

CED Board Meeting: 09/20/23

Approved Minutes

In Attendance (*Meeting held at electronically via video and in-person at PSD's Offices in Giga Conf. Room*)

<u>Board Members:</u>	Attending	Absent
<u>Cara Robechek (CR) Chair</u>	x	
<u>David Farnsworth (DF)</u>	x	
<u>Ken Jones (KJ)</u>	x	
<u>Sam Swanson (SS)</u>	x	
<u>Johanna Miller (JM)</u>	x	
<u>Paul Zabriskie (PZ)</u>	x	

State Employees:

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

Other Attendees:

Kerrick Johnson and Betsey Ide Bloomer from VELCO

CR chaired the meeting and called it to order at 10:04.

I. Review Agenda

The agenda was accepted with no comments or additions.

II. Discuss & Vote on Draft Minutes of the 06/29/23 Meeting

Other than a couple spelling corrections, no changes to the draft minutes were suggested. **SS** moved to approve the draft minutes, **DF** second the motion and the motion passed with all in favor except **KJ** who abstained.

There was a question from a board member to **AP** regarding the CEDF biodiesel incentive that was discussed at the 6/29 meeting and if “renewable propane” was allowed to receive an incentive. **AP** answered that “renewable propane”, or any other bio-gaseous fuel would not qualify for the incentive as the incentive is only for liquid biofuels made 100% from used vegetable oil.

III. Election of CED Board Vice-Chair for Fiscal Year 2024

After a brief discussion on the need for a vice-chair and the role of the position **KJ** nominated **PZ** to be vice-chair of the Board. **JM** seconded the motion. **PZ** accepted the nomination and was elected as vice-chair with a unanimous vote in favor (with **PZ** abstaining).

IV. Program Updates

AP provided an update on operating programs, primarily the the Small-scale Renewable Energy Incentive Program (SSREIP) and the wood heat innovations grant with the Windham Regional Commission. **AP** reported that the ARPA funds that were in the SSREIP have been fully reserved and the remaining CEDF funds are under

\$150,000 for pellet heating systems and thus the program will likely run out of funds for pellet heating incentives in 2024, possibly before the end of the fiscal year.

AP reported that the Windham Regional Commission (WRC) said that the two incentives they were holding for two wood heat projects are not going forward in 2023 and could not commit to moving forward on the projects in 2024. Therefore, the WRC and CEDF staff met to discuss possibilities for the ~\$200K remaining in the grant. CEDF and the WRC agreed that the grant could end, and the remaining funds could be used to provide low- and moderate-income residents of Windham County an additional incentive to the CEDF's SSREIP \$3K incentive to install a pellet boiler/furnace. **AP** said this "adder" incentive would be the same as the one CEDF had available state-wide with the ARPA funds until recently.

There was a general discussion of the WRC grant and **AP** clarified that these funds had to be used in and for the benefit of Windham County as per the appropriation that allocated the funds to the CEDF. **DF** asked about how the administration of this additional incentive work would be covered. **AP** said administration funds for any special Windham County incentives could come from the Windham County dedicated funds. **PZ** suggested the funds could be used by SVECA for wood stove installations/change-outs for their weatherization clients. **AP** said that using the funds in the existing SSREIP with the existing and recently ended ARPS incentives will make it easy to get the funds out to those that need it more quickly and with less administrative costs and delay. **PZ** moved that the remaining WRC grant funds could be used for low- and moderate-income adders to the SSREIP's advanced wood heating incentive for Windham County residents with a twelve-month time limit and with a check-in with the Board on the details at the Board's next meeting. **KJ** second the motion and it passed unanimously.

SEMP Expansion Grant.

AP gave an update on the expired SEMP expansion MOU with the Department of Buildings & General Services (BGS). He reported that BGS had said they were going to give a written request to extend the MOU before the CED Board's meeting but that he had not received a request before the meeting. **AP** said he understands that BGS does want to continue the MOU and keep secured the remainder of the year one \$150,000 of the original two-year \$300,000 agreement. He said that to-date BGS had drawn-down under \$30,000 and that their last reimbursement request was April 1, 2023. **AP** said he was expecting a request for reimbursement for the April through June 30th timeframe.

As part of the discussion **KJ** made a motion that requests that BGS submit a report to the Board by October 31st, 2023 that includes the following:

1. Details on the costs BGS has incurred on or before June 30th, 2023 that have been and/or will be requested to be paid from the CEDF funds.
2. BGS' requests for reimbursement of costs under the MOU that occurred before July 1, 2023.
3. If BGS wants to renew the MOU, a request for the extension of the MOU that includes the proposed uses for CEDF funds for costs/ occurring after June 30, 2023.

4. Description of why CEDF funds are needed for the purposes listed in #3 and why other State funds appropriated to BGS or to SEMP are not available for these purposes.

DF seconded the motion and it passed unanimously. **AP** said he would communicate the above motion to BGS.

V. Update from VELCO on the development of the New England Clean Power Link

Mr. Johnson gave an overview of the Clean Power Link project which he described as a proposed \$1.6 billion merchant bi-directional transmission line connecting Hydro Quebec's power grid to the New England grid via Vermont. To be built and operated by TDI New England). He gave an update on the project's status as an applicant for a federally backed power contract and for federal grants that would allow the project to go forward. The project has all permits except for the change of the line to be able to flow power bi-directionally.

Mr. Johnson said that preliminary reports are positive for the necessary federal involvement and that they were expecting to hear by November if the project will have the federal support necessary to be built.

There was a brief discussion of, and questions about, the project and process for the federal funds/contract support, and the benefits that would flow to the State of Vermont from the project/TDI. Mr. Johnson said that the agreements that were made when Vermont permits for the project were secured would result in \$611 million in payments over 40 years. \$100 million of that would come to the CEDF with payments of \$5M/year for 20 years.

VI. Next meeting

The Board scheduled their next meeting for December 12, 2023. **AP** said he would send out a meeting invitation and publicly post the meeting notice.

- Without objection CR adjourned the meeting at 11:20 --