

VLITE Board of Directors Special Meeting
On Zoom and at DRM Conference Room, 52 State St., Montpelier, VT
Minutes of October 9, 2023
Approved on December 13, 2023

Meeting called to order at 12:00 PM

In attendance:

Board members: Tony Klein was in person. Richard Rubin, Larry Lackey, Sarah Hofmann, Peter Walke, and Hal Cohen on Zoom.

Absent: Amy Shollenberger

Others Present: Gabrielle Malina, Neale Lunderville, Morgan Hood, Liz Scharf

Board discussion to provide context for Special Meeting

Peter Walke told the board that after the July 2023 flooding, the Public Service Department asked distribution utilities and Efficiency Vermont to assist, in any way they could, with flood recovery needs for flood survivors whose home heating or electrical systems were damaged or destroyed. The goal is to get people back in their homes with working heating and electrical systems before winter. The utilities led by Vermont Gas Systems stood up VERT – Vermont Energy Recovery Teams - in response to the state’s request. The VERT program was piloted in August in three towns. At the time, the utilities were told to “keep their receipts” but the state has not circled back or promised any recompense for utility expenses. FEMA denied the effort and the state made no effort to challenge the denial. The state’s initial approach was going to be to hand off the responsibility to the Vermont Fuel Dealers Association. Utilities saw an opportunity to marry together the need for greenhouse gas reduction and electric service upgrades with the urgent needs of flood recovery. VERT will connect people to the Efficiency VT incentives.

There is also a parallel, related effort Walke is working on with Vermont Community Foundation and VSECU to create a pool of upfront funding that would be paid out to the contractors doing this work. That money would then be reimbursed by the incentives, which cannot be distributed upfront. Contractors are otherwise being asked to cover costs up front.

The VLITE grant funds will flow through Capstone Community Action. Capstone is receiving a FEMA grant for case management and then referring income-qualified homeowners to VERT. Capstone provides a known need and utilities have connections to contractors.

Gabrielle Malina explained that due to the emergent needs of flood recovery, the short time to stand up the program, and an atypical and quick application process, the funding request from VERT is for “up to \$140,000” instead of a fixed number. The total program budget for VERT is currently estimated as \$240,000 with \$100,000 coming from the Vermont Community Foundation. Early efforts after the July floods, led by Capstone Community Action, tried to

figure out how to stand up a program marrying the immediate needs of flood recovery with helping people improve their heating and electrical systems – and sought VLITE as a funder.

The funding will be for utility representatives who are acting as case managers or coaches to thoroughly help low and moderate income homeowners navigate what their homes need for heating and electric, connect them to contractors and incentives, and ensure the work is done properly. Walke confirmed that the \$36 million in available incentives cannot be used for these services.

Vermont Energy Recovery Teams (VERT) Grant Application

Neale Lunderville President of Vermont Gas Systems (VGS) presented the application. Lunderville explained that in the wake of the PSD Commissioner's request to utilities to "do what they can do", VGS took the lead and identified the need to help low and moderate income flood survivors with wraparound services to get home heating and electrical systems working.

Utilities have shifted into high gear in the last couple of weeks. Survey responses showed that 165 homes specifically need help with heating systems. The goal is to get "all of the work done" by mid-November. The critical value is to help flood survivors figure out their energy needs in the short term and under duress. VGS sought funding outside of the \$36 million because they want as much of it to go to the customers as possible. Capstone will be the grant recipient from VLITE. Partner utilities will bill Capstone. This grant is a natural extension of the energy coaching they already do. VGS's role is coordination.

Morgan Hood, VGS New Product Development Manager, said heat pumps will be installed where practical, and Energy Star heating systems are ensured. Utilities reached out to get eight of the largest HVAC contractors in the state to commit to the project. Heating must come first. Weatherization might have to be on a longer timeline. If heat pumps are not a good fit for a home right now, VERT will keep a list for when the Inflation Reduction Act monies become available.

VLITE members expressed concern at the stated wage rate of \$100/hour. Liz Scharf, Capstone Director of Community Economic Development explained that the \$100/hour wage rate was suggested by the Capstone Weatherization department. Scharf said the time billed is likely going to be underestimated as well. Lunderville said the utilities are only seeking to get their costs covered and nothing more. Neale said they would continue to revisit the proposed wage rate. Liz Scharf also said that Capstone would not charge overhead for the first \$200,000 of the grant. If the program becomes long term, they will have to revisit that.

Board discussion and vote on grant applications

A motion was made to approve the VERT grant to Capstone for up to \$140,000.

- 1st – Richard Rubin, 2nd – Sarah Hofmann
- All in favor

The meeting adjourned at 12:50 pm.

Respectfully submitted by Gabrielle Malina, October 2023