

GRANTHAM ENERGY COMMITTEE MEETING MINUTES



Monday, June 1, 2015 – 5:00 p.m.
Grantham Town Building
Jerry Whitney Memorial Conference Room
300 Route 10 South

The regular meeting of the Grantham Energy Committee was called to order at 5:00 p.m. on Monday, June 1, 2015, by Co-Chair Chenevert.

Members Present: Paula Bresnick; Kristina Burgard; Jenna Chenevert; Donald Fitzpatrick; Deb Hammett; Peggy Martineau; and Michael Salo.

Visitors: David Beckley; Laurel Boivin (Eversource); Jay Fountain; Anne Karczmarczyk (Eversource); Warren Kimball; Dave Wood.

OLD BUSINESS

Bresnick made a motion to accept the May 4, 2015 meeting minutes. Seconded by Burgard.
Unanimously approved.

Assigned Projects

Fire Station – Electrical Audit (Chenevert)

1. A 5-18-15 walk-through with Eversource to assess the fire station's lighting occurred.
 - a. Anne Karczmarczyk and Laurel Boivin of Eversource discussed existing Programs:
 - i. LED Street Lighting Program (Exhibit A)
 - ii. Small Business Energy Solution Program (Exhibit B)
 - iii. Smart Start Program (Exhibit C)
 - b. Anne Karczmarczk and Laurel Boivin of Eversource discussed existing program rebate types:
 - i. Turn Key (most municipal accounts select this type)
 1. Use an Eversource recommended vendor to do an audit
 2. Qualify for 50% of project cost rebate if Eversource cost/benefit analysis>1.0
 - ii. Prescriptive
 1. Energy savings developed with spec sheets based on type of lighting
2. Chenevert and Burgard continue to work with Eversource on next steps.

EPA Portfolio Manager update (Burgard)-

1. All town buildings' electricity costs for the past 2.5 years are entered; propane and oil usage will be added in the next month. Burgard will demonstrate Portfolio Manager at the July meeting.
2. Burgard to send list of accounts to Eversource for their evaluation
3. Burgard to work with White to obtain answers to questions designed to further define each buildings' energy usage/needs

RSA 72: 61-72 Renewable energy property incentives warrant article (Martineau)-

1. Submit warrant article with 25 signatures 5 weeks prior to October Selectmen Meeting
2. Three types of exemptions:
 - a. Solar
 - b. Wind
 - c. Wood
3. Alternatively, the Planning Board could support and recommend the warrant article, without need for a petition with signatures. Selectmen Kimball suggested coordinating with the Planning Board to determine their interest and support. Martineau will contact the Planning Board and discuss proposed warrant article with them.

Website (communications tool) (Salo)-

In progress, Salo continues to tweek and work with tool kit

Town Website (Fitzpatrick)-

Added Resources and Events sub-pages to the GEC page.

Don will continue to post GEC Agenda & Minutes to the website as soon as they are available.

Street Light Audit (Bresnick)

Bresnick to work with White and Hausmann

Library display of GEC information (Hammett)

Will display a to-be-designed GEC business card for library patrons

New Business

Kimball defined the process for the GEC to follow when making Board of Selectman appearances: Work with White on timing and content of presentation

Open Business

1. "Next Generation" – Senator Little to speak at Grantham Town Hall. GEC to assess the possible impact after the Senator's presentation.
2. Include library in GEC energy audits (or will the building project address energy issues if they exist)?
3. Include the school in GEC energy audits?

What's Next:

6-02	(Lebanon) Eversource's Energy Efficient Strategies for Municipalities
6-11	(Keene) Eversource's Energy Efficient Strategies for Municipalities
*_**	Renewable energy warrant article submission deadline (either by 25-signature petition or recommendation of Planning Board)
7-06	5:00 GEC regularly scheduled monthly meeting
October	GEC presence at the Grantham Health and Welfare Fair
*_**	at least 5 weeks prior to Selectmen meeting

ADJOURNMENT

There being no further business, Martineau moved to adjourn; seconded by Chenevert; **by unanimous vote, the Committee adjourned at 6:10 p.m.**

Respectfully submitted,

Debra D. Hammett

Exhibit: A



LED Street Lighting Program

The LED Option

- Available to municipalities served under Rate EOL.
- Customers may choose any combination of LED, High Pressure Sodium (HPS) or Metal Halide (MH) fixtures.
- Customer is responsible for selecting and purchasing LED fixtures which are compatible with Eversource's system (voltage, brackets, photocells), subject to acceptance.
- Customer is responsible for providing replacement LED fixtures upon failure.
- Customer is responsible for the installation cost of LED fixtures, as well as removal and disposal of the existing fixtures, and may choose to have this work done by Eversource or by a Contractor approved by Eversource.
- Customers will pay a per-fixture monthly distribution rate currently at \$3.33 plus \$0.0505 per watt. For example: a 26 watt fixture would have a monthly distribution charge of \$4.643 ($\$3.33 + 26w \times .0505$).
- All maintenance shall be done by Eversource or its agents. Customers will be billed for LED maintenance at a flat fee per fixture, per visit, plus materials, when our crews respond to a report of a non-working LED fixture.

Process

- Current EOL rate customers will review and sign an acknowledgement of their responsibilities under the LED option – The signed acknowledgement will be kept on file at the Construction Services Support Center (CSSC).
- OL rate customers converting to EOL rate will include the LED information in their agreement.
- Requests to install LEDs – or to change an existing installation to LED – will be processed through the CSSC (See CO-1098 Installations and Removals of Municipal Street Lights)
- Customers must choose a lighting package that meets the published Eversource standards of acceptable lighting attributes. (See standards DOC).
- Eversource is not equipped to answer technical questions, nor design your lighting project. Towns should be working with a vendor to assess their lighting needs and develop the project.

Energy Efficiency Incentive

- All Energy Efficiency Incentives are subject to funding availability and approval.
- In order to qualify for an Energy Efficiency Incentive, projects must be reviewed prior to material purchase.
- Qualifying fixtures will receive up to \$100 per fixture with total incentive limited by customer caps.
- Projects DO NOT QUALIFY FOR SMARTSTART FINANCING.

Exhibit: B

PSNH's Small Business Energy Solutions Program (SBESP)

This program provides small commercial and industrial customers (<200 kW) with both the financial incentives and technical assistance needed to make the workplace more energy efficient.

1. Retrofit

a. Utility Contractor (50/50 Program) - Through this component of the SBESP PSNH will pay for 50% of the installed cost of approved energy efficiency measure. A qualified energy auditor from one of our preapproved contractors will schedule and perform an assessment, at no cost to the customer, to identify energy efficiency opportunities.

i. Lighting

1. Upgrade to energy efficient linear fluorescent lamps and ballasts, CFLs, LED exit signs, LED recessed cans etc.
2. Occupancy sensors
3. Programmable thermostats
4. Project must pass cost/benefit test
5. PSNH pays for 50% of installed cost (labor, materials, recycling of old lamps and ballasts, permit fee, lift-if needed) up to \$50K/account

ii. Refrigeration

1. Install controllers for walk-in and reach-in coolers
2. Economizers
3. Projects must pass cost/benefit test
4. PSNH pays for 50% of the installation (labor & materials) up to \$50K

b. Prescriptive - This program assists with financial and technical services to facilitate the replacement of old, inefficient equipment in existing facilities. This program offers prescriptive and custom rebates to customers who replace equipment at their facility with more energy efficient equipment. Participants will not only save money in the form of rebates, but they will also see long-term savings in their energy bills.

i. Rebates

1. Lighting & controls
2. Electric motors
3. Variable frequency drive (VFDs)
4. Air compressors
5. LED traffic lights
6. Custom projects i.e.

ii. Technical assistance

Exhibit: B-2

1. Review of specific energy efficiency projects
 2. Education programs and seminars
2. New Equipment and Construction Program - This program targets small commercial and industrial customers building a new facility, undergoing a major renovation, or replacing failed (end-of-life) equipment.
- a. Rebates
 - i. Lighting & controls
 - ii. Electric motors
 - iii. Variable frequency drives (VFDs)
 - iv. HVAC equipment and chillers
 - v. Air compressors
 - vi. Custom projects
 - b. Technical assistance
 - i. Design assistance
 - ii. Detailed plan review
 - iii. Educational programs and seminars
3. All projects must be preapproved by PSNH before installation



Frequently Asked Questions

smart start

Smart Start

What is PSNH's Municipal Smart Start Program?

Let's face it, energy efficiency makes sense. Investing in cost effective energy efficient technologies results in lower energy usage, lower energy costs, and less pollution. Using energy more efficiently extends our energy resources resulting in additional benefits to society. PSNH's Smart Start Program provides municipalities a simple, turnkey method of financing the cost of an energy efficiency project in one simple transaction with no up-front costs. It was designed to help overcome one of the most common barriers encountered by municipals... coming up with the money to pay for the project.

How does Smart Start help overcome the "initial cost" market barrier?

When a customer participates in PSNH's Smart Start Program, PSNH arranges to make the payment to the vendor for the qualifying energy efficiency measures installed at the customer's facility. PSNH then bills the customer through a Delivery Charge on their monthly electric bill. In essence, the customer's bill is reduced as a result of increased efficiency and a portion of those savings are used to make the Delivery Charge Payment. The customer should have a more efficient operation while the savings pay for the project! Since the municipal doesn't have to come up with the initial capital for the project, generally, such issues as warrant articles, bonds, budget requests, etc... are avoided. A simple approval by the town or school board or facility manager is all that's needed.

How is the Smart Start Delivery Charge Calculated?

The Delivery Charge is calculated to be less than or equal to the efficiency measure's estimated monthly bill savings. Essentially, the Delivery Charge is determined by taking the *Cost of the Project* subtracting any applicable PSNH Rebate (the rebate is reduced by 10% for projects financed through the Smart Start Program) then adding a one time *Five Percent Program Charge* to yield an *Amount Financed*. Next, the *Estimated Monthly Bill Savings* is divided into the *Amount Financed* to yield the *Number of Months* of repayment. PSNH gives the option to use all of or 75% of the estimated monthly bill savings as the repayment amount. Using 75% of the savings lengthens the Repayment Term but provides immediate positive cash flow by "keeping" 25% of the estimated monthly bill savings.

SEE ATTACHED PAGE FOR AN EXAMPLE OF A PROJECT FINANCING SUMMARY

When a municipality requests to participate in the Smart Start Program, what happens?

When a municipality requests to utilize the Smart Start Program for the purchase and installation of an energy efficiency measure, PSNH will review the request to determine if its cost effectiveness meets the Smart Start guidelines. Once the project is approved, a *Smart Start Customer Purchase Agreement* ("contract") will be drawn up and signed by PSNH and the customer. The contract does two things: 1) it assigns PSNH as an agent representing the customer to the vendor and 2) it sets forth the repayment terms for the project financing.

Before final payment is made to any installing contractor, PSNH will inspect the installation to verify that the measures are properly installed and working. Once the measures are verified, PSNH will initiate the on-the-bill Delivery Charge according to the terms of the contract. **SEE THE REVERSE SIDE FOR A DETAILED PROCESS FLOW.**



Program Process Flow

Smart Start

Smart Start

Overview of PSNH's SMART START Program Process Flow

<u>STEP</u>	<u>STEP</u>	<u>PARTY</u>
STEP 1	Interest in Efficiency Project initiated.	Customer, PSNH, Vendor
STEP 2	Energy audit performed identifying energy efficiency measures with opportunities for savings (such as lighting upgrades, motors etc...).	Vendor
STEP 3	Energy audit "screened" for various factors including cost effectiveness.	PSNH
STEP 4	If a project passes "screening" tests and the measures qualify a Rebate Incentive offer is made by PSNH.	PSNH
<hr/>		
STEP 5	Does Customer have the funds to pay their share of Project outright?	Customer
	YES - Installation without SMART START Financing SEE STEP 6...	Vendor
	NO - 1) SMART START Financing Options calculated	PSNH
	2) Repayment option chosen	Customer
	3) "PSNH Purchase Agreement" contract drafted, signed	PSNH, Customer
	4) PSNH gives OK to vendor to move forward with installation	PSNH
	5) Installation with SMART START Financing SEE STEP 6...	Vendor
STEP 6	Vendor completes Project installation	Vendor
STEP 7	Project inspection / verification	PSNH
STEP 8	Payment	PSNH

Without SMART START...

- Customer receives rebate check.
- Customer pays vendor.
(In certain cases PSNH can issue the rebate check directly to the vendor).

With SMART START...

- PSNH pays vendor full cost of project.
- Customer pays PSNH back their share of Project over time through a Program Delivery Charge on electric bill.

For more information regarding the Smart Start Program, contact your PSNH Community Relations Manager or Account Executive at 800-562-3190, or check the program out at www.psnh.com.



Explanation Chart

smart start

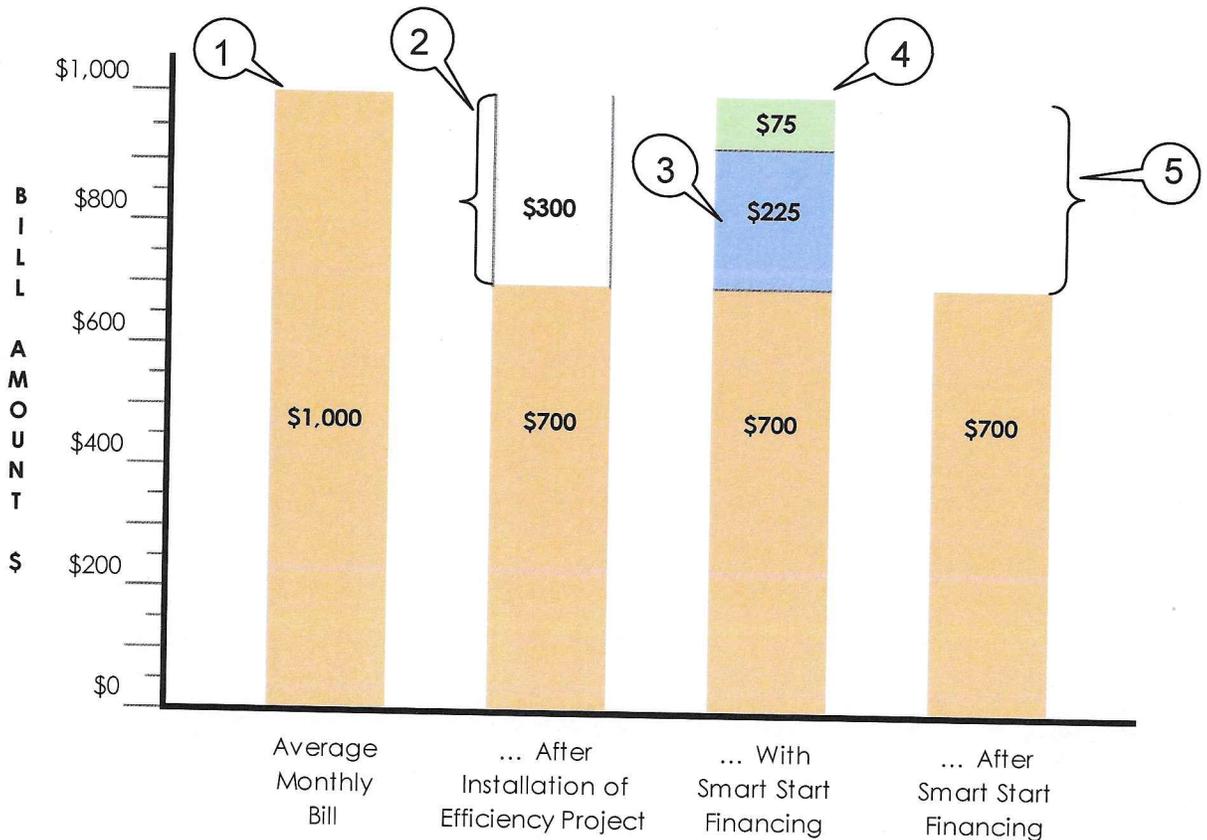
A Visual of the PSNH SMART START Financing Program

(Match the numbered text with the corresponding number in the chart below)

- 1) Start with the facility's average monthly electric bill.
- 2) SUBTRACT the Estimated Bill Savings associated with the Energy Efficiency Project.
- The Savings are used to repay PSNH who pays for and finances the upfront costs of the Project.
- 3) ADD back the amount of the Savings that will be used to repay PSNH the amount financed.
- The repayment options are:
 - 1) 75% of the Savings (longer repayment term but positive "cash flow").
 - 2) 100% of the Savings (shorter repayment term but no "cash flow").
- 4) The example illustrates "keeping" 25% of the Savings as immediate cash flow and using the other 75% of the Savings to repay PSNH the amount financed.
- 5) After the Repayment Term is up, ALL of the Estimated Bill Savings are "kept".

Example:

- assumes an energy savings of 30% (\$300) due to the installation of an Energy Efficiency project.





Sample Project Financing Summary

smart start

Public Service Company of New Hampshire
SMART START Program - Customer Purchase Agreement: APPENDIX I
Project Financing Summary / Repayment Option Approval

Prepared for: **Smart Start FAQ** Date Prepared: 03/01/2007

Facility: **Sample project to illustrate repayment options** PSNH Account #: 1234567

Description: **Lighting upgrades** Vendor: **Vendor of Choice**

COST / REBATE INFO	...NO Financing Pay Outright	...with PSNH Financing	Difference
Project Cost (from proposal):	\$20,000.00	\$20,000.00	
PSNH Rebate: *	- \$10,000.00	- \$9,000.00	\$1,000.00
Net Project Cost:	= \$10,000.00	= \$11,000.00	
SMART START Program Charge:** <small>(one time charge of 5%)</small>	+ N/A	+ \$550.00	+ \$550.00
Total Project Cost:	= \$10,000.00 <small>(outright cost)</small>	= \$11,550.00 <small>(amount financed)</small>	\$1,550.00 <small>("cost" to finance)</small>

ESTIMATED SAVINGS INFO ***

Estimated Annual Bill Savings:	\$3,200.86	PSNH Rate: G <small>Rate in effect as of 03/01/2007</small> Est. kWh Savings: 21,830 Est. KW Savings: 11 Months w/ KW Svgs: 12
Estimated Monthly Bill Savings:	\$266.74	
75% of Est. Monthly Svgs:	\$200.06	
25% of Est. Monthly Svgs:	\$66.68	

PAYMENT INFO ****

Payment Option 1 - Keep 25% of the Est. Monthly Bill Savings as immediate Cash Flow. Use 75% to repay PSNH.

Payment Option 2 - Use 100% of the Est. Monthly Bill Savings to repay PSNH. (Shorter Repayment Term)

Initial Choice	Consecutive Payments of (Delivery Charge)	x	Repayment Term (Months)	=	Total Payments	Estimated Monthly Cash Flow ***
<input type="checkbox"/> Payment Option 1 <small>(Use 75% Keep 25%)</small>	\$202.63	x	57	=	\$11,549.91	\$64.11
<input type="checkbox"/> Payment Option 2 <small>(Use 100%)</small>	\$262.50	x	44	=	\$11,550.00	\$4.24

SIGNATURE / APPROVAL

By signing below I authorize the repayment schedule (Payment Option), chosen above, as indicated in the box next to the Option chosen.

By: _____ By: _____ Date: _____
print name signature

* Rebates for Projects that are financed through the SMART START Program are subject to a 10% reduction.

** The SMART START Program Charge is a one time charge assessed at 5% of the Net Project Cost.

*** All Bill Savings and Cash Flow figures are estimates only and are not guaranteed nor implied.

**** Due to the requirement for the Repayment Term to be a whole number in months the Repayment Delivery Charge may not exactly equal 75% or 100% of the savings.