

**State Energy Advisory Board
Teleconference Minutes
January 16, 2008 2 p.m. – 3 p.m. EST**

Attendees:

- Chris Benson, Director, Arkansas Energy Office (Chair)
 - Elliott Jacobson, Director, Action Energy, Inc., MA (Secretary)
 - Sue Brown, Deputy Administrator, Wisconsin Division of Energy
 - John Davies, Director, Division of Renewable Energy and Energy Efficiency, Kentucky Office of Energy Policy
 - Peter Johnston, Manager, Technology Development, Arizona Public Service
 - Dub Taylor, Director, State Energy Conservation Office, TX
 - Duane Hauck, Director, Extension Service, North Dakota State University
 - Jim Ploger, Energy Manager, Kansas Energy Office
 - Steve Vincent, Avista Utilities, OR
 - Janet Streff, Manager, Minnesota State Energy Office
 - Robert Hoppie, Administrator, Energy Division, Department of Water Resources, ID
 - Ted Berglund, President and CEO, Dyplast Products, FL

 - Gary Burch, STEAB Designated Federal Officer, U.S. Department of Energy (DOE)
 - Susan Bennett, North Carolina State University
 - Pat Malone, TMS, Inc.
 - David Rathbun, TMS, Inc.
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Agenda Items:

- **Discussion/Finalization of Revised Lawrence Berkeley National Laboratory (LBNL) Subject Matter for Webinars**
- **Discussion of the Progress of the Proposed Resolution, “States as Agents in the Dissemination of Energy-Education Materials”**
- **Discussion of the Proposed Resolution, “EERE/Cooperative Extension System and State Energy Offices Collaboration on Rebuild America Program”**
- **Status of the FY 2007 STEAB Annual Report**
- **October Meeting Action Item: Identification of an EPA-equivalent FACA Board (ENERGY STAR).**
- **Discussion of April Meeting (New Mexico, April 2008)**
- **Open Forum**
- **Next Conference Call**

Discussion/Finalization of Revised LBNL Subject Matter for Webinars

Chris Benson stated that during the last conference call, a point was raised that the Board attempt to identify if any exclusive licensing agreements exist for the aerosol duct sealing technology prior to selecting it as the “showcase technology” for the LBNL’s pilot webinar broadcast. He then explained that he did look into the matter and forwarded his findings to the Board in a subsequent e-mail – the technology has been purchased by the Carrier Corporation (a United Technologies Company) and they do sell duct sealing equipment and training to independent dealers that are not franchised; the Carrier Corporation does not have exclusive territories. He then inquired if the Board had any comments before deciding to move forward with this technology.

Ted Berglund and Janet Streff both expressed their support for the technology, as did Peter Johnston who inquired as to whether or not the STEAB/LBNL would need the Carrier Corporation’s

permission prior to showcasing this technology in the form of a webinar. Chris Benson stated that he would need to confirm this but it was his impression that the technology/license was not exclusive. He also added that during the last conference call, there were questions and concerns as to the whether or not the Board would be willing to support a “competitive technology” as opposed to a technology that is not already owned/licensed, etc. Duane Hauck explained that it was his interpretation that the primary focus of the webinars is to attempt to publicize new technologies that are not commonly known in hopes that they would get closer to commercialization. He further added that if the Board wanted to promote technologies that are already “commercially recognized,” then the webinars may serve as “marketing support” for the companies that already have established interests/licenses. Gary Burch explained that in a case where a technology is not getting much demand due to the fact that the licensees aren’t “pushing it forward,” then it may be beneficial to advocate it since the technology has the potential for significant energy savings. Chris Benson stated that he recently viewed the ENERGY STAR Web site, and without “naming names,” the program does advocate the use of aerosol duct sealing. Ted Berglund explained that when reading the notes about the product and knowing something about that market, aerosol duct sealing is probably one of the best ways to save energy. He added that it is a good technology, and since it stems from DOE/LBNL work, then perhaps more people will utilize it once its reputation spreads.

Chris Benson pointed out what Gary Burch mentioned during the last conference call in regards to the technology having a relatively high initial installation cost (\$1000.00 for the first unit; \$600.00 for the second). He explained that he also did some research on the matter and found that these initial costs are even higher in his own state (AR). Ted Berglund explained that one of the major problems is being able to access the ducts in a lot of homes, particularly older ones.

Chris Benson polled the Board for their feelings on that matter, and again brought up the earlier comment(s) made by Duane Hack: “What constitutes commercially ready technologies?” Gary Burch stated that the issue here is whether the Board can facilitate a “value base” for the technology. He explained that for most homeowners, the initial cost of the technology is priced somewhat high. However, there may be subsidies available at the State level that could make the technology more accessible/affordable to the homeowner. Elliott Jacobson said that this is a similar issue that impacts renewables and alternative energy when attempting to adapt them for low-income housing projects/programs. He suggested that if the Board likes the technology, then perhaps the STEAB should promote access to it so that it can leap the “Valley of Death” aspect. Ted Berglund stated that when studying “technology life cycles,” costs eventually go down once a said technology achieves “market penetration.” He explained that the Board should assume the same with this technology – costs will spread out once the volume goes up. Peter Johnston said that it would be possible for subsidies to come into play with this technology, and that utilities may even serve as a potential vehicle under their subsidizing programs.

Chris Benson said that the aerosol duct sealing technology is a fairly unique business and that room exists for process and practice improvement. Ted Berglund inquired as to whether or not the Board would be willing to endorse any said product that is being promoted by one supplier. Bob Hoppie explained that the purpose of the webinar would be that of an “educational session” as opposed to a formal endorsement. Chris Benson agreed, and further stated his approval for the topic/technology. Peter Johnston, Ted Berglund, Janet Streff and Sue Brown also supported the notion of moving forward with this topic/technology – there were no opposing comments.

Next Steps:

Gary Burch said that he will work with Julie Riel (EERE Project Management Center [PMC] States Coordinator – Golden Office) to develop next steps in terms of logistics and working times for the pilot webinar. He explained that early February would not be opportune since there will be a large-

scale National Association of State Energy Officials (NASEO) function, and offered mid-to-late February as an alternative. The Board agreed. He suggested the possibility of scheduling seminars on back-to-back days, or perhaps holding a.m. and p.m. sessions on the same day to better accommodate potential participants. He explained that once more details are finalized, he will send a note out to the Board so that they can be made aware of the details.

Discussion of the Progress of the Proposed Resolution, “States as Agents in the Dissemination of Energy-Education Materials”

Peter Johnston stated that while doing some background for this potential Resolution, he contacted Mr. Jim Arwood, Sr. Director for Arizona’s Department of Commerce Energy Office, and he was informed that the State of Arizona does not have a formal “educational dissemination vehicle” in place. Duane Hauck said that as he reviewed the last conference call’s notes, he realized that the discussion for this topic was more or less geared towards data that highlights various workforce development initiatives that utilities are performing to prepare for future energy demand – as well as a subsequent paper that Alexander Mack distributed. He explained that he is having difficulty making a connection between the work that was already done on this potential Resolution and how it relates to providing examples of how the States can play a greater role in the dissemination of energy-educational materials. He added that the National Extension Service/Collaborative already has a system in place that potentially could be used for the dissemination of similar materials, and that they, as well as the State Energy Offices (SEOs), should be looked at as potential “conduits” for information dissemination.

Chris Benson inquired if the potential Resolution should change its focus to support “work-force training for the energy industry.” Duane Hauck explained that based on the data provided to date, the Resolution would suggest just that. Peter Johnston asked Susan Bennett (North Carolina State University) if Pat Sobrero provided her with any information regarding this Resolution. Ms. Bennett stated that she was not provided with any. Chris Benson explained that he will relay this information to Alexander Mack and the rest of the “Resolution development team” to see if a discussion could be developed that would address whether or not to “re-name” or “re-focus” the Resolution.

Discussion of the Proposed Resolution, “EERE/Cooperative Extension System and State Energy Offices Collaboration on Rebuild America Program”

Duane Hauck explained that he recently participated in a conference call with John Davies and Gary Burch to discuss this Resolution and whether it would be appropriate to tailor the document towards how the Cooperative Extension Service could be utilized to assist in the re-launch of Re-build America program – a topic of Mr. David Rodgers’ discussions during the October 2007 STEAB meeting. He explained, however, that much of the Resolution speaks to the fore mentioned Resolution (“States as Agents”) in that the document discusses how the SEOs and the Cooperative Extension Service can serve as conduits for increased “consumer education” on energy issues that will help facilitate consumer trust and technology adoption. Peter Johnston agreed.

Chris Benson stated that he liked the way that the Resolution was developing, and that it would appear that the Board may be close to moving forward with it. Dub Taylor explained that he had a few edits to the DRAFT Resolution. He added that the original Rebuild America program construct was “suspect,” and that he wanted to make sure that the document does not hint towards any discussion that poses re-launching the program in a similar fashion as it may not be desirable. He further added that the DOE Web site states that the program is being reinvented, and that the document should reflect “Re-launch” wherever appropriate.

Duane Hauck stated that he wanted to incorporate some of these comments into the Resolution and then re-send it to the Board for consideration. Gary Burch explained that he has been on travel and has not had an opportunity to review it; however, he suggested that the Resolution be written so that it can support the program in “generic terms” – therefore the DOE HQ may tailor the re-launch to however they see fit. Chris Benson agreed with Duane and recommended that he add a few words to the document to reflect some of the discussed changes and work with David Rathbun to re-distribute the document for the Board. Duane agreed and explained that he will forward the revised DRAFT within the next week.

Status of the FY 2007 STEAB Annual Report

David Rathbun (TMS, Inc.) explained that all of the Board’s comments and suggested changes to the FY 2007 STEAB Annual report were incorporated into the final document, and the Report was formally submitted to the DOE during the week of January 7 – several copies were sent to the Secretary of Energy’s suite, the Assistant Secretary for EERE, all three Deputy Assistant Secretaries for EERE, and the 10 EERE Technology Development Program Managers. The report is also available for download on the STEAB’s Web site: <http://www.steab.org/>

October Meeting Action Item: Identification of an EPA-equivalent FACA Board (ENERGY STAR)

Elliott Jacobson explained that he consulted with Mr. Dan Greenbaum, a former member of the State of Massachusetts Environmental Commission, and that he is waiting for Mr. Greenbaum to provide him with more information regarding the EPA-equivalent Federal Advisory Committee Act (FACA) Board that would be responsible for addressing ENERGY STEAR program issues. He further added that there are many FACA Boards at the EPA, and additional time would be needed to locate the proper one.

Discussion of April Meeting (New Mexico, April 2008)

David Rathbun explained that the April STEAB meeting will take place April 8-10, and will be held at the Hotel Albuquerque in Old Town in Albuquerque, NM.

Meeting Format:

Tuesday, April 8	Wednesday, April 9	Thursday, April 10
Morning Session at the Hotel; Afternoon tour of the Sandia National Laboratory	8:30 a.m. – 5:00 p.m. Board Meeting, Hotel Albuquerque	8:30 a.m. – 12:00 p.m. Board Meeting, Hotel Albuquerque

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*Please reference the State Energy Advisory Board group when booking your sleeping rooms. **THE CUT OFF DATE IS MARCH 8, 2008.***

Flights:

Please contact Natalie Alexander to book your flight to and from the Albuquerque area. Time is of the essence. Natalie can be reached at 202-554-4623, or at nalexander@tms-hq.com or Natalie.Alexander@ee.doe.gov

You may book your flight on your own and submit the expenses with your reimbursement package; however, please be advised that the DOE will **ONLY** reimburse you up to their contract carrier rate(s).

Open Forum

Gary Burch informed the Board that Mr. Bard Barton, the former head of EERE's Commercialization and Deployment Office, has left the DOE. He explained that Mr. Michael Bruce is now the acting head of the Office, and that he does not expect Mr. Barton's position to be filled with a permanent replacement. Dub Taylor inquired as to where that office stands due to this change, and Gary Burch commented that it is EERE's intent to continue its focus on commercialization and deployment efforts after the current administration leaves office. He added that there are currently three Senior Executive Service (SES) positions available and that applicants are in the process of being screened.

Elliott Jacobson said that he heard that the agency was trying to fill a position within the Office of Weatherization and Intergovernmental Program (OWIP), and inquired if there was any new information regarding any potential hiring. Gary Burch explained that a selection has not been made and that it is likely that the position will need to be re-posted. Elliott also mentioned that the Weatherization and Assistance Program (WAP) budget for FY09 is supposed to be released soon, and inquired if Gary Burch had any new information on that topic. Gary Burch explained that given the close proximity to the President's State of the Union Address, the budget should soon be made public. Elliott explained that it may be beneficial to discuss the WAP budget during the next conference call, and stated that when the STEAB Executive Committee met with an Office of Management and Budget (OMB) representative last fall, they were informed that they would be open to holding future discussions with the Board to include developments with the WAP. Gary Burch explained that prior to discussing the possibility of the Executive Committee meeting with OMB on this topic, there may be some conflicts of interest with some of the other Board members that may have an impact. He explained, however, that once the budget is announced, then perhaps a conference call could be set up to generate more discussions on the topic.

Next Conference Call

Chris Benson explained that scheduling conflicts with some of the Board members will make it difficult to continue holding conference calls on Wednesdays and posed that the Board re-schedule their monthly conference calls to fall on the third Thursday of each month – no oppositions were raised.

The Next STEAB monthly conference call will take place on Thursday, February 21 from 2:00 – 3:00 p.m. ET.