

**Renewable Energy Investments Board  
Minutes - Regular Meeting  
Monday, May 18, 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 May 18, 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 12:08 p.m. Board members participating: Tracy Babbidge representing the Commissioner of the Department of Environmental Protection; Tim Bowles; Norma Glover; Bob Maddox; John Mengacci representing the Secretary of the Office of Policy and Management; Carol Muradian; John Olsen; Jerry Peters; and Jessie Stratton (by phone).

Board members absent: Scott DeVico, Emergency Management and Homeland Security; Alan Greene; Mary Healey, Office of Consumer Counsel; Kevin Hennessy; and Patricia Wrice.

Staff and Adjunct Staff Attending: Lise Dondy, Keith Frame, David Goldberg, Dale Hedman, Peter Longo, Paul Michaud, Shelly Mondo, Beth Piggush and Emily Smith.

Others present: Richard Steeves, Office of Consumer Counsel; Andy Brydges, KEMA; Lisa Petraglia, EDRG; Michael Burns; Henry Link; and Melissa Patterson.

**2. Public Comments:** Mr. Bowles welcomed the public and requested that anyone speaking limit his/her comments to three minutes each.

Ms. Patterson commended the Board for the manner in which it handled the request for additional funding for the Plainfield Renewable Energy project. She urged the Board to continue to allow public comments

Mr. Link stated that there is a possibility that funding may be reduced for the Connecticut Science Center. He noted the opportunity for membership and mentioned that there will be a fundraising dinner will be held on Saturday, May 30, at the Connecticut Science Center.

Michael Burns expressed concerns with existing state license rules for solar thermal installers that prohibits people with licenses after 1980 from the solar thermal program. Mr. Burns was asked to forward his concerns to Mr. Olsen who is looking into and trying to resolve the issue in this legislative session.

**3. Approval of Minutes:** Mr. Bowles asked the Board members to consider the minutes of the April 27, 2009 meeting.

**Upon a motion made by Mr. Mengacci, seconded by Ms. Muradian, the Board voted in favor of adopting the minutes from the April 27, 2009 regular meeting as presented (Ms. Stratton was not present for the vote).**

**4. Chairman's Report:** Mr. Bowles mentioned that he recently attended the May 12, 2009 Climate Change Leadership Awards ceremony hosted by Aetna. He commended Aetna for hosting and organizing the event. Eight individuals and organizations were awarded for their innovative efforts to address global climate change. Mr. Wall, Mr. Goldberg and the Department of Environmental Protection were recognized for their efforts with the event.

Mr. Bowles encouraged the Board members to attend the events being held at the Connecticut Science Center.

**5. President's Report:** Ms. Dondy stated that a number of Freedom of Information complaints have been filed which have become very costly to CCEF. Ms. Dondy explained that the Finance Committee met on Friday, May 14, and approved a reallocation of funds to cover legal fees which will be over the line item in the budget. This reallocation does not increase the overall FYE 2009 operations budget. She noted that in order to contain costs, in-house legal staff will be handling some of the legal work that has in the past been sent to outside counsel.

Ms. Dondy mentioned that staff is working with the Office of Policy and Management on the process, timing and receipt of federal funding for the State Energy Program. She mentioned that CCEF is setting up internal controls and a separate tracking system for the federal funding. It is hopeful that proposed program parameters for a solar thermal program will be brought to the Board for consideration in June. The program parameters for a geothermal program will take more time to develop and will be presented later to the Board.

Ms. Dondy mentioned that legislation has been introduced trying to block the Chestnut Hill BioEnergy project in Waterbury. It was noted that the Chestnut Hill project and technology is completely different than the project that had problems in New Jersey.

**6. Presentation of Sustainable Solar Strategy for Connecticut:** Mr. Goldberg introduced Andy Brydges from KEMA and Lisa Petraglia from EDRG who gave a presentation on the long-term solar strategy report that was delivered to the legislature and the CEAB. In summary, Mr. Brydges stated that Connecticut has built the foundation for a thriving solar industry. He stated that new programs and sustainable funding levels will be critical to ongoing success. Mr. Brydges mentioned that the workgroup recommended a suite of programs addressing different market sectors. He reviewed the composition of the workgroup, the history of the CT solar industry and some of the additional and untapped opportunities. Mr. Brydges discussed some of the recommendations for both the residential and commercial programs as well as other proposed incentives.

Ms. Petraglia discussed the costs benefit analysis noting that the programs were evaluated based on societal benefits and costs. She discussed the regional economic modeling; inc. ("REMI"). In summary, Ms. Petraglia stated that all of the recommended programs were cost effective. She stated that the growth trajectory from the proposed programs would meet 3.5 percent of the RPS by solar and .75 percent of the total energy use. A question arose as to whether it is realistic that 300 megawatts of solar could be achieved by 2025 with minimal impact to ratepayers through the comprehensive suite of programs at sustainable rebate levels. It was noted that the series of assumptions are based on past experiences and models from other states.

KEMA was asked to provide more information on why the benefit/cost ratio for the residential program is higher than the solar RECs.

Mr. Goldberg mentioned that there is legislation that addresses some of the recommendations made by the work group.

**7. Proposed Small Solar Rebate:** Mr. Hedman mentioned that due to a lack of funding, CCEF suspended taking applications in November 2008 for the solar PV rebate program. CCEF has identified \$3,100,000 in additional funding to reopen the program and anticipates being able to offer rebates through June 30, 2010. Mr. Hedman explained that approximately \$1,600,000 would be available from bond defeasance and \$1,500,000 from federal stimulus funding. He reviewed the proposed rebate structure to deploy up to \$3,000,000 for the program and up to \$100,000 for administrative expenses. The rebate structure includes: \$1.75 per watt for system sizes 5,000 watts (5kW) or less; and \$1.25 per watt for additional watts above 5,000 to a maximum of 10,000 watts (10 kW). Staff will investigate the recommendation to purchase the residential renewable energy certificates for the residential program and report back.

Discussion ensued on the federal stimulus funding for the program. It was noted that the federal funds are subject to prevailing wage requirements.

**Upon a motion made by Mr. Peters, seconded by Ms. Muradian, the Board voted in favor of adopting the following resolution regarding the Small Solar Rebate Program (Mr. Olsen and Ms. Stratton were not present for the vote):**

**RESOLVED:**

(1) that the Board of Directors of the Connecticut Clean Energy Fund ("CCEF Board") has determined that allocating funds to reopen CCEF's Small Solar Rebate Program is necessary and in the furtherance of the CCEF Comprehensive Plan, and thus authorized as follows:

(a) \$3,000,000 for rebates; and

- (b) \$100,000 for program administration.
- (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 CI, is authorized to execute and deliver for, and on behalf of CCEF, any legal instrument necessary to effectuate such rebate on such terms and conditions as he or she shall deem to be in the interests of CCEF, in conformance with the wishes of the CCEF Board, and in conformance with Section VI of the Operating Procedures of the CCEF Board. The authorized officer's approval thereof is 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.

**8. Proposed Use of RGGI Funding:** Ms. Dondy mentioned that CCEF has been allocated 23 percent of the Regional Greenhouse Gas Initiative ("RGGI") Auction proceeds, and staff recommends that the auction proceeds collected to date be allocated to the Commercial Solar Municipal/Not-For-Profit Program for use on public buildings, including schools and other town facilities. To date, three auctions have resulted in approximately \$3,200,000 due to CCEF. Ms. Dondy stated that approximately \$3,900,000 remains from the \$20,000,000 allocated for the Commercial Solar Municipal Program, and there are 60 applications for projects representing approximately \$17,000,000.

**Upon a motion made by Ms. Glover, seconded by Ms. Muradian, the Board voted in favor of adopting the following resolution regarding Regional Greenhouse Gas Initiative Auction Proceeds (Mr. Olsen and Ms. Stratton were not present for the vote):**

**RESOLVED:**

That the Board of Directors of the Connecticut Clean Energy Fund ("CCEF Board") approves and authorizes the acceptance of CCEF's share of the Regional Greenhouse Gas Initiative ("RGGI") auction proceeds. Furthermore, the CCEF Board authorizes allocation of CCEF's share from the first three RGGI auctions to CCEF's Commercial Not-For-Profit/Government Solar Photovoltaic program for use on public buildings with 6.25 percent of the funding designated for projects within the Connecticut Municipal Electric Energy Cooperative territory.

**9. Request for Additional Funding for Wind Demonstration Program:**

Mr. Frame reviewed the background of CCEF's approval of \$500,000 to fund the demonstration of four small wind turbines at various locations around the state. He explained that three sites were selected to host the four demonstration turbines—1) one turbine at the New Haven Visitor's Center, 2) one turbine at the Pine Point School in Stonington and 3) two turbines at the Marvelwood School in Kent. The Marvelwood School is no longer interested; and therefore, Requests for Proposals ("RFP") were issued to towns to identify strong candidates to replace the two turbines at the Kent site. Mr. Frame discussed the results of the RFP and the three finalist sites (Coventry, Lebanon and Meriden) that excel in areas of wind resource, educational/public access opportunities, ease of permitting potential and abundant support for the project. Coventry and Meriden have been selected to host two of the turbines, and Lebanon will be the backup site should something happen with one of the other selected sites. Mr. Frame explained that additional funding is necessary to move forward with the demonstration program. He stated that funding will be reallocated within Goal 2. In response to a question, Mr. Frame indicated that the demonstration program will help to provide data to compare the actual kwh produced from the wind turbines compared to what the manufacturer claims will be produced as well as other characteristics of the CT wind resource.

**Upon a motion made by Ms. Glover, seconded by Mr. Maddox, the Board voted in favor of adopting the following resolution regarding additional funding for the Wind Demonstration Program (Mr. Olsen and Ms. Stratton were not present for the vote):**

- (1) that the Board of Directors of the Connecticut Clean Energy Fund ("CCEF Board") has determined that additional financing shall be approved for the Small Wind Turbine Demonstration Project for EIGHTY-FIVE THOUSAND DOLLARS (\$85,000); and
- (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 CCEF, is authorized to execute and deliver for, and on behalf of CCEF, not later than October 31, 2009, 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 interests of CCEF and ratepayers, in conformance with the wishes of the CCEF Board, and in conformance with Section VI of the Operating Procedures of the CCEF Board. The authorized officer's approval thereof is 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. Participation in NEPOOL Committee:** Attorney Michaud explained that the NEPOOL Participant Committee provides advice and input to ISO New England, and staff recommends that CCEF apply to become a participant on this committee.

**Upon a motion made by Mr. Maddox, seconded by Ms. Glover, the Board voted in favor of adopting the following resolution regarding membership in the NEPOOL Participant Committee (Mr. Olsen and Ms. Stratton were not present for the vote):**

**RESOLVED:**

That the Connecticut Clean Energy Fund ("CCEF") shall apply to become a Participant in the New England Power Pool under the New England Power Pool Agreement dated as of September 1, 1971, as amended, (the "Agreement") and the officers of Connecticut Innovations, Incorporated, acting solely as the administrator of the CCEF, are severally authorized to execute a counterpart of the Agreement on behalf of CCEF and to cause CCEF to perform its obligations under the Agreement upon the effectiveness of its membership.

**11. Proposed Federal Matching Grant Program:** Mr. Goldberg discussed the request to allocate \$500,000 to be used as matching funds for potential federal funding competitive technology solicitations. He mentioned that staff is working collaboratively with CI and the Department of Economic and Community Development on federal solicitations. Funding would be provided from the Technology and Other Studies Program category within the budget. Mr. Goldberg explained that staff recommends that the CCEF matching funds not be used for greater than 33 percent of any match requirement under any given solicitation. The details of the program will be further developed and presented to the CCEF Board's Technology Committee for approval. Mr. Bowles acknowledged Ms. Glover for being such a strong advocate for this effort.

**Upon a motion made by Ms. Glover, seconded by Mr. Maddox, the Board voted in favor of adopting the following resolution regarding an allocation of matching funds for federal funding technology related solicitations (Mr. Olsen and Ms. Stratton were not present for the vote):**

**RESOLVED:**

That the Board of Directors of the Connecticut Clean Energy Fund ("CCEF Board") has determined that CCEF's allocation of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) to be used as matching funds in connection with competitive federal funding technology related solicitations is necessary and in the furtherance of the CCEF Comprehensive Plan and thus authorizes and approves action by CCEF staff to reallocate \$500,000 from the Technology and Other Studies Program in order to accomplish this objective.

**12. Update on Science Center:** Ms. Piggush provided an update on the Energy City Gallery at the Connecticut Science Center which has been funded by CCEF and the Connecticut Energy Efficiency Fund (“CEEF”). She recognized Ms. Meyer at CEEF for her efforts in this matter. In addition to the gallery, Ms. Piggush mentioned that there will be a climate change theatre. She reviewed the floor plan of the exhibits and discussed some of the featured energy efficiency technology. The Connecticut Science Center will be opening for the general public on June 9, 2009. The Board thanked Ms. Piggush for her work on this endeavor.

**13. Adjournment:** Upon a motion made by Mr. Peters, seconded by Ms. Muradian, the Board members voted in favor of adjourning the May 18, 2009, meeting at 2:32 p.m.

Respectfully submitted,

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Timothy Bowles, Chairman

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Norma Glover, Secretary