended at 4:03 p.m., and the regular meeting was immediately reconvened.

Mr. Bowles asked the Board to consider the request by PRE for additional funding. The Board discussed the request. Several members expressed their reasons for supporting the proposal and several members discussed their rationale for opposing the request.

**Upon a motion made by Mr. Peters, seconded by Mrs. Glover, the Board voted in favor of approving a loan in the amount of \$500,000 for the Plainfield Renewable Energy biomass project in Plainfield to be used only to pay the principal and interest on the existing senior loan is conditioned upon the senior lender agreeing to grant an extension of the existing senior loan for a minimum of six months and under the same terms and conditions of the existing senior loan. VOTE: 9-3-2 (In favor: Mengacci, DeVico, Glover, Olsen, Greene, Wrice, Muradian, Peters, and Hennessey; Opposed: Healey, Maddox, and Bowles; Abstentions: Babbidge and Stratton). MOTION PASSED**

**9. Extension of Certain Contract Authorization Dates:**

Attorney Michaud discussed the reasons for requesting extensions of the contract authorization dates for three projects previously approved for funding under the On-Site Renewable DG Program.

**Upon a motion made by Ms. Healey, seconded by Mr. Peters, the Board voted in favor of adopting the following resolution approving contract execution extensions (Mr. Maddox was not present for the vote):**

**RESOLVED:**

- (1) that the Connecticut Clean Energy Fund Board of Directors ("CCEF Board") has determined that extending the grant execution dates for the following previously approved projects is prudent, in the furtherance of the CCEF Comprehensive Plan and in the interests of ratepayers:
  - (a) The deadline for executing the grant agreement for the 200 kW fuel cell power system to be located at the Connecticut Science Center in Hartford shall be extended until June 30, 2009;

- (b) The deadline for executing the grant agreement for the 171.99 kW PV system to be located at the Rippowam Middle School in Stamford shall be extended until June 30, 2009; and
  - (c) The deadline for executing the grant agreement for the 82.08 kW PV system to be located at the Staples retail store at 15 South Main Street in Torrington shall be extended until June 30, 2009.
- (2) that each of Peter Longo, President and Executive Director of Connecticut Innovations; Lise Dondy, Vice President of Connecticut Innovations and President of the Connecticut Clean Energy Fund; or any other duly authorized officer of Connecticut Innovations is authorized to execute and deliver for and on behalf of Connecticut Innovations not later than the dates stated in Section (1) (a)-(c) above, any contract or other legal instrument necessary to effect the grant on terms and conditions as he or she shall deem to be in the best interests of CCEF and ratepayers, in conformance with Section VI of the Operating Procedures of the CCEF Board. The authorized officer's approval thereof as hereby authorized to be conclusively evidenced by the execution and delivery of said legal instrument; and
- (3) that the proper officers be and hereby are severally authorized and empowered to do any and all acts and execute and deliver any and all other documents as they shall deem necessary and desirable to effectuate the above-mentioned legal instrument.

**10. Actual to Budget Financial Analysis:**

Mr. Mengacci mentioned that the actual to budget financial analysis for the period ended March 31, 2009 was reviewed by the Finance Committee at the April 15, 2009 meeting, and there is nothing unusual to report. He stated that the actual revenues and expenses are close to budget projections, including the receipt of utility customer assessments. The complete financial report for Q3 was included in the board package.

**11. Legislative Update:**

A full report will be provided at the May meeting. In the interim, staff will continue to send legislative tracking information to the Board.

**12. Other Business:**

There was no other business to discuss.

13. **Adjournment**: Upon a motion made by Mr. Greene, seconded by Mr. Peters, the Board members voted in favor of adjourning the April 27, 2009, meeting at 4:20 p.m.

Respectfully submitted,

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Timothy Bowles, Chairman

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Norma Glover, Secretary