

**Technology Review Committee of the
Connecticut Clean Energy Fund Board
Minutes
Thursday, June 4, 2009**

A special meeting of the **Technology Review Committee (the “Committee”) of the Renewable Energy Investments Board hereinafter referred to as the “Connecticut Clean Energy Fund Board”** was held on June 4, 2009, at the office of the Connecticut Clean Energy Fund, 200 Corporate Place, Rocky Hill, CT.

1. Call to Order: Norma Glover, Chairperson of the Committee, called the meeting to order at 4:04 p.m. Voting members present: Norma Glover; and John Mengacci (by phone). Voting members absent: Kevin Hennessey

Non-Voting members present: William Ellis and Carl Nett. Non-Voting member absent: Mark Cirilli.

Staff Attending: Lise Dondy, Keith Frame, and Shelly Mondo (by phone).

Public Attending: None

2. Approval of Minutes:

Ms. Glover asked the Committee members to consider the minutes of the November 26, 2008 meeting.

Upon a motion made by Mr. Mengacci, seconded by Ms. Glover, the Committee members voted in favor of adopting the minutes of the November 26, 2008 Committee meeting as presented.

3. CCEF Federal Matching Grant Process:

Mr. Goldberg discussed the proposed process for the CCEF Federal American Recovery and Reinvestment Act of 2009 (“ARRA”) Matching Fund Program. He explained that as part of the joint effort with Connecticut Innovations, Inc. (“CI”), the Department of Economic and Community Development (“DECD”) and Small Business Innovation Research (“SBIR”), the CCEF Board of Directors in May 2009 authorized the establishment of a \$500,000 matching fund program for the competitive technology ARRA solicitations. Mr. Goldberg discussed some of the efforts made thus far. He reviewed the program objectives and discussed the proposed process for considering applications. Mr. Goldberg noted that applications would be due no later than 15 days prior to the federal government application being due. CCEF would have approximately one and a half weeks to review and make a determination of technical or financial support that could be provided under the matching fund program.

Staff will provide the entire Technology Committee members with the appropriate information so that the voting members can review and give input to staff. The staff committee could proceed with the determination of awards based on this input. It was noted that the amount provided under the matching fund program is small in

comparison with the federal funding provided; and therefore, a much higher level of due diligence is done at the federal level. Staff was asked to determine whether state funding is acceptable for cost sharing. Recommendation was made to ensure that the applicants have an alternate plan if the application is not recommended for funding under the matching fund program.

After discussion on the eligibility of the technologies, there was consensus that funding should be provided for those technologies that have been identified under state statutes as eligible resources for clean energy.

4. Approval of OptiWind Operational Demonstration Funding:

Mr. Frame gave a presentation on the OptiWind operational demonstration project. OptiWind is seeking \$750,000 to fund a demonstration project on the UCONN Torrington campus. Mr. Frame reviewed the preliminary cost estimates for the project. He mentioned that OptiWind has secured some funding to do wind testing and technology verification. Mr. Frame discussed the design of the technology and some of its advantages. He reviewed some of the major risks and explained that a majority of the issues raised by the National Renewable Energy Laboratory with small wind turbines would be solved with this technology if it is successfully commercialized.

The Committee members discussed the definition of success of the project and whether the project would ultimately be competitive if commercialized. It was noted that success would allow the project to operate and test the concept, and the project has the potential to achieve commercialization in Connecticut creating R&D and manufacturing jobs.

Mr. Frame summarized the peer review process. He noted that several key issues were identified that the company had to address, and he explained how each of the issues was addressed by OptiWind. The Committee members had a lengthy discussion about some of the specific issues raised by the Peer Reviewers and how CCEF can control some of the issues to bring the project to successful fruition.

Some questions arose regarding the proposed costs. Suggestion was made to require detailed accounting of the material and labor costs and to notify the developer that CCEF would not automatically provide additional funding for cost overruns. The Committee members and staff had a lengthy discussion on how to mitigate some of the financial and technical concerns raised by the Committee. It was noted that the OptiWind concept could potentially revolutionize the wind industry in Connecticut.

The following suggestions were provided:

- 1) the developer should provide a detailed accounting of costs;
- 2) CCEF should be able to exam the project plans and perform sufficient due diligence;
- 3) CCEF should ensure that the developer has contingency funds in the event of cost overruns;
- 4) staff should ensure that CCEF can make recommendations or modifications to mitigate problems or make adjustments if something is not successful or stop the project if necessary.

- 5) staff should ensure that there is a typical Connecticut presence clause in the contract.

Staff will ensure that the contract includes sufficient language to address the issues raised by the Committee members and protect CCEF's interests.

Discussion ensued on the permitting requirements and other aspects of wind projects. Mr. Frame discussed the terms and conditions of the proposed loan.

Upon a motion made by Mr. Mengacci, seconded by Ms. Glover, the Committee members voted unanimously in favor of adopting the following resolution authorizing funding for the OptiWind operational demonstration project:

RESOLVED:

- (1) that a request for funding for the OptiWind demonstration project has been determined by the Connecticut Clean Energy Fund Technology Review Committee, on behalf of the Connecticut Clean Energy Fund Board to be consistent with and in furtherance of the Comprehensive Plan and that funding be approved in an amount not to exceed SEVEN HUNDRED AND FIFTY THOUSAND DOLLARS (\$750,000) for purposes of demonstrating the technology viability and potential for commercial success for OptiWind's compact wind acceleration turbine; and
- (2) that Peter Longo, President and Executive Director of Connecticut Innovations, Inc. ("CI"), Lise Dondy, Vice President of CI and President of the Connecticut Clean Energy Fund ("CCEF"), or any other duly authorized officer of CI, is authorized to execute and deliver for, and on behalf of the CCEF, not later than December 4, 2009, any legal instrument necessary to effectuate such grant on such terms and conditions as he or she shall deem to be in the best interests of the CCEF, in conformance with the wishes of the Connecticut Clean Energy Fund Board, and in conformance with Section VI of the operating procedures of the Connecticut Clean Energy Fund 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.

5. **Other Business:** There was no other business to discuss.

6. **Adjournment:** Upon a motion duly made and seconded, the Committee members voted unanimously in favor of adjourning the June 4, 2009 meeting at 5:43 p.m.

Respectfully submitted,

Norma Glover, Chairman of the Committee