

**State Energy Advisory Board
Teleconference Minutes
May 23, 2007 2 p.m. – 3 p.m. EST**

Attendees:

- William “Dub” Taylor, Director, State Energy Conservation Office, Texas (Chairman)
 - Dr. Patricia Sobrero, Professor, Agricultural and Extension Education Department, Virginia Polytechnic Institute and State University (VA Tech), Virginia (Vice-Chair)
 - Elliott Jacobson, Director, Action Energy Inc, Massachusetts (Secretary)
 - John Davies, Director, Division of Renewable Energy and Energy Efficiency, Kentucky Office of Energy Policy, Kentucky
 - Jim Ploger, Energy Manager, Kansas Energy Office
 - Harold Smedley, Ethanol Fuels Consultant, Colorado
 - David Terry, Executive Director, Association of State Energy Research and Technology Transfer Institutions (ASERTTI), Virginia
 - Steve Vincent, Avista Utilities, Oregon
 - Alexander Mack, Manager, State Energy Program, Florida Energy Office
 - Peter Johnston, Manager, Technology Development, Arizona Public Service (APS)
 - Susan Brown, Deputy Administrator, Wisconsin Division of Energy
 - Henry “Ted” Berglund, CEO and President, Dynaplast Products
 - Janet Streff, Manager, Minnesota State Energy Office
 - Elizabeth Robertson, Director, Georgia Environmental Facilities Authority / Division of Energy Resources, Georgia

 - Gary Burch, STEAB Designated Federal Officer
 - Pat Malone, TMS, Inc.
 - David Rathbun, TMS, Inc.
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Agenda Items:

- **Issue Development “White Paper” — Market Transformation**
- **Discussion of Energy Northwest, SMUD, and APPA’s Appeal for Increased Funding Under the REPI Program (Public Forum Segment from March Meeting)**
- **Strategic Focus Areas from the March Meeting Discussions**
 - **Strategic Focus Area #1: State-Stakeholder Interface**
 - **Strategic Focus Area #2: Issue Development “White Paper” — Increased EERE Collaboration with the States**
 - **Strategic Focus Area #3: Assisting EERE with Implementing NAPEE Proposals**
- **August Meeting Update and Tentative October Meeting Feasibility Update**

Introductions

Dub Taylor opened the meeting by presenting the agenda which reintroduced several documents that the Board was supposed to review prior to today’s call. He explained that many of the documents have been – and continue to be – recurring action items, and that the main focus of this meeting would be to discuss them in more detail in order to determine whether or not an opportunity exists for any future/further action(s).

Issue Development “White Paper” — Market Transformation

Dub Taylor stated that the Board has had ample opportunity to look over this document, and explained that it is time to determine what direction the Board would like to take in terms of “moving it forward.” Gary Burch provided the Board with a brief history of the document, and also explained that it has been virtually unchanged since it was originally presented to Mr. Paul Dickerson in its

DRAFT form (November 2006). David Terry explained that he was comfortable with the document in its current form, and recommended no new changes be made.

Motion Adopted to Accept the Issue Development “White Paper” in its Current Form

Pat Sobrero moved to accept the Issue Development “white paper” in its current form and Ted Berglund seconded the motion.

The Motion passed unanimously with no oppositions or abstentions.

Although the Board has accepted the white paper and has moved it out of “DRAFT” form, the decision as to whether or not to develop a resolution or recommendation based on the ideas captured within has yet to be determined. The Board further decided that the document be “reintroduced” to EERE when the STEAB’s Executive Committee meets with EERE management next month (June 8).

Discussion of Energy Northwest, SMUD, and APPA’s Appeal for Increased Funding Under the REPI Program (Public Forum Segment from March Meeting)

As a result of discussions generated during the last conference call (5/4), Peter Johnston developed a small draft “position paper” that was designed to capture the Board’s “conceptual” support for the REPI program. In addition, the paper also recommends that the DOE request adequate funding from Congress so that the REPI program has sufficient resources to provide full-incentive payments to qualifying projects.

Ted Berglund stated that the REPI program is a good tool for the acceleration of technology deployment, and for moving incentives from the “private” to the “public.” Gary Burch explained that DOE was no longer asking for funding at a level that was sufficient to cover the qualifying costs for the REPI, and that the “position paper” does a good job of asking the DOE to provide/request adequate funding without specifying actual “dollars.”

Peter Johnston stated that with REPI being “underfunded”, this adversely impacted the economics of projects and made it more difficult for them to receive adequate funding to assure their viability. David Terry explained that it may be nice to obtain some type of a comparison chart that draws visual attention in a way that explains how the REPI funding has not been able to keep pace with demands. Dub Taylor inquired as to what direction the Board would like to go with this document (e.g., Resolution, Recommendation, etc.). He further explained that the Board should review the comments/changes that Steve Vincent made to the existing document and re-circulate it so that this action item could be addressed during the next call (6/20).

David Rathbun (TMS, Inc.) will record any new edits and will re-circulate the updated draft version for the Board to review.

Strategic Focus Area #1: State-Stakeholder Interface

During the weeks leading up to the call, Pat Malone (TMS, Inc.) and Gary Burch developed a preliminary EERE/State-stakeholder “matrix” that was based upon Mr. David Rodgers’ discussion during the March 2007 Washington D.C. meeting. Gary Burch explained that the Board should examine and review the matrix to see if any new comments – or columns – could be added, and recommended that this item also be revisited during the next conference call.

David Terry commented on the matrix’s mix of stakeholders and organizations such as WAPA, etc., and inquired as to whether or not there was a reason for the “blend” of entries in the “Stakeholder”

column. Gary Burch explained that he only captured a few entries for the sake of “feeding a discussion.” He further explained that the purpose of the matrix would be to assist EERE in identifying the different “players” that would/could be affected by specific “issues.” Dub Taylor agreed, and explained that the more entities that could be listed, the better.

Ted Berglund suggested that “financial investment brokers” be replaced with “financial investment community.” John Davies suggested that the document’s title be adjusted to more specifically reflect a “goal” or “objective,” as opposed to the current title: “Roadmap.” Gary Burch explained that at present, he was only concerned with working on the “shell” of the matrix and that he will look to the Board to “tweak the shell.” Dub Taylor suggested that the Board take a good look at what is there, and that any edits be forwarded to either Pat Malone, Gary Burch, or Dave Rathbun. He then added that it may be a good idea for the Executive Committee to deliver this matrix to EERE in its “DRAFT” form during next month’s meeting with EERE management.

Strategic Focus Area #2: Issue Development “White Paper” — Increased EERE Collaboration with the States:

David Terry began this discussion by providing a brief history of the paper and also refreshed the Board as to the concept that is captured within. He explained that he had written a draft of the current paper shortly before the March Board meeting, and that he modified what was already there in order to more accurately reflect the discussions that occurred during the meeting.

Dub Taylor inquired as to whether or not Mr. Terry had any issues with the Board potentially developing future actions based on his paper, and also whether it would be acceptable to make future edits to it as well. David Terry explained that the Board would be a good “guiding hand” for prompting EERE to consider some of the activities that the paper highlights, and encouraged the Board to use the ideas listed therein.

Dub Taylor inquired as to whether the Board had any comments about the paper’s concept. John Davies said that “collaboration” could be considered another form of “deployment.” Dub Taylor commented on the paper’s call for EERE to create a new position within the department that focuses on “giving a voice to the stakeholders,” explaining that this idea would help foster relationships between EERE and the states. He also added that the creation of a new position could also serve to bridge “gaps” that are left as a result of “administration” changes, and that this proposed “new voice” within EERE could also help to preserve better continuity with current and future EERE relationships. David Terry explained that there is room for EERE to improve relationships with the states, and explained that although EERE is focused on increasing relationships with state and local entities, the argument can be made that current relationships are not necessarily better now than in the recent past. Dub Taylor explained that (about a year ago) when the STEAB Executive Committee met with Assistant Secretary Karsner for the first time, they learned that he had a “countdown calendar” in which he was working toward implementing positive things that could be set in motion and could continue even after he was gone. He added that he felt that this paper is consistent with that goal. Janet Streff agreed, and explained that EERE could do better working with the states and other regional areas, and stated that this paper would be a positive Board undertaking and that it was “appropriate” for the STEAB. Elizabeth Robertson agreed.

Gary Burch inquired as to whether the initial structure of the paper was previously shared with EERE. David Terry explained that he did initially share the paper briefly with David Rodgers and Mark Bailey when it was in the “earlier stages” of its development. Gary Burch suggested that it may be a good decision to reintroduce this paper during next month’s EERE/STEAB Executive Committee meeting. He then added that by laying out the concept, the Board may be able to receive some feedback that may assist them with “moving forward.”

Strategic Focus Area #3: Assisting EERE with Implementing NAPEE Proposals

Jim Ploger explained that a new NAPEE solicitation that focuses on State Energy Offices should be made available within the next 30 days. Gary Burch stated that he was not aware of that, but suggested the Board keep this discussion on its upcoming agenda as it is likely that there will be more information on the topic once the Board meets with Mr. Mark Bailey during next month’s Executive Committee meeting in Washington, D.C.

August Meeting Update

David Rathbun (TMS, Inc.) gave a brief summary of the dates and times for the next STEAB meeting, announcing that it will take place from August 14 -16, 2007 in Berkeley, CA. The following is the tentative meeting agenda:

Tuesday, August 14	Wednesday, August 15	Thursday, August 16
Tour of the Lawrence Berkeley National Laboratory	8:30 a.m. – 5:00 p.m. Board Meeting, Hotel Durant	8:30 a.m. – 12:00 p.m. Board Meeting, Hotel Durant

The Lab has been contacted and they are working on providing the Board with some touring options. Upon receipt, David Rathbun will forward the touring options to the Board for consideration.

The August meeting will take place at the Hotel Durant, which is only a few blocks away from the University of California at Berkeley campus. A block of hotel rooms have been reserved. Individual room reservations **MUST** be secured no later than **July 15, 2007**. If you do not book by the deadline, you will **NOT** be guaranteed the government Per Diem rate of \$111.00 per night. Please do not delay. You may cancel your reservation without penalty up until 72 hours prior to check in. There are no exceptions.

Hotel Durant:

<http://www.hoteldurant.com/>

2600 Durant Avenue

Berkeley, CA 94704

Reservations: (510) 845-8981 or 1-800-238-7268

Please reference the “State Advisory Board” group when calling. The booking code is “YA0000.”

October Meeting Feasibility Update

David Rathbun explained that he has been successful locating hotels that will be able to host a Washington, D.C. Board meeting in October (week of October 15-19, 2007). He explained that contracts are yet to be finalized, but for now, to plan on having a meeting; he will update the Board on his progress during the June 20 conference call.

Next Conference Call(s)

The next conference call will take place on Wednesday, June 20 from 2:00 – 3:00 p.m. EDT. Starting in June 2007, conference calls will be taking place every third Wednesday of the month (2:00 – 3:00 p.m. EDT.)