

OFFICE OF THE ECONOMIC RECOVERY AND REINVESTMENT

MEETING OF THE ENERGY REVIEW TEAM

PUBLIC SESSION

October 26, 2009

The OERR Energy Review Team met on Monday, October 26, 2009 in Public Session in the offices of the Department of Administration, One Capitol Hill, Providence, Rhode Island pursuant to notice of the meeting to all Members and public notice of meeting, a copy of which is attached hereto, as required by applicable Rhode Island Law.

The following Members were present and participated throughout the meeting as indicated: Dr. David Farmer, Chairperson; Thomas Ahern; Beth Cotter; John Farley; Kevin Flynn; Noreen Shawcross and Dr. Marie Ganim. Samuel Krasnow and J. Michael Saul were absent. Julian Dash attended the meeting to represent Mr. Saul.

Also present was Dr. Kenneth Payne, panel staff and several members from the public. Dr. Farmer presided over the meeting.

Welcome

Chairman David Farmer called the meeting to order at 10:12 a.m. by welcoming everyone and asking the Energy Review Team and staff members to introduce themselves. Dr. Farmer then reviewed the topics that would be covered in the day's meeting, which included a discussion on the need to elect a Technical Review Team and a review of the draft rules for the "non-utility scale renewable energy program", both created and presented by Dr. Kenneth Payne.

Approval of Minutes

The minutes of the September 22nd, 2009 meeting were approved upon a motion duly made by Thomas Ahern and seconded by Kevin Flynn.

Progress Summary: ARRA Solicitations

Dr. Kenneth Payne informed the Team that a Memorandum of Understanding between the Office of Energy Resources and the State Building Commissioner was filed on September 30th, 2009.

Discussion: Need for Technical Review Team

Dr. Payne then discussed the importance of electing a Technical Review Team to review all incoming proposals. The Office of Energy Resources shall review all applications submitted by the public regarding non-utility scale renewable energy projects and will

determine if the application meets all threshold criteria. Those projects that meet the criteria will then be evaluated and ranked by a Technical Review Team, in accordance with the competitive and bonus criteria.

Dr. Payne suggested the technical review team consist of those knowledgeable in the particular criteria fields, i.e. Members from the RI Economic Development Corporation to evaluate job creation and retention; RI Department of Environmental Management to evaluate environmental benefits; and State of RI Public Utilities Commission to evaluate energy cost savings.

Discussion: Draft Rules for Non-Utility Scale Renewables

Dr. Payne then went over the draft rules for the ARRA-SEP non-utility scale renewable energy program. These rules are based on existing regulations and laws, and are relatively non-controversial, however several design issues needed to be addressed.

The first item discussed dealt with the suggested funding rounds. All projects funded by this program must be completed on or before March 31st, 2012. Due to this rapidly approaching deadline, there is a need to begin solicitations as soon as possible. Dr. Payne suggested that two funding rounds be available through the Program. The first round, with a suggested due date of December 10th, 2009, shall total \$3.395 million and would allow those ready for submission to apply. The second round of funding, with a suggested due date of March 1st, 2010 and totaling \$5.0 million, would allow extra time for other

interested parties to prepare and submit at the later date. If funds from these two rounds are not fully obligated, supplementary funding rounds shall be established. Also, the amount allocated in the first round may be increased in order to support one or more eligible projects, but increased funding is not to exceed ten percent (10%) of the Recovery Act total funds allocated to the Program. The amount allocated in the second round of funding would then be decreased, respectively.

The Team then discussed Project Type and Sizes. Each project is not to exceed the amount allocated to each project type, i.e. \$10,000 per dwelling unit for residential projects; \$125,000 for small commercial and industrial projects; \$500,000 for large commercial and industrial project; and \$750,000 for community and institutional projects. Dr. Payne reminded the Team that those who apply to these funds are also encouraged to seek out and apply to other sources of funding.

Moving forward from the Team's comments and edits to the draft rules, a community review in the form of a public meeting will take place to address any concerns or suggestions from the community. Amendments will then be made and the set of rules will go out to a public hearing, per emergency rule making.

Schedule for Other Solicitations

Dr. Kenneth Payne informed the group that they should expect draft rules for the other solicitations in the near future.

Other Business

There was no other business to discuss.

The next Energy Review Team meeting will be held on November 16th at 10:00 a.m. in the offices of the Department of Administration, One Capitol Hill, Providence, Rhode Island.

Adjournment

The meeting was adjourned at 11:29 a.m.

Kristen A. Coogan

Secretary