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**1 STATE OF RHODE ISLAND AND PROVIDENCE
PLANTATIONS**

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4 ARRA ENERGY FUNDING

**5 RHODE ISLAND OFFICE OF ECONOMIC RECOVERY &
REINVESTMENT**

6 ENERGY REVIEW TEAM

7 PUBLIC MEETING

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20 DATE: SEPTEMBER 17, 2009

TIME: 6:30 P.M.

21 PLACE: RHODE ISLAND DEPARTMENT OF HEALTH

3 CAPITOL HILL

22 PROVIDENCE, RHODE ISLAND

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1 (COMMENCED AT 6:36 P.M.)

2 DR. PAYNE: I'd like to call this

3 gathering to order. I'm Ken Payne. I work on energy

4 issues, and you are all going to be tested with regard

5 to your endurance of a warm environment. This is not

6 the summer that we missed occurring in this room this
7 evening. It's something else. In any case, it's
8 my -- I work both at the University of Rhode Island
9 and also on energy issues, and it's my great pleasure
10 to introduce you to the new chairman of the Energy

11 Review Team, Dean David Farmer of the graduate
school

12 of oceanography. Dean Farmer?

13 DEAN FARMER: Thank you, Ken, and

14 welcome everybody to this, our energy funding

15 opportunities meeting. Our job is to fill you in with

16 what's going on. It's a fairly fast moving story. In

17 fact, we just got some new information three or

18 four days ago, which is why it's only coming to you a

19 little late in the day. So let's start off with some
20 introductions. We have over on the left, we have Ron
21 Renaud, who is the Executive Director of the Rhode
22 Island Department of Administration, and also this
23 program here reports to him. And then we have Kevin
24 Flynn, vice chair of the Energy Review Team. You
25 probably have other jobs that I don't know about, too.

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1 **MR. FLYNN: Yes. I am the Associate**
2 **Director for the Division of Planning for the State of**
3 **Rhode Island.**

4 **DEAN FARMER: Ken Payne you've met,**
5 **and I'm chair of the Energy Review Team. My name is**
6 **David Farmer again, and my day job is down at the**
7 **University of Rhode Island in the oceanography school.**
8 **Right. Let's get going with the slides then. Next**
9 **one, please.**

10 **So the purposes of this meeting are to provide**
11 **you with an overview of the status as we know it up to**
12 **the minute of the economic recovery and reinvestment**

13 activities and funding, and also to get your input.

14 We'll tell you what we're doing, and we're looking for

15 your input. Next, please.

16 So a word or two first of all about membership of

17 the Energy Review Team, and then we'll discuss the

18 overview of the status of the energy funding and

19 outline the process and timetable for soliciting

20 applications, and then there'll be an opportunity for

21 questions, comments, and discussion. And since I'm

22 new in this job, I don't necessarily remember all the

23 acronyms by which this organization lives, but I'll be

24 calling on Ken, who is an expert in such matters, and

25 I'm sure the rest of the panel will also be

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1 contributing to any -- answering any questions you

2 have. So this is the Energy Review Team. Kevin

3 Flynn, Ron Renaud, Thomas Ahern, Samuel Krasnow,

Mike

4 Saul, and Noreen Shawcross, and Office of Energy

5 Resources is the agency within the Department of

6 Administration and reports directly to Ron Renaud.

7 **Good. Next, please.**

8 **Okay. So what's becoming available? Well, it's**

9 **the State Energy Program. It's down to \$24 million.**

10 **The Energy Efficiency and Conservation Block Grant,**

11 **\$9.6 million, and then the weatherization program --**

12 **I'll be describing how these are broken down in a**

13 **moment -- \$20 million. Then we'll also have some**

14 **smaller programs, appliance rebates, smart grid,**

15 **public utility commission money, and energy**
assurance.

16 **Now, let me tell you that if you've got your name down**

17 **on the E-mail list, you'll get more information about**

18 **this, but these slides will be put up on the web site**

19 **tomorrow?**

20 DR. PAYNE: Uh-huh.

21 DEAN FARMER: That will be good.

22 Where should they go on the web site? Dan?

23 MR. CARRIGG: energy.ri.gov.

24 DEAN FARMER: So you don't have to

25 take notes on all of these. They'll be available

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1 tomorrow. Okay. So let's talk about the existing
2 energy programs. That's calendar 2009, fiscal year
3 2010, and in yellow above are our energy based, energy
4 savings based funds, and there is the -- Ken? DSM?

5 DR. PAYNE: Demand side management.

6 MR. FARMER: Demand side management.

7 Okay. I'm going to ask you to explain that, because
8 I'm not sure of that.

9 DR. PAYNE: That's the amount that's
10 generated by the two mils per kilowatt hour on
11 electric bills, and the total amount generated is
12 slightly more. That's the net amount, because I show
13 the appliance management and heating system

14 replacement both have some of that, and some of the
15 weatherization funds are also supported by the DSM,
16 pursuant to -- what is it? Docket 39-31? 4000?
17 Those are the two big dockets on it of recent. Cost
18 procurement.

19 DEAN FARMER: Okay. Thank you.

20 Right. And up at the top, you'll see least cost
21 procurement, \$6 million. That is procurement in the
22 sense of being able to acquire energy savings based

23 recovery or money saved, and that's something that
can

24 be done if that's less expensive than actually going
25 out and buying power. Then the others are

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1 self-explanatory. Gas, 4.3, and renewables, 3.4. So
2 you see on the top here we have efficiency funding is
3 \$30.3 million, and then low income efficiency, that's
4 to say funding that's available for people whose
5 incomes are below a certain level, 12.3. So that's
6 the total funding available for energy efficiency
7 activities is \$42.6 million. And for renewables, it's

8 \$3.4 million.

9 Now, down below in the darker colors here are the
10 corresponding values for low income allocations,
11 appliance management, heating system replacement,
12 weatherization, \$9.7 million, and payments to
13 households, low income households, \$30 million. So
14 next slide, please.

15 Now, the existing energy programs are funded by
16 money coming out of the -- on top of your power bills,
17 and the amount and the distribution is shown here.
18 For example, electric power was \$.0023 per kilowatt
19 hour, of which .20 is efficiency and .03 is renewable.
20 That's just for distribution. Likewise, the

21 corresponding amount for gas, and then for least cost
22 procurement, and then another one I don't know, RGGI.

23 Ken?

24 DR. PAYNE: Regional Greenhouse Gas

25 Initiative.

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1 DEAN FARMER: Right. I'll get them.

2 The Regional Greenhouse Gas Initiative. Thank you.

3 **And then down below again, below income programs,**
4 **weatherization. A breakdown here of the \$9.8 million.**
5 **Department of Energy, 2 million and so on. HHS, 5.7.**
6 **National Grid Gas and Electric, a million each, a**
7 **little over. And then low income HHS, I guess that's**
8 **at \$30 million, and then we've got the appliance**
9 **management program, the heating system replacement.**
10 **All of these numbers will be, for those who've just**
11 **come in, will be available on the web tomorrow. Next**
12 **slide, please.**

13 **Okay. So now we'll talk about the weatherization**
14 **assistance program, \$20 million. It's a two-year**
15 **program that will finish, must be closed off by**

16 **March 31, 2012. This is the low income part. A**
17 **little bit of money for administration, and then**
18 **there's training and training assistance, right?**

19 **DR. PAYNE: Training and technical**
20 **assistance.**

21 **MR. FARMER: Training and technical**
22 **assistance, \$1.8 million. Funding to the agencies,**
23 **12.2, and allocation for larger complexes, \$6 million.**
24 **And again, for those who've just come in, be sure to**
25 **get your E-mail addresses down, and for the**

**1 opportunity for questions when we've gone through
2 this. Right.**

**3 Next one is the State Energy Program, just under
4 \$24 million coming to the State. And you'll see this
5 one again has some money set aside for administration,
6 some for building code. I'm not actually quite sure
7 what that is, but it's a small amount. Ken, perhaps
8 you can just illuminate us on that.**

9 DR. PAYNE: It's essentially for

10 training building officials in the use of new code
11 procedures. It's a requirement of ARRA that we do
12 stuff on building codes.

13 DEAN FARMER: Right. Thank you. And
14 then the funding for renewables, solar, wind, others,
15 and notice that there are two scales here, non-utility
16 scale and utility scale. They obviously have to be
17 handled in a very different way. And then there's
18 funding for efficiency residential, small commercial,
19 large commercial, and industrial, and transportation.

20 As you can see, there are going to be a number of
21 divisions, and that will mean a number of RFPs that
22 will specifically be targeted at different divisions

23 of scale and for the different programs. Next slide,

24 please.

25 The next one is Energy and Conservation Block

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1 Grant, \$9.6 million to the State. And on the left is

2 the funding that goes to the largest ten communities,

3 and on the right to the smaller 29 communities.

4 There's a competitive pool of funding for that. And

5 then there's a State allocation. This is a per capita
6 allocation of \$9.78 per person. There's only one very
7 minor exception, and that's Providence, which I think
8 is \$10.01 per capita. And then federal formula funds,
9 \$4.9 million will be allocated. And then down at the
10 bottom is an allocation of \$5,000 plus 50¢ per capita
11 for performance contracting. You will see the
12 corresponding values on the right for the smaller 29
13 communities. So there's a slight difference in the
14 per capita amount of dollars, 13.1 for the large
15 communities, 13.8 for the small communities. Next
16 slide, please.

17 Now, a little background on the Energy Review

18 Team's evolution with respect to this particular
19 funding. Back in March there was a state energy
20 application, and then in April, April 23, the Energy
21 Review Team convened on this, and on the 30th, the
22 State Energy Plan got an initial ten percent
23 allocation. On May the 12th, it sent in a full
24 application to the Department of Energy. On June the
25 25th, the Energy Efficiency and Conservation Block

1 Grant application was submitted. On July the 27th,
2 the State Energy Plan application was approved, and we
3 got 40 percent of it. On September 9, the State
4 Energy Plan assurances were sent to OERR, and three
5 days ago we learned that the Energy Efficiency and
6 Conservation Block Grant had been awarded. So you
can
7 see it's a fairly fast moving program here, and will
8 continue to be. Next slide, please.

9 So now, these are the -- this describes the way
10 in which funds will flow for the State Energy Plan and
11 Energy Efficiency Conservation Block Grant funding.

12 Applications will be made for State Energy Plan funds.

13 This will be similar to renewable energy funds.

14 Applications will also be made for the block grant

15 fund similar to small cities, and I'm not sure what

16 CDBG is. Ken?

17 DR. PAYNE: Small Cities Community

18 Development Block Grant.

19 DEAN FARMER: Thank you. And then an

20 RFP will be issued for State Energy Plan funds, and

21 that will go through the State purchasing system, and

22 then there will be a memorandum of understanding to

23 handle the transfer of funds between the Office of

24 Energy Resources and other State agencies. Next

25 slide, please.

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1 So the Energy Review Team has as its key goals in
2 this area to get solicitations moving by early
3 October, to create jobs, realize energy savings, meet
4 environmental objectives. This will only work with
5 your cooperation and help.

6 **So now is the time for questions. I'm not sure**
7 **I'll be able to answer any of them, but I am quite**
8 **certain that our panel here will be able to.**

9 **MR. CORDEIRO: If you have a question,**
10 **would you please identify yourself and the**
11 **organization that you represent for our stenographer.**

12 **DEAN FARMER: Okay. We'll start here.**
13 **Everybody will have a chance to ask a question,**
14 **please.**

15 **MS. HOUSE: I was going to ask you to**
16 **also please repeat the questions so that we can --**

17 **MR. FARMER: I'll do that.**

18 **MS. HOUSE: I'm June House, City of**

19 Newport. We have recently deployed a seaweed
20 harvester. It's operational, and we are collecting
21 seaweed. Is there any possibility for -- could any of
22 these funds be channeled into, say, a feasibility
23 study to assess the potential for converting this
24 seaweed to energy?

25 DEAN FARMER: Well, I'll make a quick

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1 comment, and then see if Ken or one of our other panel
2 members can answer that. The quick comment is that
3 RFPs will go out, and they'll be fairly targeted, but
4 broad enough that they'll include a range of
5 activities, and then it will be up to you to show that
6 your particular project fits within that, within those
7 goals. Ken? Do you have any comments on that?

8 DR. PAYNE: Yes. It would be a
9 potentially eligible activity under the other
10 renewable portions of the non-utility scale renewable
11 energy thing. Ron Renaud has suggested maybe what
we
12 should do is lead you a little bit through the process

13 that we'll be going through in getting the RFPs out so
14 that you can understand that before we take specific
15 questions about your own ideas about what you'd like
16 to do.

17 Dean Farmer has described how we got to where we
18 are, and then Ron and I have been trying to work out
19 how we're going to get over the next couple weeks. So
20 do you --

21 MR. RENAUD: First of all, thank you
22 and welcome on behalf of the State of Rhode Island.
23 I'd like to give you a little history. I think it's
24 important. It may be redundant, but based on the
25 calls I received this week and the E-mails, I think it

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1 may be relevant to take you through where we are, how
2 we got here, and where we're going, because it's
3 pretty aggressive.

4 About a month ago, we had the resignation of Andy
5 Dzykewicz, who most of you and many of you know. It
6 was rather -- to me it was a surprise. Maybe to some
7 it wasn't. It was a surprise to me right after his

8 resignation that I was appointed in charge of this
9 group. My primary function at the State is I handle
10 accounts and control, central business office, the
11 bureau of audits, the sheriffs' department, capital
12 projects, facilities management, so I have a pretty
13 full plate. But I welcome the energy opportunity
14 wholeheartedly, and when I was asked, I didn't have to
15 think twice about it. I don't know if I had a choice,
16 but I didn't think twice. I saw it as a great
17 opportunity to take a program that is greatly needed
18 across the State and widely accepted across the
19 country and implement some of the key goals that
20 Dr. Dean Farmer had mentioned.

21 **First and foremost is the creation of jobs.**

22 **Second is energy efficiency, and I'm not sure if**

23 **that's one, two, or they're co-mingled or one and the**

24 **same. Where we were about a month ago and where**
we

25 **are today is an order of magnitude greater. No**

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1 disrespect to what transpired, but based on some of

2 your questions and your concerns, I'd like to
3 alleviate some of those fears. We have identified all
4 the federal requirements that are necessary for us to
5 receive funds and to distribute funds. I can assure
6 you to the best of my knowledge we have met and
7 complied with all federal regulations. If you check
8 the DOE web sites, you will see Rhode Island is
9 compliant.

10 Second, on the funding itself, we have a plan for
11 the distribution of funding from the weatherization
12 program to the community block grant program to the

13 State Energy Program. If numbers serve me, roughly

on

14 the State Energy Program, we have approximately I
15 think \$23 million to pass out based on the projects
16 that you folks submit to us. Here's where some of the
17 disconnect or maybe some confusion has transpired or
18 is still occurring. Some time ago people were asked
19 to submit their projects, and people did submit
20 projects, and they submitted them to the Energy

Review

21 Team. To the best of my knowledge, and when I saw
22 these projects come in, they weren't really in
23 compliance with -- all of them weren't -- not in
24 compliance with the federal guidelines, because there
25 were no federal guidelines for many of these projects.

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**1 It was very vague and ambiguous. We're just getting
2 the guidance on these projects now.**

**3 One of the first things that I did when I took
4 this group over, besides doing an assessment and sort
5 of a reengineering of this group, is I hired Dr. Ken
6 Payne, and I'm very comfortable with that decision and
7 very proud that I had made that, because he's been a**

8 wealth of information, and just really a, truly a
9 godsend to this group. Ken's mission, and what may be
10 irrelevant to you folks, is by or on October the
11 first, we are going to start releasing RFPs that
12 hopefully you folks, many of you folks, will respond
13 to to the type of questions that the City of Newport
14 has raised. Is my project viable? In which bucket --
15 pardon me -- will it fall into? So there will be a
16 series of 12 to 15 RFPs that will hit the street,
17 ranging from the commercial side to even some
18 residential, and Ken, you can fill in the blanks.

19 DR. PAYNE: That's -- what Ron has
20 said is correct. We'll be doing a series of RFPs or

21 actually solicitations, because RFP is a technical
22 term where the State knows the product it wants and
23 you bid to get to supply that product. There will be
24 also application processes like the Small Cities
25 Community Development Grant application process or
the

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1 one that the larger communities use for the Energy

2 Efficiency and Conservation Block Grant. There will

3 be things like that. We will also model things on the

4 existing processes for DSM so that you get -- so we're

5 going to use established processes so you're not

6 confronted with unknown territory. The difference,

7 and this is what we have to work on right now, is

8 we're going to have to crosswalk into existing

9 processes the ARRA requirements. That's a bit of a

10 challenge as you might imagine, and we have to come

11 out with something that's coherent overall. Not

12 everything will be requested all at once. They will

13 come out in sequence based on A, what's most

14 immediately doable, and B, what's most pressing in

15 terms of need. Is that --

16 MR. RENAUD: Absolutely. Sure.

17 MR. JACOBSON: David Jacobson from

18 National Grid. Is the October 1st roughly deadline

19 drafts of the RFPs or the final, ready-to-go RFP?

20 DR. PAYNE: That depends really on our

21 ability to move things through the State process, and

22 I would say it could be some of each. So that some of

23 the very complex ones, there are some that are

24 genuinely, genuinely complex, and there are some that

25 are relatively easy. And the easy ones we'll probably

1 be seeing in that first week of October, actual things
2 available. On the very complex ones, they said it may
3 take up to 60 days longer to figure it out, so it's
4 something within -- but we will know the schedule
5 overall by that October period, one period.

6 MR. RENAUD: Now, specifically though,
7 to respond also to one other piece, because as soon as
8 you hear it goes through the State process, the first
9 thing is purchasing, release, and everything else, and

10 award. We had meetings as late as this afternoon with
11 purchasing, and I've done everything possible to
12 expedite purchasing and to move them from the time an
13 award is made to the time you folks receive the award
14 and start the project. So they're all hands on deck
15 on this one from my boss, Director Sasse, that
16 everybody knows that this is critical.

17 MR. JACOBSON: Have you staffed up to
18 meet the onslaught?

19 MR. RENAUD: Good question.

20 Absolutely. What we've done, the energy office, as
21 many of you know it, knew it, had approximately eight
22 or nine people in the entire energy office. The

23 General Assembly and the Governor's budget called for
24 20 people. I put out seven FTEs last week. Those
25 close -- full-time employees, so we're hiring seven

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1 more people. Seven people under federal money, and
2 two of those seven are based on stimulus funds, which
3 carry a limited term engagement. So there are

4 seven -- seven positions that have been posted, have
5 closed, and the resumes are supposedly hitting my desk
6 tomorrow, Friday, and we will start the review process
7 to hire those people. So to ramp up, yes. We're
8 ramping up as quick as possible.

9 I have received support all the way down the line
10 or from the top that these positions, even though in
11 light of the State's economic condition and the freeze
12 that was put on, and I'm not going to go into all the
13 union discussions, but those positions are -- I am
14 able to fill those positions. So that's, you know,
15 where we are in this group.

16 Let me just explain the group, too, because it's

17 changed. I changed it a little bit. There are three
18 silos in the Office of Energy. There is the LIHEAP
19 weatherization program, and those folks will be
20 administering those two major programs along with the
21 appliance program and others. The middle, I created
22 more of a financial control and auditing function,
23 auditing all the way to working with the Feds and your
24 proposals that you submit to ensure that the State and
25 the Feds receive the best and what they were supposed

1 to receive for their dollar. So we have that
2 financial control. Because along with these projects
3 an increasing amount of paperwork is going to be
4 generated, so we have that. And on the third silo, if
5 you will, is the State Energy Program, which Dean
6 Farmer and Dr. Payne have alluded to about the sort of
7 the \$23 million project which could include everything
8 from wind to solar to whatever. So, those programs.

9 So that's sort of where we're going. I think
10 we're looking at this pretty comprehensively, taking
11 an approach to this, extremely focused on business,

12 getting money out on the street, getting projects that
13 really create jobs and create energy efficiencies and
14 then being able to audit and manage these projects so
15 we are in compliance with the ARRA rules and
16 regulations. That pretty much covers that.

17 DR. PAYNE: Yes.

18 MR. RENAUD: Okay.

19 DR. PAYNE: Two questions.

20 MR. RENAUD: Yes, ma'am?

21 MS. BOYLE: Jean Boyle, City of East

22 Providence. We're one of the communities that got

23 direct allocation through the Department of Energy,

24 and we have found it very difficult to actually access

25 those funds through the Department of Energy, and I

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1 was just wondering, through this process are we going
2 to be accessing the money through the State or --

3 DR. PAYNE: Yes.

4 MS. BOYLE: So you've actually gone

5 through that federal Department of Energy process on

6 our behalf?

7 DR. PAYNE: So on the additional

8 money --

9 MS. BOYLE: Right.

10 DR. PAYNE: -- that's been awarded to

11 the State, we will then award money to, that brings

12 you up to the \$9.78 per capita. We won't try to

13 replace the federal fund. That's your relationship

14 with the federal government. We will not endeavor to

15 try to make you reinvent the wheel so that you won't

16 have to duplicate things that you've done already.

17 You can -- you can use your existing work. You don't

18 have to --

19 **MS. BOYLE: But procedurally it will**

20 **be a State --**

21 **DR. PAYNE: That's correct.**

22 **MS. BOYLE: -- grant program, not --**

23 **DR. PAYNE: That's correct. Very**

24 **similar to what communities have experienced with**

25 **Small Cities Community Development Block grant.**

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1 MS. BOYLE: Thank you.

2 MR. RENAUD: So the EECBG, there are
3 ten communities, for the audience, that receive direct
4 funding from DOE, then there is a supplemental for
5 nine of those ten, if I'm not mistaken, that will come
6 in through the State.

7 DR. PAYNE: Correct.

8 MR. RENAUD: Yes, sir?

9 MR. BROWN: Howard Brown, Rhode Island

10 Interface Power and Light. When you mention State

11 purchasing, from my own past experience I'm
concerned

12 that small non-profits are going to get bogged down in

13 **paperwork trying to get authorized as vendors by the**
14 **State. Is that -- what's going to happen there? Any**
15 **idea?**

16 **MR. RENAUD: Are you already a**
17 **qualified vendor with the State?**

18 **MR. BROWN: No.**

19 **MR. RENAUD: You want to register.**

20 **MR. BROWN: What is the process going**
21 **to be like?**

22 **MR. RENAUD: The process is, I would**
23 **suggest that you personally appear on the second floor**
24 **of the DOA building, and you go right to purchasing,**
25 **and they will walk you through and get you -- get you**

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1 hooked up, so to speak. So they're ready, and they're
2 willing. They've staffed up as well. They've added
3 some stimulus funding positions in purchasing to
4 handle this, not just for energy but for DOT and other
5 projects. So everybody is aware that it's coming.
6 Granted, no doubt, we're very thin employee-wise, but
7 everybody knows the mission.

8 **MR. BROWN:** Are they going to be open
9 to dealing with unconventional vendors like small
10 non-profits?

11 **MR. RENAUD:** We deal with non-profits
12 all the time.

13 **MR. BROWN:** Okay.

14 **MR. RENAUD:** Yes, sir?

15 **MR. KRAVATZ:** Mark Kravatz, Apeiron
16 Institute. Who are the decision makers for the
17 solicitations specifically?

18 **MR. RENAUD:** On the SEP program, Dean
19 Farmer, Ken --

20 **DEAN FARMER:** We've -- and I'll let

21 Ken describe this -- we've been concerned to ensure

22 that we have independency and transparency between
the

23 development of the RFP and the actual decision

24 process. Ken, over to you.

25 DR. PAYNE: Over to me. The RFPs will

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1 include criteria that are subjected to quantitative

2 evaluation, that and the Energy Review Team will

3 establish the metrics which will be used. And that

4 will be an open public process to do that. So the

5 application comes in, and it's reviewed first for

6 completeness, and then the quantitative analysis is

7 done, and a series of rankings are established based

8 on that. It is then referred to the Energy Review

9 Team for a determination of whether those rankings

10 were done correctly under the established rules. Then

11 the Energy Review Team is only advisory, and so it

12 then provides its confirmed recommendation two

13 directions, one of which is to the Office of Energy

14 Resources, and the other which is to the Office of

15 Economic Recovery and Reinvestment, in other words,
16 the people in the Statehouse and the Governor's
17 office. That's because the Governor and the State are
18 the actual -- they gave the assurances ultimately in
19 the initial application.

20 Then they will inform the OER of the -- of the
21 appropriateness of making the awards, and then the
22 final decision rests with the OER, because it was the
23 applicant to DOE. So you then have a perfect link
24 between the final decision being made by the applicant
25 with regard to the distribution of funds. So that

1 process, several steps will be -- it's actually open.

2 MR. KRAVATZ: Can I ask a follow-up?

3 Given that this was such a new area for you, how are
4 you informing yourself as to making those decisions in
5 OER, Rob?

6 MR. RENAUD: Ron.

7 MR. KRAVATZ: Ron. Excuse me. Sorry.

8 MR. RENAUD: It's not going to be my

9 decision alone, trust me. The Energy Review Team is
10 the key to providing us with the information that we
11 need, and that's why when the Energy Review Team
was
12 created, as Ken has mentioned, it's a wide variety of
13 people from different organizations. They're not all
14 out of the Governor's office. They're not all out of
15 the House. We have somebody from the House,
somebody
16 from the Senate, somebody from the Governor's office,
17 somebody from economic development, somebody
from the
18 universities. It's a wide group with a wide array of
19 talents.

20 DR. PAYNE: Let me give you a concrete

21 **example. If you have a ratio between the amount of**
22 **investment from ARRA funds and the amount of funds**
23 **leveraged, we could say you score better based on**
24 **higher degrees of leveraging. If you have something**
25 **that generates more jobs per dollar of investment,**

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1 that also will clearly be something where you can

2 **establish a metric. If you have greater energy**
3 **savings, you can also establish a metric. One of the**
4 **things rather than have applicants try to invent how**
5 **to do those calculations, the federal government does**
6 **do a benefits calculator, and it would seem reasonable**
7 **to use something that we know the Feds already**
8 **recognize. It was what was used in the applications**
9 **to give the numbers of the expected jobs created, for**
10 **example. Does that answer it now?**

11 **MR. KRAVATZ: Thank you.**

12 **MR. RENAUD: Aaron, is it Aaron?**

13 **MR. KRAVATZ: Mark.**

14 **MR. RENAUD: Mark. We're even now.**

15 **Just one thing. In an abundance of equity, you know,**
16 **when I first came on board, I heard a lot of --**
17 **everything was wind power, and it favored certain**
18 **sectors of the State, and I wanted to make sure that**
19 **there was equity. I may not be the energy czar and**
20 **know what every technology available, but I try and be**
21 **fair, and what we're looking at is multiple**
22 **technologies as well, so everything is on the table**
23 **now. There are projects that are going out, and**
24 **they're big, and they're well beyond my pay grade, and**
25 **they're going. That's fine. But with this funding,**

1 we're looking at a broad range. We need to look at
2 what benefits the northern part of the State, the East
3 Bay, central part of the State, et cetera. So it's
4 equity.

5 MR. RICHARDSON: Don Richardson,
6 American Architect. So distributed equity is one of
7 the goals, the primary goals of the program as opposed
8 to larger model projects; is that true or not?

9 MR. RENAUD: Absolutely. What creates

10 the most jobs. Whatever their review process is going
11 to be, their criteria, part of their criteria, I can
12 tell you is the creation of jobs and the creation of
13 energy efficiencies. And whatever the technology that
14 meets those criteria and others, those are probably
15 your winners.

16 MR. RICHARDSON: The metrics are going
17 to be federal?

18 DR. PAYNE: In part they will be
19 federal, yes. In other words, yes. If the Feds
20 accept something and we have to -- we have to report
21 to the Feds, we want to use something we know that
22 they accept and understand. If you choose to deviate

23 from that, that puts everyone in an awkward situation,

**24 because we don't know what's your own thought
process**

25 and whether it would pass the federal government

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1 expectations. But we're not expecting solar to

2 compete against wind. They're sufficiently different,

3 and we would get a different geographic distribution

4 if we only had -- if we said, well, we're going to do
5 the most projects on a per kilowatt hour per unit of
6 investment. We'd see a -- we wouldn't get things out
7 in the same way. So solar has its own discrete pot.
8 Wind has -- this is small scale wind -- it has a
9 discrete pot, and other renewables have a discrete
10 pot. So they're not competing against each other.
11 You can do projects in all areas, and you're only
12 competing against projects in that same area.

13 MR. RICHARDSON: Just follow-up, how
14 long is it going to take to determine what the actual
15 metrics are for this?

16 DR. PAYNE: That is the job that we

17 have during the next couple of weeks. And that will
18 be subject to public hearing.

19 MR. RATUSH: Elliott Ratush. The
20 group is 21st Century. In citing the various criteria
21 such as job creation, reduction of energy emissions
22 during the process, should we cite as far as funding
23 what we need to initiate it, how much, you know, to
24 get halfway there, and how much to complete? In other
25 words, what I'm getting at is if we put down X amount

1 of dollars in order to complete the project, could you
2 be hurting yourself by as a result not getting any as
3 far as the fundings?

4 DR. PAYNE: We have yet to resolve
5 those questions.

6 MR. RENAUD: I would wait until the
7 solicitation comes out, see what the criteria would
8 be.

9 MR. RATUSH: I'm talking from a sense
10 of dollars and cents as far as should you ask for a

11 little bit more than you need to complete it, you know

12 what I'm saying, or --

13 MR. RENAUD: I've got to be honest.

14 I'm not in a position tonight to answer that question.

15 I'll wait for some time. Yes, ma'am?

16 MS. STANLEY: My name is Kathy

17 Stanley. I'm with Johnson Controls. My question has

18 to do with what a municipality can expect in terms of

19 time frames from the time that they make an

20 application for one of these fundings to when they

21 could actually receive the grants. I'm just asking

22 for an estimate.

23 MR. RENAUD: If I give you an

24 estimate, I know people are going to hold me to it.

25 MS. STANLEY: I'll be right there to

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1 say no, no. It's just an estimate.

2 MR. RENAUD: It's our intention to get

3 it out as quick as possible. The review team will

4 expedite this as quickly as possible, and it will go

5 through the process quicker than what a normal --

6 quicker than what Johnson Controls just went through
7 on the ESCO side.

8 **MS. STANLEY:** Really? Because we're
9 still waiting.

10 **MR. RENAUD:** That's right. That's why
11 I said it's quicker.

12 **MS. STANLEY:** We're asking if they
13 have an understanding of what their time frame is for
14 continuous recruitment.

15 **DR. PAYNE:** Very precisely, I'm going
16 to be, over the course of this weekend, taking all the
17 categories of solicitation and then saying, what's the
18 nature of the solicitation, and then on Monday

19 afternoon meeting with purchasing to figure out
20 exactly those kinds of lead times. And so it was for
21 the first time today when they saw the array of things
22 they were going to have to be considering through
23 various forms of solicitation, and we then said, well,
24 let's put together a schedule for figuring out the
25 answer to that question, because that's an important

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1 question.

2 MS. STANLEY: Thank you, and
3 congratulations on your new position.

4 MR. RENAUD: Thank you. Yes, sir?

5 MR. DURAND: My name is Al Durand.

6 I'm with the IBEW. I've got three questions. You
7 talked about job creation, but we didn't say anything
8 about job training. Are you going to depend on the
9 vendor to have a trained work force for the type of
10 projects that are going to come out? The other
11 question will be, will the State purchasing department
12 administer a responsible contractor ordinance to make

13 **sure that there are no misclassifications of**
14 **employees, that sort of thing, and then third,**
15 **inspections. Who will do the final inspection to**
16 **certify, to make sure that everything was done in that**
17 **project and make sure that the money flows where it's**
18 **supposed to go at the end result?**

19 **MR. RENAUD: I can take a shot at**
20 **that, but if anybody else -- to the best of my**
21 **knowledge, on most of those issues, I think a lot of**
22 **it falls under the Davis Bacon Act. We're being**
23 **trained on it as -- actually, today there were members**
24 **of the staff that went on prevailing wage, and**
25 **everything is set for that. So that will dictate some**

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1 of, I think, what you're saying. Go ahead.

2 MR. DURAND: When I say training, I

3 understand the staff will be trained. I'm talking

4 about the actual, on-the-ground, the hands that are

5 going to do the work, that training.

6 MR. RENAUD: I believe in the slides

7 that Dean Farmer had put up there are dollars for

8 training.

9 DEAN FARMER: Yes.

10 MR. RENAUD: And that would be -- that

11 would be the bucket. Do I have an answer and a

12 schedule for you this evening? Candidly, no. But I

13 will, and we'll post it. One thing, too, on the

14 posting, I think the energy web site could be a lot

15 better, and we're addressing that. So with that you

16 will start to see improvements starting next week, and

17 you'll have more information. And I'm sorry. You're

18 waving, but is it about this? To finish your

19 question, I'm sorry.

20 MR. DURAND: The responsible

21 contractor ordinance, are you going to be sure that
22 these contractors that are going to be doing this work
23 for these municipalities and the cities and towns, 39
24 cities and towns, they're going to be responsible that
25 contractors paid fair wages, there is no

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1 misclassifications of employees, 1099s, that sort of

2 thing?

3 MR. RENAUD: You know, I don't know

4 the answer. I will get that answer, and it makes

5 sense. We'll get you an answer. If you leave your

6 name and phone number, all that, I will get back to

7 you or someone from the staff will definitely get back

8 to you.

9 MR. DURAND: Very good.

10 MR. RENAUD: Yes, sir?

11 MR. DEPASQUALE: Joseph DePasquale,

12 town council in Warren. How would you rank a

13 consortium of towns in the application process?

Would

14 they be individual, or would they hold their total

15 number?

16 DR. PAYNE: Under the competitive

17 pool, the announced intention of the Energy Review

18 Team has from -- since we began the process on the

19 Energy Efficiency and Conservation Block Grant and
we

20 established a competitive pool to encourage

21 multi-municipal solicitations so that that would

22 actually earn a higher grade for the competitive pool

23 than an application from a single jurisdiction.

24 MR. DEPASQUALE: Thank you.

25 MR. RENAUD: Yes, sir. Right in

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1 front?

2 MR. FILARSKI: Kenneth Filarski. I'm

3 an architect and planner, my own business. Simple

4 question. How much lead time will applicants have

5 once the RFPs go out in the various categories until

**6 they have to time to submit? Two weeks? Three
weeks?**

7 Four weeks?

8 DR. PAYNE: I think that will depend

9 in part upon the complexity of the application.

10 There's some that are going to be very

11 straightforward, and that it won't be difficult to

12 figure out what to do, fill out forms and get it in.

13 Those logically would have a shorter lead time.

14 Others would have a longer lead time if you have to do

15 significant homework. Our intention also is to get a

16 high degree of information flow going so that since

17 you know things are coming now, you can see the

18 categories, you can begin to see how you fit in, you

19 should have your thinking caps on now, because you

can

20 predict beginning in October you're going to be

21 beginning to see solicitations, and you probably don't
22 want to go, to decide you're going to take kind of a
23 nap between mid-September and early October in
24 thinking about how to be responsive. But it's our
25 intention, I think, and this has to be finally

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1 approved by the Energy Review Team, of course, but to

2 base that in part on the complexity of what's being
3 requested of the eligible applicant.

4 MR. RENAUD: Let me get somebody
5 different. I'll come back. Not that we had any
6 problem with your first question.

7 MR. TAYLOR: Jeff Taylor from Advocacy
8 Solutions. With respect to the commercial and
9 industrial initiatives that are outlined in the
10 narrative that was submitted to the DOE, allocated is
11 a total amount of about \$4.6 million for that
12 particular initiative. It's outlined that there are
13 going to be two RFPs issued, about \$2.3 million, and
14 then it breaks it out into six awards, the

15 sub-grantees, and then three more awards based on
16 different award amounts. It's a little confusing as
17 to two RFPs and then sub-grantees. Can you explain
18 how that is set up, how that might work?

19 DR. PAYNE: One of the things that
20 might happen, and this is something we have to deal
21 with, is you may have, want things to go out through
22 existing programs, and some of the utility-based
23 programs are an example of the kinds of programs that
24 logically could administer stuff for commercial and
25 industrial accounts.

1 MR. RENAUD: Does that answer your
2 question?

3 DR. PAYNE: For example, you know, you
4 don't need to reinvent a gas DSM program if we're
5 going to do something commercial industrial on the gas
6 side.

7 MR. TAYLOR: Just one quick follow-up.
8 How are you evaluating jobs creation? What format are
9 you going to be using?

10 DR. PAYNE: I would expect that we
11 would adhere to the one that the federal government
12 has established in its benefits calculator.

13 MR. TAYLOR: Can you explain? I'm
14 familiar somewhat with that, but can you explain that
15 somewhat for the audience?

16 DR. PAYNE: Not in detail. I am
17 somewhat familiar with it, too, but I can't -- I
18 couldn't give you a tutorial on it, Jeff.

19 MR. RICHARDSON: Well, then how could
20 we --

21 DR. PAYNE: It's online, and we'll --
22 we know it's there.

23 **MR. RENAUD: If you research it and**
24 **you still have a problem after you've done your due**
25 **diligence, let us know. We'll do what we can to help**

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1 **you.**

2 **MR. RICHARDSON: Do you have a web**

3 **site?**

4 MR. RENAUD: Yes, we do. It's

5 energy.ri.gov.

6 UNIDENTIFIED SPEAKER: He meant for

7 this.

8 MR. RENAUD: Oh, for the DOE site for

9 the Feds?

10 MR. CORDEIRO: We'll send it out to

11 everyone whose e-mail address is on the list.

12 MR. RENAUD: When we send it we'll

13 give you all the links that you need.

14 MR. TAYLOR: Is it a formula based on

15 the 40-hour work week?

16 MR. RENAUD: I don't know that answer,

17 Jeff, but we'll get it to you. Let me get this

18 gentleman.

19 MR. NELSON: Mark Nelson, Alternative

20 Renewables. You had mentioned that there are discrete

21 allocations based on the various renewable

22 technologies. I know you've broken them down by both

23 utility and non-utility scale projects. Do you have

24 those discrete allocations already defined for, for

25 instance, non-utility scale solar as opposed to

1 non-utility scale wind?

2 DR. PAYNE: Those were in the
3 application, so they are somewhat defined, yes. And
4 it was a -- we had to fill in boxes to get to submit
5 the application. So we filled them in as best we can.

6 MR. RENAUD: Yes, ma'am?

7 MS. LUCHT: I'm Wendy Lucht. I'm with
8 Ocean State Clean Cities, and that's the Department of
9 Energy program that promotes alternative fuels and
10 petroleum reduction to transportation sectors. Under
11 efficiency, you have \$8.35 million with transportation

12 lumped in. I had heard weeks ago that it was
13 \$1.2 million for transportation. Is that all
14 designated towards petroleum reduction, or does that
15 include other types of transportation technologies?

16 DR. PAYNE: I would say that the
17 application under this one was -- favored petroleum
18 reduction. I think that there was also an opportunity
19 to work with municipalities under the EECBG, because
20 that also can do transportation activities.

21 MS. LUCHT: Thank you.

22 DR. PAYNE: So partnering with
23 municipality could be invaluable on the transportation
24 side.

25

MR. RENAUD: Yes, sir?

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MR. KERR: Steve Kerr from Toray

2

Plastics. You said that there were different sort of

3

bins for solar and wind power. We're looking at two

4

projects, one solar power, one wind power, pretty

5

large, and we're doing our own analysis to see which

6 one is better for us. Is there another calculation I
7 have to figure in to see which bin is more advantaged
8 to be in? You know, is there a -- it seems like
9 another -- we assume that all the renewables will be
10 lumped together in one bin, and that my decision
11 didn't matter whether it was wind or solar. It would
12 compete against all the other ones. Now there's
13 another decision that I have to make.

14 DR. PAYNE: I don't know that there is
15 any prohibition to submit more than one application.

16 MR. RENAUD: Yes, sir?

17 MR. FITTA: Kevin Fitta for Rhode

18 Island College. Ken, you had mentioned that we should

19 put our thinking caps on now, so I guess along those
20 lines, what stage do our projects need to be in? I
21 mean, can they be in the conceptual stage? Does the
22 design need to be complete? Do we need to be shovel
23 ready? Has that been thought about?

24 DR. PAYNE: The answer to the thing is
25 that the more that they actually do real physical

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1 things, in some respects the better they are. There
2 are some variants on that. We can't do things that
3 would trigger a federal EIS requirement. So some very
4 large scale projects can only do paper studies,
5 because they don't do -- trigger an EIS. So that
6 there will be instances where you could do, if it was
7 a mega project, and if you were receiving federal
8 funds to do it, you clearly trigger an EIS. Then we
9 can't pass federal money on to you to do that project.
10 So the things that only are paper and don't have,
11 generate, you know, readily foreseeable jobs are
12 harder to see how they score well.

13 MR. RENAUD: I think another way to

14 answer that is in the evaluation criteria, whatever
15 the Energy Review Team comes up with, I'm sure that
16 may be one of the criteria, if it's shovel ready. On
17 the case of DOT, they were shovel ready projects. And
18 in the case of other stimulus-based projects, it was
19 shovel ready, get them out the door, goes quicker with
20 a greater impact with awareness. Yes, sir?

21 **MR. WINITSKY: Mike Winitsky, PM**
22 Industries. You keep talking about what the scoring
23 is. Will you make your scoring metric available
24 publicly once you determine it?

25 **DR. PAYNE: Absolutely. That's a**

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1 requirement, and we will do so.

2 MR. RENAUD: Let me tell you, maybe

3 some of the ambiguity or not all the details are

4 factored in. Let me tell you where Rhode Island is

5 compared to everyone else to the best of my knowledge.

6 Earlier on in the week I had a conversation with

7 folks. All stimulus money, energy-wide, nationwide,

8 right now is less than one-half of one percent
9 expended. So Rhode Island is not behind the curve by
10 any stretch of the imagination, and it's not something
11 we need to put our head in the sand on. We've really
12 ramped up in the last three to four weeks. We're
13 right on target, right where we need to be, and I can
14 guarantee you over the next couple of weeks, by
15 October 1, we'll have our plan together. It will be
16 on the web site. It will be communicated for all.

17 We'll have another one of these meetings for
18 everybody hopefully after October the first to make
19 sure that if you have questions that they're answered,
20 and you're able to respond to the solicitations.

21 Look, we're talking about we live in Rhode Island.

22 We're talking about Rhode Island companies, Rhode

23 Island people, jobs, you know, energy savings. The

24 stimulus money, whether you like it or don't, it's

25 here. We're going to use it to the best of our

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1 ability, and we're going to put people to work, and

2 we're going to get some efficiencies out of it.

3 That's the game plan. For us not to do everything
4 possible, we would fail in our mission, and I don't
5 fail. Yes, ma'am?

6 MS. HOUSE: June House, City of
7 Newport. I do the small cities application for
8 Newport, and you've said that the application for some
9 of this funding will be very, very similar. Will it
10 be similar in regard to the required public hearings,
11 public input, planning board approval, council
12 approval? This all adds weeks to the schedule.

13 DR. PAYNE: Probably, and we were
14 discussing this today, there is some logic in making
15 sure that there is councilmanic approval of somebody

16 submitting the application, because it's not
17 necessarily doing the same kind of planning and
18 community development activities that are under the
19 jurisdiction of the planning board. It doesn't make
20 sense to put it through the planning board mechanism.
21 That's not -- that wouldn't be necessary, because it's
22 a different set of activities. But what I want to
23 indicate is that it's the same process that you would
24 go through essentially. So that instead of being,
25 responding to a State RFP, you would be responding to

1 the kind of solicitation that's done with the small
2 cities program and fill out an application, and we
3 will be able to tell you what the amount of money is
4 on the \$9.78 per capita, so you know what to do, then
5 be able to plan what you want to do accordingly,
6 submit an application for that set of funds with the
7 necessary reporting requirements, et cetera.

8 MR. RENAUD: Yes, sir?

9 MR. CHEW: Bob Chew, Parish

10 **Renewables. When you're comparing different**
renewable

11 **energy projects, will you take into account how long**

12 **they're going to last, what the maintenance or major**

13 **component replacements will be? A good example will**

14 **be like a direct drive wind turbine has much lower**

15 **ongoing expense for maintenance and major**
components

16 **than a geared machine, rather than a direct drive**

17 **machine, so one may have much less ongoing**
maintenance

18 **and replacement costs. Will you be looking at the**

19 **whole cost or just the initial start-up cost?**

20 **DR. PAYNE: We have not concluded how**

21 **we're going to handle technical engineering questions**

22 yet.

23 MR. RENAUD: Yes, sir?

24 MR. FRAIOLI: Joseph Fraioli, Little

25 Compton, Renewable Energy Committee. My question
is

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1 in regard to the Energy Review Team, the metrics and

2 award system. In general, would you consider it a

3 plus or minus if the applicant attempts to leverage
4 number one, multiple sources of funding, or number
5 two, multiple renewable energy types, technologies,
6 and number two, a second part of that question, is
7 there a metrics for the amount awarded based on what
8 the applicant's suggested project cost will be of each
9 of those components?

10 DR. PAYNE: To the first thing,
11 leveraging, which is where you have multiple
12 participants, multiple sources of revenue so that it's
13 not entirely borne by our funds, will clearly be
14 favored. Secondly, the degree to which you can offset
15 imported fuels is an established ARRA criteria. We

16 gave sort of a general view of that issue, but one of
17 your six ARRA criteria is avoidance of foreign fuels.
18 So that if you are marrying things that as an overall
19 package help meet that objective, that's something we
20 should be taking into account in order to meet the
21 ARRA expectations.

22 MR. FRAIOLI: The second half of that
23 question was, is there a metrics established in your
24 group as to what the proportional amount of the award
25 would be to what is being asked or --

1 DR. PAYNE: We have not established
2 the metrics yet. Let me go through that a little bit.
3 We will be having to do the metrics that we use on
4 reviewing applications by a public hearing and some
5 form of rule making. So you'll know what they are in
6 advance, you'll have an opportunity to comment on
them
7 before they're finally promulgated. I do not know how
8 we would escape the requirements of the Administrative
9 Procedures Act in Rhode Island. Then, for things

10 where it's a community development-type project, we
11 will have workshops just like the small cities program
12 does. If it is an RFP situation, we will have pre-bid
13 conference, a pre-bid conference.

14 So that our intention is to have a public process
15 before the adoption of rules, then have the necessary
16 rules in place, the RFPs go out, and you can have --
17 then do the conference and workshops. Do you -- so
18 the people will get to see it both before it happens
19 and then after it's on the street.

20 MR. RENAUD: There's also -- let me
21 just reiterate there. I said it earlier. Guidance is
22 still coming from the Feds. I mean, it isn't a baked

23 program, so to speak, that we have everything, it's in
24 our lap, and we have to move it out. We're still
25 getting guidance. We're receiving awards. We're

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1 still receiving different forms to fill out,
2 everything. So like I said, I think that the telltale
3 is less than one-half or about a half of one percent

4 has already hit the street. So that sort of tells you
5 where the whole program is, in its infancy. I'm sure
6 we'll be reacting to whatever the Feds come down. So
7 there will be more, but what I did, just because we've
8 asked everybody to state their name, we have a
9 stenographer here this evening, and more than
10 anything, we wanted to hear, we wanted to memorialize
11 your comments and your concerns, some of your ideas
on
12 criteria evaluation and things like that, we'll be
13 reviewing with these minutes, and we're welcoming
14 feedback. We're going to make ourselves available
15 E-mail wise as well. We'll try and get this together.
16 You can't always be right, but you can be honest.

17 Yes, Marion?

18 MS. GOLD: Marion Gold from URI Energy

19 and Outreach Center, and this is actually Bob's

20 question, but I thought it was a good one. Do you get

21 bonus points if you're looking for a renewable project

22 and you've already done your initial efficiency work?

23 Is there any prioritization of that, or I guess, bonus

24 points?

25 DEAN FARMER: We will have to discuss

1 in the Energy Review Team.

2 DR. PAYNE: Those are the things that,
3 you know, put it on the table.

4 MS. GOLD: I thought it was a good
5 question.

6 DR. PAYNE: We haven't figured
7 everything out. We've only begun.

8 MR. RENAUD: Who else didn't ask a
9 question, first time? Yes, sir?

10 MR. NEWSOME: Joe Newsome with the

11 Energy Efficiency Resources Management Council. I'm
12 wondering if you could go to the final slide, Ron or
13 Ken, and maybe elaborate a little bit more on that
14 fourth key goal, which I assume will be reflected in
15 the RFP, which is to meet environmental objectives.

16 DR. PAYNE: There are several of the
17 ARRA criteria that deal with environmental issues, and
18 that's just, rather than trying to put up three of
19 them, we just said, meet the -- but that's basically a
20 reference to reduction of the carbon and things like
21 that. So that there are ARRA expectations that you
22 will be meeting, energy objectives, environmental
23 objectives, and job creation objectives.

24

MR. NEWSOME: Well, I think if you're

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asking folks to kind of gear up their brains and think

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about this a little in advance, and there are four

2

goals up there, one is to meet either federal and/or

3

State environmental objectives, maybe one is CO2

4

reduction, can you hint at what the other main two or

5

three might be so we can really be thinking

6 comprehensively about the four dots up there?

7 DR. PAYNE: The reduction of energy

8 consumption generally, because there is a cost savings

9 and an energy -- reduction of dependency on fuels,

10 things like that. They're not exactly the same. So

11 that we have to -- we'll probably have to have metrics

12 around those. There are both of them. So embedded in

13 the ARRA stuff is multiple things and it appears

14 multiple places. We will be putting it out so

15 everybody can have it in more detail.

16 DEAN FARMER: Is there a web site for

17 looking at the environmental objectives that we can

18 put up?

19 DR. PAYNE: We can --

20 DEAN FARMER: The ARRA web site?

21 DR. PAYNE: What we can do is we can

22 extract the descriptions of ARRA objectives and then

23 give that extraction so you don't have to hunt through

24 20 pages of ARRA language, and then just say, here's,

25 you know, a compilation of the things ARRA is talking

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13 applications that went in were the applications that
14 were approved. We were sort of -- we were wondering
15 what, you know, because you put it in doesn't mean
16 they're necessarily going to like it and say yes. So
17 fortuitously they did. So you can say, yeah, what
18 went in is what they said yes to.

19 MR. RENAUD: Yes, sir?

20 MR. BAUTE: Peter Baute, Town of New
21 Shoreham. I noticed on one or two of the slides there
22 was a per capita qualification. Now, does that apply
23 to all situations or in the case of renewable energy,
24 for instance?

25 DR. PAYNE: No. It's only on this

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1 portion of it. It's not -- if you're doing -- if
2 you're in the SEP program and renewable energy, it
3 does not -- it's not a per capita application. EECBG
4 is per capita, and it's only per capita. The
5 competitive is not a per capita, and then if -- you
6 can be small, put in something wonderful, and win the
7 grand prize.

8 **MR. RENAUD: Does that conclude round**
9 **one? Round two? Yes, sir?**

10 **MR. FILARSKI: Kenneth Filarski of**
11 **Filarski Architecture Planning Research. I would like**
12 **to echo and reinforce what Bob Chew said when he**
posed
13 **the question, the larger question was really of life**
14 **cycle cost analysis and savings. He put it in the**
15 **framework of a specific example, and while yes, that**
16 **is technical on engineering, personally, I think that**
17 **having life cycle analysis as part of your metrics is**
18 **extremely important, because there is -- all studies**
19 **have shown that with taking a longer view of things,**

20 there are actually greater savings and greater
21 efficiencies on any given project. It allows one to
22 make better decisions from the beginning.

23 MR. RENAUD: Thank you. Round two?

24 MR. JACOBSON: I wanted to ask about

25 the other pot of money that was mentioned briefly, the

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1 **RGGI fund. The State has \$5 million in Regional**

2 **Greenhouse Gas funds that don't require an RFP. Is**
3 **that going to be possibly rolled into this, or what's**
4 **the --**

5 **DR. PAYNE: No. It's not being rolled**
6 **into this so as far as I know. Is that correct, Ron?**

7 **MR. RENAUD: To the best of my**
8 **knowledge, separate and apart.**

9 **DR. PAYNE: It was simply referenced,**
10 **because we don't want to duplicate, you know, the**
11 **things that you're going to do under RGGI. We might**
12 **want to augment them, but we wanted to know what the**
13 **universe of things out there is. My understanding is**
14 **the RGGI rules have not been, for the distribution of**

15 RGGI funds, have not been finalized yet.

16 MR. JACOBSON: By your office?

17 DR. PAYNE: By Office of Energy

18 Resources, correct. That was one of those --

19 MR. RENAUD: As opposed to what other
20 office? You sound like you have someone else that --

21 MR. JACOBSON: We're waiting for you
22 guys to --

23 MR. RENAUD: I know DEM is looking at
24 that, maybe procure some RGGI funds as well.

25 MR. JACOBSON: We're waiting for you

1 guys to disburse the funds, because we want some of
2 it.

3 DR. PAYNE: I can understand.

4 MR. RENAUD: Yes, sir?

5 MR. HAWKINS: Roland Hawkins, 21st

6 Century Motor Company. This is the first time I've

7 heard about this, Regional Greenhouse funding.

8 What -- where do I learn about this? Because my

9 product fits that category, for instance.

10 DR. PAYNE: Where do you learn

11 about -- the best source of information about RGGI is

12 the Rhode Island Department of Environmental

13 Management web site, and go to their air quality

14 section, and you'll find volumes on RGGI. It is the

15 regional cap and trade program, and it is primarily

16 directed at electric generation utilities that have to

17 get carbon credits, and they do that through auctions.

18 They have to meet standards. And so then they --

19 things can be used to offset carbon and various

20 things, so it's a complex scheme, but the description

21 of it is under the end.

22 MR. HAWKINS: Thank you.

23 DR. PAYNE: Let me see. 23 -- maybe

24 82, 23-82 in the chapter of the General Laws,

25 something in that under health.

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1 MR. RENAUD: That's why you get the

2 big money, I'll tell you. Anyone else? Yes, ma'am?

3 MS. BOYLE: Jean Boyle, East

4 **Providence. Under the base grant program, I'm**
5 **presuming that because this is based on a per capita**
6 **basis that if a community was to submit a grant**
7 **application that meets the basic federal requirements**
8 **that it will be essentially entitled to that full**
9 **amount, provided that it meets requirements? It's not**
10 **on a competitive basis?**

11 **DR. PAYNE: For the \$9.78, the answer**
12 **to your question is essentially yes. You have to meet**
13 **the requirements. You have to be doing what's -- meet**
14 **all the requirements, but it's not a competitive**
15 **thing. It's your best judgment about what would**
16 **accomplish the objectives.**

17 **MR. RENAUD: Remember, there's three**
18 **pools of money at a minimum. Three large pools of**
19 **money. The energy program, the weatherization**
20 **program, and then EECBG. The EECBG is what**
focuses on
21 **per capita. That is part of the formula. So you**
22 **don't need that for the SEP program. Yes, sir?**

23 **MR. BROADHEAD: Jeff Broadhead from**
24 **Washington County Regional Planning Council. A**
25 **follow-up question on the block grant money. I**

1 understand the allocation amongst towns. That's what
2 you've been saying for a while. What about a
3 multi-town allocation for the allocated funds? Can
4 that be done, or do we have to do a separate
5 application?

6 DR. PAYNE: I would expect that as
7 long as the community signs on, you can do it. We can
8 certainly write it that way.

9 MR. BROADHEAD: Thank you.

10 MR. RENAUD: Yes, sir?

11 **MR. CERIO: Bob Cerio, Ocean State**
12 **Energy Resources. Are there going to be any**
13 **safeguards in your matrix or as coming from the**
14 **federal government that State -- like there will be**
15 **measurement and verification so that some of these**
16 **measurements that are put into place are maintained**
17 **for sustainability?**

18 **MR. RENAUD: Absolutely.**

19 **MR. CERIO: Is that part of the feds**
20 **or part of the local?**

21 **MR. RENAUD: That's part of the feds.**
22 **That's part of the criteria that we understand, in all**
23 **the measurements. That's why I said initially from my**

24 second silo of people in the financial side, I have an
25 auditing function in there, and then, you know, we

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1 also have inspectors to answer the gentleman from the
2 IBEW. So we have people on the street, and we have
3 people on the street looking at the actual
4 deliverables.

5 **MR. CERIO: As a follow-up, is there a**
6 **time limit on that? Five years? Ten years? Do they**
7 **say how long that measurement verification --**

8 **DR. PAYNE: I don't know offhand.**

9 **MR. RENAUD: I don't know that one.**

10 **Yes, sir?**

11 **MR. RATUSH: Regarding the RFP, you**
12 **talk about the renewable aspect of the energy sector**
13 **versus the emissions, you know, and in other words,**
14 **each has got separate funding, one quite a bit more**
15 **than the other. If your project fits, should you**
16 **enter it in each sector, you know, the same project,**
17 **you know, in trying --**

18 **MR. RENAUD: See what the solicitation**
19 **requests, and see where they best fit. If they cross,**
20 **you know, if it's cross pollination, so to speak, put**
21 **them in for both. It can't, you know, doesn't hurt**
22 **you. It makes more work for us, but do what you think**
23 **is best in what you have to offer to the State. Yes,**
24 **sir?**

25 **MR. LUPINO: Adam Lupino from the**

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1 **Laborers' New England Region. Outside of the**
2 **weatherization low income program, will you be**
3 **accepting non-low income weatherization proposals**
4 **under the SEP funding?**

5 **DR. PAYNE: Yes.**

6 **MR. RENAUD: There is a residential**
7 **component to that.**

8 **MR. LUPINO: As a follow-up, under the**
9 **money that's already gone to the caps, there is still**
10 **\$6 million that is being held by the State. Is that**
11 **going to go out to RFP for weatherization?**

12 **MR. RENAUD: Go ahead, Matt.**

13

MR. GUGLIELMETTI: Matt Guglielmetti

14

with the Office of Human Resources. The \$6 million

15

was set aside for large multi-family units,

16

weatherizations of those units. We haven't quite put

17

together details of other criteria of what we want on

18

that or who will be actually the network or the

19

deliverables for those monies. So that should be

20

hopefully coming within probably the next two or

21

three weeks.

22

MR. LUPINO: Okay. Thank you.

23

MR. RENAUD: Just as a follow-up,

24

Adam, just to give you a little more information,

25

there is the standard weatherization program, and then

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1 with the stimulus, it's on top of that, which is a
2 pretty substantial program. To date, State of Rhode
3 Island's received about 50 percent of their
4 allocation, and the first award we received, if I'm
5 not mistaken, was about \$2 million. It was ten
6 percent of the \$20 million, so we had \$2 million, and

7 then the second award we received not long ago, very
8 short time ago, we received the other 40 percent. So
9 we have a 50 percent allocation, and I believe, Matt,
10 if I'm not mistaken, that you've talked to the cap
11 agencies, and you've told them sort of, you know, what
12 the game plan is dollar wise, what they can expect.

13 MR. GUGLIELMETTI: What they can
14 expect, for the low income program, for the
15 weatherization, the agencies have geared, the cap
16 agencies have geared up. We are in the process now of
17 just going through the procedures and the processes of
18 getting the money, you know, through the system,
19 through the system that Ken was talking about, and

20 we're hoping also by October that that process will
21 start and then the money will soon be flowing at the
22 agencies. But also note, the agency's funded now with
23 weatherization dollars, so we're actually weatherizing
24 at a stimulus pace with existing weatherization
25 dollars, because it's an extension of our program, an

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1 expansion of our program. That is what the stimulus

2 dollars is going to mean. We're already at a stimulus
3 pace. We're just waiting for the additional dollars
4 to come down to continue that.

5 MR. RENAUD: Other than that, it was a
6 fun summer with you in here this evening.

7 MR. CERIO: Can I make a comment?

8 MR. RENAUD: Yes, sure.

9 MR. CERIO: It's much more organized
10 tonight than you have been the last two meetings. I
11 applaud you for that.

12 MR. RENAUD: Stay tuned.

13 (ADJOURNED AT 7:53 P.M.)

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1 C E R T I F I C A T E

2 I, Carole J. Ogden, hereby certify that the
3 foregoing is a true, accurate, and complete transcript of
4 my notes taken at the above-entitled meeting.

5 IN WITNESS WHEREOF I have hereunto set my hand
6 this 18th day of September, 2009.

7

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10

CAROLE J. OGDEN, RPR, NOTARY PUBLIC

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My commission expires 10/4/12.

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