



**MARIN ENERGY AUTHORITY
BOARD MEETING
THURSDAY, February 7, 2013
7:00 P.M.**

**SAN RAFAEL CORPORATE CENTER, TAMALPAIS ROOM
750 LINDARO STREET, SAN RAFAEL, CA 94901**

Roll Call

Present: Damon Connolly, City of San Rafael, Chair
Kathrin Sears, County of Marin
Tom Cromwell, City of Belvedere
Alexandra Cock, Town of Corte Madera
Len Rifkind, City of Larkspur
Denise Athas, City of Novato
Ken Wachtel, City of Mill Valley
Ford Greene, Town of San Anselmo
Carla Small, Town of Ross
Ray Withy, City of Sausalito
Emmett O'Donnell, Town of Tiburon

Absent: Larry Bragman, Town of Fairfax
Tom Butt, City of Richmond

Staff: Dawn Weisz, Executive Officer
Elizabeth Kelly, Legal Director
John Dalessi, Operations & Development
Kirby Dusel, Resource Planning & Renewable Energy Programs
Greg Brehm, Resource Coordinator
Justin Kudo, Account Manager
Beckie Menten, Energy Efficiency Coordinator
Alex DiGorgio, Community Affairs Representative
Emily Goodwin, Internal Operations Coordinator
Simon Loos, Data Analyst
Ben Choi, Account Manager
Darlene Jackson, Clerk

Public Session: 7:10 PM

Agenda Item #1- Board Announcements (Discussion)

Chair Connolly announced that there would be a 3-minute limit on public comments in order to cover all items of business on the extensive agenda.

MEA's newest Board members, Emmett O'Donnell, City of Tiburon and Ray Withy, City of Sausalito were sworn in by Executive Officer Dawn Weisz.

Director Rifkind asked if it was possible to move agenda items number 6, 7 & 8 onto the Consent Calendar and possibly have a table of contents for the Consent Calendar in the future. Use of the iPad iAnnotate application by

ME Board Members was explained and by implementing that change, the need for a consent calendar table of contents was eliminated since all board packet items were bookmarked.

Agenda Item #2 – Public Open Time (Discussion)

Member of the public, Leslie Alden welcomed the new Board members. Ms. Alden indicated that she had a phone conversation with Director Dick Collins and wanted to share that he is doing well and he sends his regards to everyone.

Member of the public Barbara George shared information related to Edison’s specifications to obtain a steam generator start-up in the San Onofre area.

Member of the public David Haskill from Sunset Solar spoke on the difference in prices of solar development building permits from agency to agency.

Member of the public, Bob Williamson asked questions related to Phase II of enrollment and related opt out rates, specifically, when actual Phase II numbers would be available for comparison with Sonoma’s projections.

Executive Officer Dawn Weisz responded to questions from the Board and the public.

Agenda Item #3 – Report from Executive Officer (Discussion)

Executive Officer Dawn Weisz reported on the following:

- Office expansion completion – Current office space is good fit for our needs. All furniture was donated from Farnsworth Mayflower and came from a recently vacated office in the East Bay.
- EPA Green Power Partnership – City applications will be submitted soon and as part of the program; certified participants will receive road signs and other recognition for participating in the EPA program.
- MCE was selected to receive a Climate Change Business Journal Award for solar power in honor of MEA’s FIT program that is spurring investments in local distributed solar and other renewable projects. MEA extends a special thank you to Christine Gregorak for nominating MEA for this award.
- Welcomed Ben Choi, Extra Hire Account Manager. Mr. Choi comes to MEA from the City of Richmond and has a range of experience including working with the Business Energy Coalition in San Francisco where he assisted with communications and outreach for demand response programs. Mr. Choi also sits on the Planning Commission for the City of Richmond, is familiar with local community-based organizations, is fluent in Korean, and is a writer for the Awl, a New York-based web magazine, primarily on food-based topics.
- Richmond Chamber of Commerce – MEA received a plaque commemorating MCE as a new member.

Ms. Weisz responded to questions from the Board.

Agenda Item #4 – Consent Calendar (Discussion/Action)

- C.1 Minutes from 10.4.12 Board Meeting
- C.2 Monthly Budget Report
- C.3 Records Retention
- C.4 Quarterly Contract Update
- C.5 First Addendum to Third Agreement with Douglass & Liddell

C.6 Second Agreement with APCO Worldwide

M/s Small/Sears (Passed 11-0-0) approved all items on the consent calendar. Directors Bragman and Butt were absent.

Agenda Item #5 –Energy Efficiency (Discussion)

Ms. Weisz spoke briefly on Energy Efficiency having always been an integral part of the MEA vision and the history of MEA's work to implement an Energy Efficiency Program before funding was received for the program. Ms. Weisz also explained how Beckie Menten was hired on September 13, 2012 as a result of the funding received by the CPUC and how MEA is looking to keep momentum going with the proposed contracts and demonstrate to the CPUC that MEA is well equipped to comply with their programmatic expectations and guidelines.

Energy Efficiency Coordinator Beckie Menten spoke in depth on progress in the way of program accomplishments made by MEA with the EE Program, both in the 2012 program cycle and well into the 2013/14 program planning and implementation.

MEA is the only agency so far authorized to have a financing element in the way of an On-Bill Repayment (OBR) pilot program and a Standard Offer (SO) pilot program. MEA continues to explore options for lenders for the OBR program, as well as lenders for a single-family program. MEA is currently working with River City Bank as a potential lender.

MEA is very excited about finally shifting from planning to implementation. Chair Connolly expressed interest in how the proposed program came about and how our program is adhering to CPUC parameters. Ms. Weisz explained that MEA's current program is based off of the originally proposed 2012 program but the CPUC asked that MEA modify the program as they felt the program was more comprehensive than could be accommodated within the existing funding cycle. The modifications made resulted in the current program structure.

Ms. Weisz also explained how the budget was created, how it fits within the CPUC's parameters as well as milestone/markers that MEA must meet. Total Resource Cost calculations (TRCs) are a metric used to track the program success in achieving kilowatt hours saved per cost of the managing the program.

Ms. Weisz and Ms. Menten responded to questions from the Board.

Agenda Item #6 Second Agreement with Association for Energy Affordability (Discussion/Action)

Ms. Menten provided background information on the Association for Energy Affordability (AEA) and gave an overview of the role and the scope of work being proposed for AEA. Director Sears asked for clarification of the difference in contract amounts on page 5 of the 2013-14 Program PowerPoint: Proposed Vendors under Proposed Contracts, AEA: \$160,000 and the Draft Second Agreement states \$106,000. Per Ms. Menten, the correct amount is \$106,000 and Proposed Contracts PowerPoint should reflect the same.

Ms. Menten explained that AEA was recommended to MEA because of their wealth of experience and tenure in the multi-family sector. She further commented that it is difficult to find vendors who are really experienced (significant volume of completed projects) in the multi-family sector.

Member of the public, Barbara George shared that with its energy supply programs, MEA has had an open process

where everyone can come to the table and submit proposals. That same process should apply to Energy Efficiency programs and everyone should start on a level playing field during the vendor selection process. Ms. Weisz described the open process that was used to identify potential vendors and assess the ability of vendors to fit the needs of MEA's Energy Efficiency program.

Ms. Weisz and AEA representative Andrew Brooks responded to questions from the Board and public. Mr. Brooks further detailed MEA's program innovation and noted that he cannot think of another agency that is doing anything as customized as MEA to best serve the unique needs of customers (both MCE and PG&E) in the service territory.

M/s Sears/Small (Passed 11-0-0) approved Second Agreement with Association for Energy Affordability. Directors Bragman and Butt were absent.

Agenda Item #7 –Second Agreement with PlanetEcosystems (Discussion/Action)

Ms. Menten provided background information on PlanetEcosystems (PEI) and gave an overview of the role and the scope of work being proposed for PEI. She then introduced co-founder Steve Malloy. Mr. Malloy spoke in depth about the energy efficiency program, their online one-stop shop targeting consumers, the technical and customer service their company provides and the support tools for customers.

Director Rifkind asked if consumers would be able to input specific information and receive a customized plan for each person using the program, and also asked how consumers would find them. Mr. Malloy explained yes to the customized input per customer component and that they would be a part of MCE website, direct mails, as well as other customer outreach channels. MEA would have the ability to use bill messaging, seek out free ads on cable channels, and conduct town hall meetings in order to promote available services.

Director Greene asked that the decision-making process to use PEI be explained. Ms. Weisz explained that staff researched potential vendors for this unique program component and identified PEI as the best fit based on experience and qualifications. PEI was then invited to give an introductory presentation at the September 10th, 2012 Fall Retreat to solicit input and feedback on PEI from Board members and the public. PEI was also invited to present at multiple Technical Committee meetings and Executive Committee meetings in late 2012 and January 2013 to allow for further dialogue and input from Board members and the public. She also mentioned MEA's need to deploy these programs a.s.a.p. using highly skilled and experienced vendors, such as PEI, in order to maximize resources available and ensure program success.

Director Small suggested that PEI organize meetings with Town and/City Planners for the most effective approach in gaining public awareness and ultimately soliciting participation.

Member of the public, Barbara George suggested this Board packet is different from the one that went out last week. She also feels there are serious conflicts of interest. She doesn't know when the agenda was changed or when Jeff Rouser stopped working in a consultant/advisory role to MEA and started working for PEI.

Ms. Weisz addressed Ms. George's assertion by stating the Board packet that was distributed a week prior to the meeting did not change, and within that Board packet, the draft PEI contract was included. She added that, as stated in consent calendar documents, Jeff Rouser was contracted on September 6th, 2012 as a limited scope contractor.

Ms. Menten addressed the assertion related to Jeff Rouser and PlanetEcosystems, Inc. Ms. Menten explained that

she was introduced to Jeff Rouser and PEI only after she became employed with MEA in mid-September 2012. Ms. Menten also explained that she was previously employed with the California Energy Commission (CEC) and managed a Sonoma County contract. The Sonoma County project selected Jeff Rouser as a subcontractor during their contract term, however Ms. Menten did not have any direct involvement or approval rights related to subcontracting for contracts she was managing at the CEC. She knew of PEI and had heard Jeff Rouser's name mentioned but reiterated that she did not meet him until after she became employed with MEA.

Member of the public and Marin County resident David Haskill commented on the importance of using energy efficiency resources to benefit the community and achieve results for all.

M/s Rifkind/Greene (Passed 11-0-0) approved Second Agreement with PlanetEcosystems, Inc. Directors Bragman and Butt were absent.

Agenda Item #8 –Second Agreement with Marin City Community Development Corporation (Discussion/Action)

Ms. Menten spoke extensively on the First Agreement accomplishments and how MCCDC is committed to providing significant and measurable support to both the business community and target population by:

- a. Improving access to career growth opportunities in demand industries;
- b. Supporting business development opportunities that result in sustainable income and job creation; and
- c. Strengthening business competitiveness and linking workers' skill improvements to economic development.

Overall the MCCDC and MEA vision is to provide the following services to residents and local businesses:

- a. Outreach and marketing of energy services
- b. Environmental awareness education

The MCCDC and MEA vision will also provide workforce intermediary services that:

- a. Ensure unemployed and underemployed residents are prepared for energy efficiency opportunities and participate as trainees and workers to gain marketable energy skills and experience.
- b. A 'workforce intermediary' role also ensures that local hire requirements are met by contractors engaged in work in Marin City and other traditionally low income communities.

MCCDC Energy Efficiency Manager, Meaghan Doran, was introduced and announced some of the organization's more recent accomplishments. Ms. Doran also responded to Director Rifkind's question regarding \$10K administrative fee indicated in MCCDC budget, explaining it as indirect costs associated with the project.

Ms. Menten and Ms. Doran responded to questions from the Board.

M/s Sears/Greene (Passed 11-0-0) approved Execution of Second Agreement by and between MEA and Marin City Community Development Corporation to provide direct installation and outreach services for the MEA 2013-2014 multi-family energy efficiency program. Directors Bragman and Butt were absent.

Agenda Item #9 – Proposed MCE Budget for FY14 (Discussion/Action)

Ms. Weisz introduced the item and reminded the Board that this budget was presented and discussed at the January Technical and Executive Committee meetings. MEA Accountant John Maher provided a general overview of MEA's billing process.

Ms. Weisz responded to questions from the Board.

M/s Sears/Greene (Passed 11-0-0) approved Proposed Fiscal Year 2014 Budget. Directors Bragman and Butt were absent.

Agenda Item #10 Proposed MCE Rates for FY14 (Discussion/Action)

John Dalessi, Operations and Development Consultant, shared the following MEA's proposed rate setting strategy for FY 2014:

- MEA Rate setting cycle
- Rate setting calendar
- MCE Rate Design Policies
- MCE Rate Design Process
- Proposed Revenue Requirement
- Revenue Allocation
- Revenue Allocation Assessment
- Rate Design
- Residential Cost Comparisons

Mr. Dalessi explained how rate setting is coordinated with the annual budgeting cycle due to the inherent linkages between MCE program budgets and MCE rates.

Mr. Dalessi and Mr. Dusel responded to questions from the Board and the public.

M/s Greene/Sears (Passed 11-0-0) approved Acceptance of Proposed MCE FY 2014 Rates subject to approval of final FY 2014 rates in April 2013. Directors Bragman and Butt were absent.

It is noted herein that Director Tom Cromwell left the meeting prior to discussion of Agenda Item #11.

Agenda Item #11 Addendum to Agreement with Noble Americas Energy Solutions (Discussion/Action)

Emily Goodwin, Internal Operations Coordinator, provided an overview of the Addendum to the Agreement with Noble Energy Solutions. Vice Chair Sears asked that MEA consider renegotiation of the cancellation fee as it is no longer applicable.

Ms. Goodwin and Ms. Weisz responded to questions from the Board.

M/s Sears/Greene (Passed 10-0-0) approved Authorizing execution of the Addendum for Data Manager Services Agreement between Noble Energy Solutions and MEA. Directors Bragman, Butt and Cromwell were absent.

Agenda Item #12 First Amendment to River City Bank Credit Agreement (Discussion/Action)

Beth Kelly, Legal Director, spoke briefly on the reasons for this amendment; specifically, this First Amendment to the Refinancing Agreement would make conforming changes to align with the later Phase 2 Agreement.

Ms. Kelly responded to questions from the Board.

M/s Sears/Wachtel (Passed 10-0-0) approved Authorizing execution of Amendment Number 1 to the Refinancing Agreement with River City Bank. Directors Bragman, Butt and Cromwell were absent.

Agenda Item #13 MEA Open Season Overview (Discussion)

Kirby Dusel discussed the Open Season process which is underway and provided an in depth overview including:

- Key considerations for MEA resource portfolio needs and specific portfolio criteria.
- 2012 Process (lessons learned and recommendations moving forward).
- Changes for 2013 (improvements/efficiencies for getting higher quality proposals) that include a number of online tools (guides and response templates) to streamline the review process.

Mr. Dusel responded to questions from the Board and the public.

Agenda Item #14 Communications Update (Discussion)

Community Affairs Representative Alex DiGiorgio presented a comprehensive report on Community Outreach in Richmond and a number of positive and exciting developments with community groups and advocates since Richmond joined MEA.

Mr. DiGiorgio responded to questions from the Board.

Agenda Item #15 Regulatory Update (Discussion)

Legal Director Beth Kelly spoke briefly on Regulatory issues and upcoming hearings.

Agenda Item #16 Board Member & Staff Matters (Discussion)

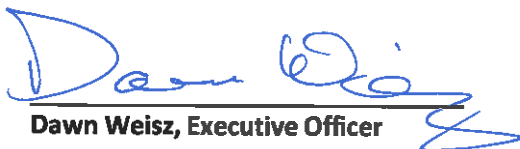
NONE

Agenda Item #17 – Adjourn

10:52 PM



ATTEST:


Dawn Weisz, Executive Officer


Damon Connolly, Chair, Marin Energy Authority