

**State Energy Advisory Board**  
**Teleconference Minutes**  
September 23, 2009, 2:00 p.m. – 2:58 p.m.

**MEETING ATTENDEES**

**Designated Federal Officer (DFO):**

- Gary Burch, STEAB DFO, Director of EE Projects Division, Golden Field Office, Denver, Colorado

<b>STEAB ATTENDANCE</b>		
<b>BOARD MEMBERS</b>	Present	Absent
<b>Chris Benson</b> , ( <i>Board Chair</i> ) Director, Arkansas Energy Office, Department of Economic Development	X	
<b>Jim Arwood</b> , Director, State Energy Office, State of Arizona		X
<b>Henry ‘Ted’ Berglund</b> , CEO and President, Dyplast Products (FL)		X
<b>Susan S. Brown</b> , Deputy Administrator, Wisconsin Division of Energy		X
<b>John H. Davies</b> , Director, Division of Renewable Energy and Energy Efficiency, Kentucky Office of Energy Policy		X
<b>Roger Duncan</b> , General Manager, Austin Energy – City of Austin (TX)		X
<b>Ryan Gooch</b> , Energy Policy Director, Tennessee Economic and Community Development		X
<b>Paul Gutierrez</b> , Vice Provost for Outreach Services, Associate Dean and Director, Cooperative Extension Service, College of Agriculture and Home Economics, New Mexico State University	X	
<b>Duane Hauck</b> , Director, Extension Services, North Dakota State University	X	
<b>Elliott Jacobson</b> , ( <i>Board Secretary</i> ) Director, Action Energy, Inc. (MA)	X	
<b>Cecelia Johnson-Powell</b> , Community Development Manager, Indiana Housing and Community Development Authority	X	
<b>Peter Johnston</b> , Project Manager, Clean Energy Technologies, Burns & McDonnell (AZ)	X	
<b>Jim Nolan</b> , Weatherization Director, Department of Public, Health and Human Services (MT)	X	
<b>Larry Shirley</b> , State Energy Office Director, North Carolina Department of Administration		X
<b>Janet Streff</b> , Manager, State Energy Office, Minnesota Department of Commerce	X	
<b>Patricia Sobrero</b> , ( <i>Vice Chair</i> ) Associate Vice Chancellor, Extension, Engagement, and Economic Development, North Carolina State University	X	
<b>David Terry</b> , Executive Director, ASERTTI (VA)		X
<b>Steve Vincent</b> , Regional Business Manager, Avista Utilities (OR)	X	
<b>Daniel Zaweski</b> , Director, Energy Efficiency & Distributed Generation, Long Island Power Authority (NY)		X

**Contractor Support:**

- Emily Lindenberg (EL), SENTECH, Inc.

**Public:**

- No public representatives participated in this meeting.

**Invited Guests:**

- Cathy Iverson (CI), Intergovernmental Branch Chief at Golden Field Office.

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**Call Agenda:**

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|--|-------------------|
| 1. Update on Recovery Act Issues:<br>A. SEP, WAP, Block Grants<br>B. Davis-Bacon | Chris Benson (CB) |
| 2. Golden Restructuring: State and Local Team                                    | Gary Burch (GB)   |
| 3. Recovery Act Preparedness Visits by EERE                                      | Jim Nolan (JN)    |
| 4. November Meeting  | Pat Sobrero (PS)  |
| 5. Public Comments   | Chris Benson (CB) |
| 6. Other Issues  | Chris Benson (CB) |

**Minutes:**

**1. Update on Recovery Act Issues:**

**A. SEP, WAP, Block Grants**

- CB mentioned that there is no additional update but feels all ARRA information is a bit overwhelming. A few days ago Arkansas received the reminder of their award and that came as a surprise because it did not arrive in accordance with DOE plans. He posed the question – has anyone else heard of their State receiving the balance of the funding?
- Janet Streff (JS) commented she knew of this award because at the National Association of State Energy Offices (NASEO) Meeting, Gil Sperling announced that 50% of Block Grant and SEP funds would be released due to DOE now requiring monthly reporting.
- GB added that the release of this money also serves a political purpose due to the fact that it publicly discloses the movement of more money.
- CB thanked both GB and JS for their comments and asked if there were other questions about Block Grants. JS expressed appreciation for NEPA issues being resolved. She gave kudos to Matt Rogers for helping to eliminate barriers which previously blocked the initiation of SEP and Block Grant activates. She gave a “thank you” to DOE for hearing their concerns.
- Cathy Iverson (CI) stated that previously the major focus had been on Block Grants, but DOE realized that under the State Energy Program awards, States had not been able to move forward in the way they wanted. By DOE now focusing on NEPA compliance, they have been able to remove conditions that previously slowed progress.
- JS again mentioned this was an issue when her State received \$10.6 million, and because of NEPA they were only able to spend about \$700,000. The balance of that money needed to undergo special NEPA conditions. She concluded by saying NEPA was a big barrier, but overall it had been much better as of late.
- CB asked CI about a status report about where States are at this time with regard to progress with obligations, or barriers. He wants to find how States are stacking up against other States. CI mentioned that what she has at this time is information coming out of the “readiness reviews”. They have gone to 26 States, but these are more of a snap-shot of the individual States at this point.

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- CB asked if there were additional questions or comments on this topic. There were none, so the meeting moved to the next agenda topic.

**B. Davis-Bacon**

- Elliott Jacobson (EJ) began the discussion by mentioning that high-cost States such as MA and the rest of New England are doing just fine. The rates came out within the actual prevailing wages of the industry, which is what the act was supposed to do. As of September 1, 2009, they have started to assign work from the ARRA funds. He mentioned that the toughest part will be the paperwork, especially for smaller organizations. He concluded his commentary that there probably are States that have difficulty and asked JN about his take on Davis-Bacon.
- Jim Nolan (JN) said that the wage survey's were done for most, if not all States, and mentioned that most of the States are ready to go. He noted that paperwork is a problem and felt that DOE dropped the ball not getting the waiver that HUD got.
- EJ agreed about DOE dropping the ball and mentioned that this raises all kinds of issues but is trying to focus on the positive. JN agreed.
- EJ asked if there was time to discuss weatherization in general? CB said there was and EJ went on to say that he is concerned about the FY '10 appropriations and wanted JN to talk about the potential money being funneled to other areas, when that money can be upwards of \$60 million.
- JN spoke of the Appropriations Conference Committee and how they wanted to divert a third of the Weatherization budget to pilot programs. Thanks to EJ and a number of other people, he noted, the DOE backed off and ultimately sent a letter to Senator Harry Reid saying that DOE will find money elsewhere for these programs. EJ agreed and mentioned he received a letter to this effect. JN was glad people stepped up to stop this appropriation.
- CB asked EJ and JN about the continual running debate with DOE about how Weatherization will be operated. He mentioned every time he turned around, there is someone else fending off an attack to change how Weatherization is run. He asked if this was a problem with no solution?
- EJ answered by saying Weatherization has not been comfortable under any administration. He elaborated by saying during the Clinton era, weatherization was seen as absorbing too many of the very short funds that Energy programs were getting.
- With the Bush administration, there was more money in the first administration, than the second. Weatherization was able to hang on; however, now they have a lot of competing elements for money and what again has saved the budget were ARRA funds. He went on to say that ARRA is really just a 3-year patch; and when this money runs out, Weatherization will lose a lot of money. EJ felt Gil Sperling and others are most interested in getting the money onto bills instead of the budget, but feels that this may jeopardize weatherization in the long run.
- JN agreed with EJ and noted that for years DOE has tried to transfer the program to HHS, and that in itself tells him where Weatherization stands with the department.
  - EJ elaborated by saying he sent a letter to AS Zoi's assistant, whom they met at the August meeting, regarding the potential use of Weatherization money for these pilot programs. Despite not hearing a response, EJ felt that this situation was resolving itself as was noted earlier in the call. His outstanding question is who will replace Van Jones and what will occur once this replacement is installed?

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- CB commented that any proposed “schemes” to solve the problem do not seem acceptable to the Weatherization community, so what can be done to resolve the problem, if anything?
- EJ answered saying the real proving of this is how Weatherization uses ARRA funds. He feels that if those funds are used well, then that gives Weatherization the credibility - which is needed. He feels that Weatherization needs these three years to succeed; and if they do, he feels they have nothing to worry about in the future.
- CB asked if there were additional questions or comment on this topic. There were none, so the meeting moved to the next agenda topic.

**2. Golden Restructuring: State and Local Team**

- GB noted this is still evolving and will update the group as more information becomes available. He did note that his OWIP staff is going up 10-fold on the Federal side and that the National Energy Technology Laboratory (NETL) is growing as well. The Golden Field Office (GFO) is working double-time to get everyone in-house and trained and up to speed. He continued saying that at the NASEO meeting, an announcement was made as to how EE will assist restructuring the three OWIP programs. The new model GFO is using to assign their staff, once they are fully staffed, is one Federal employee for each State in the Weatherization program, one Federal employee for every two States in SEP, and one Federal employee for every ten contracts on the Block Grant Side. He concluded by saying he hopes GFO will be fully staffed by the end of October, no later than early November, so that they can send out notices to all the States as to who the contacts will be at GFO.
- JN asked GB if these were permanent positions, and GB responded by saying these positions were initially ARRA-centric, but the guidance has evolved to make the bulk of the staff permanent. There will be some who will be considered LTA (limited term) but their job functions will be the same, the difference will be noted in their records.
- Patricia Sobrero (PS) asked where the new employees would be located in each State, and GB responded that they will be at GFO, and NETL, and only assigned to assist each State.
- Duane Hauck (DH) thanked GB for the great update and asked how this new information will be disseminated to all the State Energy Offices.
- CI answered by saying GFO was working with both HQ at NETL to develop a national plan and will release when it is ready, which is hopefully within the next week. She hopes to have a tentative designation of contacts shortly.
- CB thanked GB and CI for the comments and asked if there were additional questions. There were none, so the meeting moved to the next agenda topic.

**3. Recovery Act Preparedness Visits by EERE**

- JN was notified last week that his office will be having an EERE Preparedness visit next week, and what he found most interesting was that instead of being visited by the regional office, both Gil Sperling and Peter Roehrig (from AS Zoi’s office) are going to be in Montana for the visit. He asked for comments from any Board members who had experienced the visit and wanted to know what to expect.
- CB volunteered that his office had just experienced their visit and the experience was both good and bad. Both Peter Roehrig and Bob Adams did the visit and his experience was that they said they were there to check the overall process, and provide support or answer questions while emphasizing transparency as key; but overall, CB was

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disappointed with the visit. For one thing, there wasn't any forthcoming information, and both men did not seem to have any answers to questions. Another thing was that CB felt Bob Adams in particular was intimidating and his tone made it difficult to look at the visit as helpful. CB noted that his Governor's office had people in the meeting and CB's entire staff was in the meeting, and overall both groups felt very defensive. CB felt the timing was unfortunate because he feels this is a poor time for DOE to be putting forth that message, intended or not. He opened up the question – did other States have a similar experience?

- GB answered by saying GFO has picked up unsolicited feedback regarding Bob Adams. This has been conveyed to HQ; however, HQ has not accepted what is conveyed. GB feels it may be more effective to have the States give feedback directly to Gil Sperling and HQ.
- CB said that is a great suggestion and his office will definitely be providing feedback. GB noted that despite trying to convey a similar message, he feels it has not been successful and hopes that with more feedback, maybe the message will get across.
- Cecelia Johnson-Powell (CJP) continued the conversation saying her State's meeting, held on September 1, 2009, was similar to that of CB's. The discussion was very aggressive, she felt. The Lieutenant Governor's office was present along with the Governor's office, SEP and Weatherization and it was mentioned that all offices were surprised by the tone and all felt that both men were too aggressive. It was almost as if they were intentionally trying to provoke and prod, instead of answering questions or providing assistance. She concluded by saying that this visit seemed more a way to cover the DOE should anyone ask about these visits, rather than to actually provide any feedback or ideas to the States.
- GB noted Bob Adams continues to receive negative feedback from State's where he visits.
- JN added information about a panel that Bob Adams, Gil Sperling and Peter Roehrig will participate in when they come to Montana for the site visit. JN is interested to see what the tone will be at that panel discussion.
- EJ contributed his feelings about the Massachusetts visit and felt that visit went well and no one acted too aggressively. In fact, he said, the Weatherization program was pleased with the outcome of the visit.
- CB concluded with comments about being disappointed about the visits because though both men kept saying they were there to answer questions, nothing was forthcoming. He asked if there were additional questions or comment on this topic. There were none, so the meeting moved to the next agenda topic.

**4. November Meeting**

- PS is excited to host the upcoming meeting and has talked to faculty leaders and students about how best to showcase the campus. There are two agenda's for Tuesday the 10<sup>th</sup> of November, one if AS Zoi can attend and one if she cannot. The Board may not know about the AS's availability until mid-October. Despite numerous requests, there is still no answer to this question.
- PS continued to outline the agenda should AS Zoi attend. If she does attend, PS hopes that everyone can arrive in Raleigh by 4:30 PM in order to attend a tour of the MacKinnon Continuing Education Center, and the Solar Center. The tour would last until 6:00 PM, at which point the tour would come back to campus and listen to the AS speak and then attend a reception sponsored in her honor.

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- If she does not come, PS would still like to showcase the Solar Center on that evening and then have a Board dinner following the tour.
- On Tuesday the 10<sup>th</sup>, if the AS is in attendance, the meeting will begin at the State Club on the university campus, and AS Zoi would speak to the Board. Then two of the Vice Chancellor's of the university and the President of a partner company would speak to the Board about how important public and private partnerships are.
- If the AS is not there, the agenda would be similar, but there would be more time for presentations to showcase what the university is doing on the energy front. Most likely, the plan will be for the AS not to attend, since the decision will be so late in coming, PS does not want to anticipate the answer will be a "yes" from her front.
- PS asked which of the Board members would be in attendance on Monday evening, and many members indicated they would not be arriving until late Monday night. Only a few mentioned being available Monday evening for dinner as a group.
- CB asked if there were additional questions or comment on this topic. There were none, so the meeting moved to the next agenda topic.

**5. Public Comments**

- CB inquired if there was any member of the public on the call who would like to make comments. It was also stated that no requests for public comment were received for this teleconference. CB concluded this part of the meeting and closed it for public comment.

**6. Other Issues**

- JS had a question for GB and noted that in today's copy of *Energy Daily*, there was someone from Berkley Lab named head of the Advanced Research Project Agency – Energy (ARPA-E). His name is Arun Majumdar and it is her understanding that he had shaped strategic initiatives while at Berkley, so it seems like his background may dovetail with EERE. Should STEAB look at this agency and engage in a dialogue? GB indicated he had no specific knowledge of this person, but it might be beneficial if the Board had a dialogue with this agency in the form of a common meeting – to better understand their overall mission.
- Steve Vincent (SV) said he would like to send a link to a General Accounting Office (GAO) report to the Board. This report is an analysis of the technology transfer capabilities of the DOE Lab. SV will send the link to Emily Lindenberg, and she will forward to the Board.
- JS commented that she would like to be counted as present for the August teleconference as she was listening in, though not making comments.
- CB thanked everyone and asked if there were additional questions or comment on this topic. There were none, and CB closed the meeting.
- The next teleconference call will be held on October 21, 2009, at 2:00 PM EST.

*Call concluded at 2:58pm ET on Wednesday the 23<sup>rd</sup> of September.*