

**State Energy Advisory Board  
Teleconference Minutes  
January 18, 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) (Vice-Chair)
- Elliott Jacobson, Director, Action Energy, Inc., Massachusetts (Secretary)
- Chris Benson, Director, Arkansas Energy Office
- Henry “Ted” Berglund, CEO and President, Dynaplast Products
- Susan Brown, Deputy Administrator, Wisconsin Division of Energy
- John Davies, Director, Division of Renewable Energy and Energy Efficiency, Kentucky Office of Energy Policy
- Bill Even, South Dakota Energy Development Director
- Duane Hauck, Director, Extension Service, North Dakota State University
- Peter Johnston, Manager, Technology Development, Arizona Public Service
- Alexander Mack, Manager, State Energy Program, Florida Energy Office
- Jim Ploger, Energy Manager, Kansas Energy Office
- Elizabeth Robertson, Director, GEFA / Division of Energy Resources, Georgia
- Harold Smedley, Ethanol Fuels Consultant, Colorado
- Janet Streff, Manager, Minnesota State Energy Office
- David Terry, Executive Director, ASERTTI
- Steve Vincent, Avista Utilities, Oregon
  
- Gary Burch, Designated Federal Officer
- Sunny Choi, TMS, Inc.
- Pat Malone, TMS, Inc.
- David Rathbun, TMS, Inc.

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**Agenda Items:**

- *Welcome – Introduction of New Board Members*
- *Status of the FY 2006 Annual Report / Distribution*
- *March Meeting*
  - *Tentative Agenda*
  - *Logistics*
- *Upcoming STEAB meeting with Congressman Walden (R-OR)*
  - *Determine delegation for meeting*
  - *Schedule time to discuss strategy prior to meeting*
- *Revisited Discussion of the “Market Transformation White Paper”*

**Welcome & Introductions**

Dub Taylor began the meeting by introducing the Board’s new members, and also welcomed back four previous members who were recently re-appointed to additional three-year terms. The new members joining the Board are: Mr. John Davies, Director, Division of Renewable Energy and Energy Efficiency, Kentucky Office of Energy Policy; Mr. Henry “Ted” Berglund, CEO and President, Dynaplast Products; Mr. Duane Hauck, Director, Extension Service, North Dakota State

University; Mr. Peter Johnston, Manager, Technology Development, Arizona Public Service; and, Mr. David Terry, Executive Director, ASERTTI.

The re-appointed members include: Ms. Patricia Sobrero, Professor, Agricultural and Extension Education Department, Virginia Polytechnic Institute and State University (VA Tech) (Vice-Chair); Mr. Elliott Jacobson, Director, Action Energy, Inc (Secretary); Mr. Chris Benson, Director, Arkansas Energy Office; and, Mr. Dan Zaweski, Director of Energy Efficiency & Distributed Generation, Long Island Power Authority.

Dub Taylor commented on the excellent mix of Board representation, and gave a brief background of the STEAB's roles and responsibilities as a FACA Board. Gary Burch also formally welcomed the new and returning members, and reminded the Board that three of the Board's new members are Special Government Employees (SGEs)\*, and would need to be sworn in before they could become "official" Board members with voting rights. He also explained that until this happens, the Board's membership is still below the minimum number (18) of members needed to have an official quorum. He did add, however, that despite the fact that the new SGEs need to be sworn in prior to the Board being able to take official actions, the Board can still conduct day-to-day business and can continue to develop strategy.

### **Status of the FY 2006 Annual Report / Distribution**

Gary Burch informed the Board that the STEAB Annual Report was submitted to the Office of the Assistant Secretary for Energy Efficiency and Renewable Energy (ASEE) in late December 2006 for preliminary review prior to distribution. He added that he recently received word from the ASEE's office that the Annual Report was reviewed, and that the Board has received permission to distribute the Report to audiences as they see fit.

Dub Taylor explained that the STEAB Charter specifies that in addition to reporting to the Secretary of Energy, the STEAB is also charged with reporting to the Congress. Therefore, the STEAB may potentially need to deliver several "hard copies" of the Report to the Congress. In addition, it would be preferable to target chair members of select committees and caucuses, as well as other members that have particular interests in renewables, etc. He also suggested adding the FY 2006 STEAB Annual Report to the STEAB Website in order to make it as accessible to the widest audience possible. He also recommended that some type of electronic notification be sent to the Congress to make them aware of its availability. Board members should also receive a hard copy for their own reference. David Rathbun (TMS, Inc) said that he would forward an e-mail to the Board with the FY 2006 Annual Report attached in a PDF format, and that he would mail a hard copy of the Report to any member that requested one. Gary Burch said that it may be advantageous for select Board members to hand deliver copies of the Report to congressional offices, as many of the Board's members will be in town in the coming weeks (February) for a NASEO conference. David Rathbun also volunteered to do this if necessary.

### **March Meeting Discussion**

Dub Taylor introduced the draft agenda for the March 2007 meeting. He explained that similar to past meetings, the Board has invited speakers from various EERE Programs to provide updates on the current activities and successes of their respective offices. He added that this not only assists in

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\* Mr. Ted Berglund, Mr. Peter Johnston, and Mr. David Terry have been appointed to the Board as SGEs. They will not become official members with voting rights until they are officially sworn in by proper authorities at the U.S. Department of Energy.

allowing Board members to be “refreshed” with the activities of the different offices, but it also affords the Board the opportunity to discuss and possibly develop future and on-going strategy. He further added that in past discussions, the content presented during the course of these visits has enabled the Board to focus on the development of resolutions as well. He explained the rationale behind the current speaker docket, and explained how Program Office selection is based on a rotating schedule where the Board targets programs that it was not able to hear from at more recent meetings, etc. He added that the EERE Program Offices that appear on the current agenda were listed because they were not represented at the July 2006 meeting in Washington, DC. He also discussed the addition of the Office of Technology Advancement and Outreach (TAO), and explained that it would be a good idea to hear from that office since much of the Board’s recent activity is closely related to the “enhancement of communications.” Dub Taylor also commented on the relatively short duration of the meeting, and informed the Board that by having a two-day meeting as opposed to a two-and-a-half-day meeting would help alleviate travel difficulties for Board members, and will also assist in keeping overall costs to a minimum.

Peter Johnston inquired as to whether or not he could receive a listing of the various EERE Program Offices. David Rathbun said that he will forward an e-mail that will include the names of the various EERE Program Offices, and will also provide links as well. He also reminded the Board that the STEAB Website, <http://steab.org/>, also contains this information, and reminded the Board that the Website also contains links to various National Laboratories as well.

Gary Burch informed the Board that he recently spoke to members of EERE’s front office staff, and that the possibility exists that the Board’s upcoming March meeting may have to be cancelled due to various budget and funding constraints. He explained that he will continue to contact the agency to get a definitive answer within the next week or so, but in the meantime, encouraged the Board to continue to refine the agenda and to also go forward with making the necessary arrangements to visit Washington (i.e., flight, hotel, etc.).

#### **Hotel and Conference Accommodations:**

David Rathbun provided the Board with some important reminders for securing hotel and travel accommodations.

Washington Plaza Hotel  
10 Thomas Circle NW  
Washington, DC 20005  
(202) 842-1300  
(800) 424-1140

**By Phone:** Use the phone number(s) above and refer to the “DOE group” when making your reservations.

**On-line:** Please visit [www.washingtonplazahotel.com](http://www.washingtonplazahotel.com); click on “Make a Reservation;” then click on “Group Reservation.” Once there, enter the Attendee code – **5967**.

*You are responsible for securing your own hotel room and submitting the paperwork for reimbursement following the meeting. Please be advised that you have until February 10, 2007 to reserve your room. In the past, hotels have been reluctant to extend the previously guaranteed GSA rate of \$188.00/night after the cut off. Please do not delay. You have until 72 hours prior to the date of check-in to cancel your reservations without penalty.*

## **Flight Reservations:**

Flight arrangements are controlled by the DOE and must be made through the Agency. Natalie Alexander is your point person in this regard, and will assist you with scheduling travel arrangements both to and from Washington. She can be reached at 202-554-4623, or [nalexander@tms-hq.com](mailto:nalexander@tms-hq.com).

Please contact her with your flight preferences, and she will do her best to make sure that you are accommodated as best as possible. The March meeting will take place from March 14-15, 2007, with a new membership orientation session scheduled for Tuesday, March 13, at the DOE Forrestal building.

## **Upcoming meeting with Congressman Walden**

Dub Taylor updated the Board with the most recent developments in regards to meeting with Congressman Greg Walden (R-OR). He explained that since Congress will be in session at the time of the March meeting, Mr. Walden will not be able to leave “the Hill” to meet with the Board. Instead, Representative Walden has invited a small delegation of Board members to visit him at his office where he will discuss his interests and views on energy efficiency and renewable energy. Dub Taylor stated that it would also be beneficial to seek the Congressman’s advice as to how an advisory Board – or the STEAB in general – can serve in a more effective role.

Dub Taylor explained that as of now, the delegation will consist of the STEAB Executive Committee (D. Taylor, P. Sobrero, and E. Jacobson), Harold Smedley, and Steve Vincent. It was determined that Mr. Smedley would be an optimum choice due to his background in biofuels – a current focus of Rep. Walden. He also explained that Steve Vincent will also attend as he is a resident of the Congressman’s district, and his presence was personally requested by Representative Walden’s office. David Rathbun explained that the Congressman’s office is requesting that they have the names of the parties attending the meeting as soon as possible, and that the names of any additional members added to the delegation will also need to be communicated to the Congressman’s office as a form of courtesy.

Pat Sobrero expressed her concern that since there are so many speakers, there may not be enough time to discuss individual speaker’s presentations and recommended that the agenda possibly be modified to spread out discussion time during the conference. Elliott Jacobson also stated that due to the recent announcement of the retirement of Jim Powell (Program Manager, Weatherization & Intergovernmental Program (OWIP)), that a replacement speaker be contacted as Mr. Powell was initially the OWIP representative invited to attend the March meeting. Gary Burch recommended that Mark Bailey be contacted in this regard.

Dub Taylor said that given all of the “acting” positions within the various EERE Programs, it may be beneficial to invite David Rodgers (Acting Deputy Assistant Secretary for Technology Development) to serve as the “lead speaker.” He also added that this may be beneficial because Mr. Rodgers will be able to provide direct insight on the direction that the ASEE wants EERE to go within the next few years. Janet Streff recommended that TAO also be moved up on the agenda, and Gary Burch suggested that it would make sense to have TAO immediately follow Mr. Rodgers’ presentation.

Dub Taylor also brought up the possibility of scheduling/rescheduling one of the speakers to present information during the time on the agenda that the delegation is on “the Hill,” but also inquired as to whether or not the Board would like to have the afternoon off. Pat Sobrero suggested that the time could be used for new Board members to go over/familiarize themselves with the Board’s recent activity and past resolutions. Gary Burch recommended that the remainder of the day be used to

work on the two resolutions that were generated at the July 2006 meeting but were not yet completed. Dub Taylor recommended that certain modifications be made to the agenda during the course of the next few weeks, and that he will discuss these proposed changes with David Rathbun and that the new changes/ideas will be reintroduced for discussion during the February conference call preceding the March meeting.

John Davies inquired as to whether or not the Board sets a yearly objective during the Board's first meeting in January. Dub Taylor explained that rather than setting an actual objective, the Board tends to take direction from the ASEE in order to better refine strategy and develop flexible processes that assist in developing specific resolutions to better support EERE. He explained that during the July 2006 meeting, the ASEE met with the Board and shared with them his current priorities. Using these as a focal point, the Board was able to develop four resolutions around those specific areas. In addition, Pat Sobrero also explained that at the conclusion of full-Board meetings, the Board seeks to set up separate follow-up meetings between the STEAB Executive Committee and the ASEE and/or aides to help pursue priorities. She explained that this method is important because it assists in keeping dialogue fresh, and also allows the STEAB to be as effective as possible. She also pointed out that the STEAB Strategic Direction document was also a tool that assists the Board with determining its strategic focus. Pat Malone (TMS, Inc.) explained that the STEAB Strategic Direction document is located in the appendices of the FY 2006 STEAB Annual Report, and suggested that the new members pay special attention to it when the Annual Report gets re-distributed after the meeting.

#### **“Market Transformation” White Paper**

Dub Taylor summarized the “Market Transformation” White Paper for the Board's new members. He explained that the primary focus of the White Paper expressed concern that the DOE does not have the necessary mechanisms in place to foster the awareness of, and to also introduce, emerging technologies to the “critical mass of players” that will eventually assist in bringing groundbreaking technologies into the market place. He explained that this Paper was shared with ASEE aide, Mr. Paul Dickerson, at a meeting in November 2006, and that the common consensus of the meeting was that Mr. Dickerson was very receptive with the discussion.

Ted Berglund said that he is in concordance with the “Valley of Death” graphic depicted in the paper. He explained that he has experience working with the National Laboratories with various research projects, and said that one of the biggest hurdles of market transformation is the time that it takes for new technologies to be utilized. He explained that on the short end, emerging technologies take anywhere from 8-10 years to be fully utilized, and at times, as long as 20 years. He also explained that communication is only part of the problem, and that locating the necessary dollars to fund “pilot facilities” is another concern. He stated that it usually requires, on average, a total of \$50,000,000 to fund a “pilot facility” that is large enough and equipped to properly and effectively demonstrate technologies on varying scales. He also added that unless the technology being showcased is one of relative notoriety, it is very difficult to get the necessary support. He also added that once the technologies are demonstrated and appear viable, it is much easier to obtain the necessary support and makes financing projects far simpler.

Janet Streff said that she agrees with Mr. Berglund's inference. Peter Johnston added that without a customer base, a great product still has trouble getting exposure. Chris Benson said that it may be practical for the Board to possibly develop some type of definitive definition for market transformation, especially if the Board tries to establish some guidance in this potential subject area – would be good for clarity. David Terry said that he agrees, and that by setting definition would also

assist in setting parameters as well. Ted Berglund also agreed, as it would assist in defining the different steps associated with “commercialization/ market transformation.”

Dub Taylor invited the Board to re-familiarize themselves with the White Paper so as to provide feedback should there be any additional gaps in the document.

**Open Forum:**

Dub Taylor said that in the upcoming weeks, the “loose ends” surrounding the upcoming meeting and its agenda should be firmed up and that these topics be revisited during the February conference call. Ted Berglund inquired as to whether or not he could obtain contact information for the Board’s membership. Dub Taylor recommended that a roster be forwarded to the Board, and suggested that asterisks be placed next to the names of the new SGEs to show that they are not yet official members so as to abide by any technicalities set forth by the DOE. He also added that Weatherization offices/State Energy offices have some meetings in DC during the week of February 13<sup>th</sup>, and suggested the possibility that some of the Board’s members get together during that timeframe. Elliott Jacobson suggested that should the March meeting be cancelled, a small meeting could take place and could serve as a substitute in lieu of the current budget issues.