

**SB191 State Energy Advisory Council (SEAC) Meeting
December 17, 2013 1:30pm LOB 308
Meeting Notes**

Council Members in Attendance:

- Meredith Hatfield, Director of the Office of Energy and Planning, SEAC Chair
- Senator Bob Odell
- Representative Beatrice Pastor
- Representative Charles Townsend
- Representative Herbert Vadney
- Tom Burack, Commissioner of the Department of Environmental Services
- Amy Ignatius, Chair of the Public Utilities Commission

Other agency staff in attendance:

- Karen Cramton, OEP
- Mike Fitzgerald, DES
- Chris Skoglund, DES

Introductions and Review of Agenda

Meeting notes from November 5, 2013 were approved; they will be posted on OEP's website.

State Climate Action Plan (CAP) and Progress Presentation & Discussion

Presentation by Tom Burack, Mike Fitzgerald and Chris Skoglund of the Department of Environmental Services. The full PowerPoint presentation is posted on the OEP website. A summary is provided below:

Comm. Burack introduced the speakers and provided an overview of the Climate Action Plan.

Mike Fitzgerald and Chris Skoglund made a presentation (see slides).

- The goals:
 - 20% reduction of 1990 levels by 2025
 - 80% below 1990 levels by 2050
- How can we achieve goals:
 - Essential strategies to achieve goals highlighted
 - Building sector goals and targets highlighted
 - Increase renewable/low –CO₂ emitting resources
 - Encourage land use patterns that reduce VMT – coordinated planning and development & integrated multi-modal transportation system
 - Protect natural resources to maintain amount of carbon fixed/sequester – maintain forest cover
 - State government lead by example (including local level, LECs, and schools)
 - Integrated education, outreach and workforce training program – curriculum, EE programs and web portal
- Plan for existing and potential climate change impacts
- solutions = economic development opportunity and health benefits
 - State has no fossil fuels; Energy Efficiency and Renewable Energy keep fuel dollars in the state

- Most cost effective measure is Energy Efficiency in existing building stock (make existing building stock 60% more efficient through “deep energy” retrofits → net benefit \$1.5 billion)
- Commercial buildings – make 50% more efficient → net benefit \$1 billion
- The Climate Action Plan is the result of the State’s work – stakeholders and state staff plus UNH
- Many committees continue to carry work forward the plan – GSF, EESE Board, IEEC and LEWG, etc.

Questions/Comments:

- Rep. Townsend – impressive work, gains made since plan released have been modest. Are there areas that have been overlooked or ones where we should focus?
 - The Plan is not codified but is a living document; it can be changed as circumstances require.
 - Developed climate collaborative to follow up in progress in certain areas
 - Transportation areas need more focus and work
 - Much private investment needed; not all public funding
 - Energy Efficiency (EE) – home owners need to realize value of EE
 - The Plan provided focus; now the Plan’s specific concepts need focus – need more planning on the specifics and cultural changes are needed
 - Energy landscape changing – hydro fracking may be a double edged sword with short term reductions in cost that may lead to increased energy usage
- Rep. Pastor – the Climate Action Plan is a living document; the plan is very useful on a range of topics (building retrofits, transportation, rapidly changing landscape of energy sources); many lessons were learned. How do we make sure this information and feedback gets to this Council?
 - Carry forward relevant recommendations into the energy strategy
 - DES can provide lessons learned and past years’ legislative efforts; identify barriers; how do we establish energy self-sufficiency
 - VEIC study recommendation – NH needs a state energy policy
 - Navigant can help us find the tools we need to make progress on emission reductions. We have been lucky with energy due to economy. NH wants both a positive economy and reductions in energy use. How much effort/investment is needed to get from a good idea to achieving this goal?
 - NH has made progress. Establishment of the Energy and Climate Collaborative; a high level group established to look after Plan. Group ran out of steam because other groups are already working on specific issues. What are current issues and obstacles these groups face in realizing their full potential?

NH Energy Strategy Kick-off Presentation and Discussion

Members of the Navigant team presented an overview of the process that will be undertaken in the development of NH's State Energy Strategy. (See PowerPoint presentation on OEP's website).

Andrew Kinross:

- Navigant Consulting, Inc. employees approximately 2,000 people worldwide. They have a national presence with over 250 staff members focused on energy.
- Similar energy strategy and planning projects have been completed for the states of RI, CT, IA, FL, and CT.

- Team members
 - Andrew Kinross – Senior Advisor
 - Ben Barrington – Project Manager
 - Lea Poquerusse – Senior Consultant
 - Additional energy industry experts comprise team
- Each energy strategy is different but all require close collaboration and stakeholder outreach.

Methodology – 6 Tasks (phases)

1. Kick off meeting – phase 1 – today
2. Develop Energy Baseline
3. Develop Vision
4. Develop suite of policy initiatives and programs to develop vision
5. Report Development
6. Public Feedback

Stakeholder process and transparency:

- Use data and analysis that is currently available.
- Present actual, fact based policy recommendations.
- Path to achieve energy vision
- Four key criteria: stable and predictable, actionable, integrated and measurable recommendations
- Three sectors: electric, thermal and transportation

Task 2 - Develop Energy Baseline:

- Develop Business As Usual (BAU) energy models out 20 years based on plans already in place and regional events.
- Where does NH want to be in 10 years? Define key criteria for measurement of success (metrics).
- Iterative process when developing BAU – discussions at council meetings (January/February)

Task 3 - State Energy Vision:

- Ideals and goals to work towards.
- Navigant will consider resource potential while looking at incentives and possible restructuring of incentives.
- Stakeholders involved – webinars and round table discussions with straw man options.
- Will take place in February.

Task 4 – Develop database of policies and programs:

- What obstacle is preventing us from achieving goal now? Financial? Education? Look for common themes.
- Prioritize – top 5 recommendations
- Stakeholder brainstorming sessions – color coded core policy ideas – look for themes
- Words across top – came out of state’s vision (slide 15) – look at trade-offs and common themes

Tasks 5 & 6 – Report prepared and public presentation:

- Presentations over summer – feedback then final presented in September

Timeline/calendar presented:

- Timeline by project phase: December 2013 through September 2014
 - 12/17/13 - kick-off meeting
 - Late-December – data sources identified for BAU (Navigant)
 - 1/24/14 – draft presentation of BAU and solicit feedback
 - 2/7/14 – final BAU present and published to OEP’s website
 - Webinar to discuss BAU in more detail to seek feedback
 - February - Resource potential study
 - March - Brainstorming stakeholder meetings
 - April - Prioritization
 - May 1, 2014 - Draft report due
 - September 1, 2014 – Final report due
- Council meetings monthly

Calendar Discussion:

- How do we get outside of Concord before May? Talk about in January
- Comm. Burack - People want to engage and residence knowledge in NH. CAP has done a lot of good work already – do not reinvent things. Ask – why hasn’t this happened? What are the barriers and challenges?
- Dir. Hatfield – to Council: please take a few days to look at calendar, then we will lock in dates. Remember this is an iterative process which may mean that the schedule may need to change.

Council - General Questions and Comments:

Question regarding metrics – nothing about renewables?

- each metric will be broken out by fuel type and sector

Where will EE investments be measured?

- Demand reductions (consumption)

Energy intensity by square foot of building space is the State's metric; DRA may be able to extract the data for this study. Please think about using this data. Travel patterns may also be available.

Navigant - We will encourage stakeholders to think about where there are holes in data. Navigant may be able to help fill data gaps.

What measures are available to measure energy resilience?

- energy security – outage time after event (how quick power can come back on after event), mean time between failures; check with utilities and PUC for these metrics.

We need to remember that NH is at end of the pipeline for most energy sources, and our energy products must go a substantial distance to be used. NH depends on those sources for its economy. What if Seabrook stops running?

- The strategy will look at risk analysis

Thermal issue – How can NH heat with NH products (solar, wood, pellets)? NH should be self-reliant. How close are we now? What's needed? May also apply to electric and transportation sectors?

- Fits well into supply infrastructure discussion

Building stock data – how many buildings are at least x% efficient? How much progress are we making? CAP identified economic benefits which can be realized in building stock – how can we get data on how much?

- Navigant can look at building stock and building codes. Then can perform analysis based on year constructed (building code in effect can help determine efficiency). What kind of data is available in NH?

Next Steps:

- Council and Navigant need feedback on metrics
 - Review slides 9 & 10
 - Do metrics meet constituents' needs?
- BAU forecast:
 - due 1/24/14
 - Navigant will provide examples and graphs at January meeting.
- Where are the holes in NH data?

Wrap-up:

- Council members to review calendar
- Meeting materials will be posted on OEP's webpage.
- Public can sign up to be included on notification list (sign up on OEP website)

Public Comments and Questions:

Rep. Ian Raymond: Will discussions include work force development required to perform the type of work needed to complete work?

- Navigant could develop roadmaps for work force development. High level discussion; not to fine detail (i.e. curriculum development) but instead will define target audience and what changes are needed.

Rep. Raymond: timing is critical; need workforce prepared to meet possible demand

Dir. Hatfield – can look at ARRA fund data on workforce development; Wes Golumb can also assist with information

Jim Monahan: CAP elements may be in controversy now. Will we look at potential changes to CAP?

Dir. Hatfield: we will look at the Plan for things that overlap with our charge, but this project is not about climate change.

Will Abbott, Society for Protection of NH Forests: Cost effectiveness ratio – will that come out of proposed energy strategy?

- Could look at resource costs and determine which are most cost effective based on strategy goals. Based on metrics you want to drive. Which is best investment from a public policy perspective? Make sure address net result you want to achieve.

Following timeline – if stakeholder wants to identify a specific policy recommendation- what or when is the point of entry for making suggestion?

- Task 4 - policy discussion phase at the end of March. Probably sector based (electric, thermal, transportation). However, may send an email to OEP at any time.
Suggestion: Better to wait until after vision is developed.

Stakeholder input will also be encouraged in vision discussion.

Michael Sununu: Referenced a presentation titled “ Debunking the Premise of Man Made Global Warming,” and made several public comments including: the Climate Action Plan is based on global climate models, but those models have failed. Example: Natural gas prices – models predicted an increase in price, but prices fell. Analysis is wrong and therefore recommendations should be ignored. Temperatures have flat-lined for the last 4 years. Natural variability explains why current temperatures in not in the range of historical data. Now people talk about extreme weather but temperatures are within historical ranges. Why have models failed? Scientists don’t know what they don’t know. El Nino has a major impact on weather patterns but it can’t be forecasted. Models can’t handle this; therefore, they fail. It is foolish to use this data to drive policy. Advise council to not rush to enact recommendations until models can be fixed.

Dir. Hatfield to Navigant: Does BAU utilize on climate models?

- Navigant uses EIA data combined with regional and state data.

Christin Badylak-Reals, NH Legislative Youth Advisory Council (RSA 19 K): looks forward to following strategy and will be reporting back to WIAC.

4:00 pm – meeting adjourned.