

**SB191 Energy Advisory Council
Meeting Notes for September 4, 2013**

Meredith Hatfield, Director of the Office of Energy and Planning, called to order the organizational meeting of the State Energy Council created by Senate Bill 191 at 2:05 p.m. The following members were in attendance:

Senator Martha Fuller Clark
Representative Beatriz Pastor
Representative Charles Townsend
Representative Herbert Vadney
Director Meredith Hatfield, Office of Energy and Planning, Council Chair
Commissioner Tom Burack, Department of Environmental Services
Chairman Amy Ignatius, Public Utilities Commission

Director Hatfield introduced Council members and interested attendees. A list of members, attendees and their contact information is attached.

Role of Council. Commissioner Burack raised a concern regarding the participation of the three state agency Council members (Hatfield, Ignatius and Burack) given their roles as potential decision-makers on some of the issues to be weighed by the Council. The agency representatives agreed that it was important for them to participate in the Council and not send a designee, but participation will require some care to avoid crossing into areas that are before, or are likely to come before, their agencies or the Site Evaluation Committee. Chairman Ignatius stated that she and her colleagues will be alert to discussions that may cross into pending or soon-to-be filed matters and notify the Council if it is heading into “risky” territory. If so, the Council can refrain from delving further into those areas, or agency members can step out of the room for the discussion. Legislative members agreed that the involvement of the agency directors was important and that the risk can be managed by focusing on policy and not particular projects. Representative Townsend suggested we concentrate on general principles and “straw” proposals where possible. Director Hatfield also suggested that the agencies should ensure that appropriate staff is engaged in the work of the Council so that they can serve as designees in the event that one of the agency members must stay out of discussions on an issue.

Senator Clark inquired if there is a model to follow, such as the Climate Change Task Force. Though Commissioner Burack offered to try to develop a protocol in writing, Senator Clark, Representative Vadney and Representative Pastor urged that the Council not develop a list of areas that should or shouldn’t be explored, as it is likely to change over time, and would be better to be flexible to respond to issues as they arise. Commissioner Burack wrapped up the discussion to note that everyone seemed comfortable proceeding with the agency directors as members of the Council, as long as it was understood that there may be points when the agency members will either abstain from a vote or bring in a designee on a particular issue.

Process issues. Director Hatfield described the process and timing for issuance of an RFP for a consultant to assist in development of the Energy Strategy. A working group of Representatives Townsend and Vadney, OEP, and staff from DES and the PUC will assist in developing the RFP

and reviewing the proposals.¹ The winning bid will be submitted for Governor and Council approval, and until a proposed contract is on the agenda for the Governor and Council meeting the identity of all bidders must be kept confidential.

Scope of review. Director Hatfield laid out the timing challenges of the Council's tasks. The draft Strategy must be issued by May 1, 2014 for public comment, and a final draft issued by September 1, 2014. The Council itself sunsets as of December 31, 2014. Senator Clark noted that the statute requires 4 public hearings in development of the Strategy, which means potentially conducting those hearings in the winter or early spring of 2014. Representative Vadney pointed out that presenting a general framework of our thoughts at the public hearings would be useful to focus the public's attention rather than simply ask the public their thoughts about energy. This means that the Council has to get our work under way quickly, and will need to find ways to educate members as quickly as possible in order to have meaningful time to discuss policy options before the public hearings.

In order to help Council members and the general public to be knowledgeable about the current status of energy issues, the following tools were identified:

- maintain a resource library on the OEP web site with educational materials available to all interested parties
- maintain an e-mail distribution list of interested parties to share new materials, provide notice of meetings, etc.
- work with House staff member Joel Anderson to identify statutes that are pertinent to our charge
- distribute fact sheets providing baseline data on energy issues in New Hampshire
- provide updates on the recommendations made by the Climate Change Task Force and in the 2002 State Energy Plan

Senator Clark urged the consultant to review other states' policies and not feel it must "reinvent the wheel." Commissioner Burack agreed, suggesting that the National Council of State Legislators and the Council of State Governments might have useful materials. He suggested that the consultant engaged by the Council should help keep the focus on higher-level analysis and strategic thinking. Director Hatfield reported that she had spoken with the Center for the New Energy Economy at Colorado State University which may be able to assist in our efforts.

Director Hatfield noted that one of the Council's duties is being addressed by the SB 99 study of Site Evaluation Committee processes and standards. Because that study is already underway with a consultant, she suggested the Council could wait on siting issues until the SB 99 work is finished. The SB 99 study must be completed by December 31, 2013 and thus can be an input to the Council's determinations on those issues. All members agreed.

In addition, there is work underway through a grant from the US Department of Energy to explore the development of an energy efficiency "resource standard" or similar goal-setting

¹ Since the meeting, the RFP has been issued, with bids due October 15, 2013. The review group consists of Director Hatfield, Representatives Townsend and Vadney, Mike Fitzgerald (DES) and Lynn Fabrizio (PUC), and Brandy Chambers and Karen Cramton from OEP.

approach, which was a key recommendation of the EESE Board's SB323 study. OEP retained the Vermont Energy Investment Corporation to assess these issues and issue its findings by the later this Fall, which will be a further input to the Council.

Chairman Ignatius addressed the statutory requirement that the Council consider the energy implications of transportation and land use, noting the issues are extensive and complex, as was apparent from the Climate Change Task Force. Commissioner Burack suggested the Council would benefit from a presentation on the recommendations made by the Task Force on transportation and land use, as it may not be possible for the Council to delve deeply into those areas.

Representative Vadney expressed the need to be realistic in our goals, and to be mindful that they must be capable of implementation to be meaningful. Director Hatfield also expressed her hope that the Energy Strategy consider the inter-relationships of each element of the Strategy rather than treating issues as stand-alone topics, discussed chapter by chapter, with no real thought to how they can be integrated, which was a weakness with the prior Energy Plan.

Director Hatfield anticipated the RFP will be issued in the very near future, with the winning bidder presented for approval at a Governor and Council meeting in November. Representative Vadney stressed the importance of the Council doing initial work in assessing energy policy issues, and continue to "steer the ship" managing the work of the consultant. Consistent with that thought, Commissioner Burack recommended scheduling presentations, before the consultant is on board, to build the Council's understanding of certain baseline information such as the regional energy picture, forecasted demand for electricity, and existing and proposed generation and transmission facilities.

The Council agreed that it should meet once a month through December and then reevaluate if that schedule was sufficient. Director Hatfield agreed to propose a timeline of meetings, and put some thought into how public hearings report deadlines would fit on the calendar. Commissioner Burack suggested setting aside time at the close of each meeting for public comments and an opportunity for interested observers to suggest further resources and ways that they can help with the development of the Strategy. Finally, Chairman Ignatius clarified that OEP is vested with the authority to develop and issue the RFP, screen candidates and make a final selection, without having to obtain Council approval.

Comments from interested legislators. Representative Borden stated that the prospect of the Energy Strategy was exciting, and he would be pleased to attend sessions but "wouldn't want Meredith Hatfield's job for anything" given the complexity of the task. Other legislators present included Representatives Backus, Devine, Raymond, and Shepardson as well as legislative staff members Joel Anderson (House) and Matt Robison (Senate).

There being no further business, the meeting of the Council was adjourned at 3:25pm.