

Meeting minutes 1/20/15

The meeting was called to order at 9:31 by Cara Lee Mahany Braithwait

Present: Deb Erwin, Xcel; Terry Nicolai, Alliant; Tim Kallies, Wisconsin Public Service; Kevin Vesperman, DOA; John Sumi, MGE; Matt Bromley, Customers First; Brian Rude, Dairyland; Jordan Hemaïdan, Michael Best and Friedrich; Peter Taglia, E&E Consulting; P.J. Distefano, Deloitte and Touche; Michael Corradini, WEI; Bob McKee, ATC; Dave Siebert, DNR; Rep. Robb Kahl, Wisconsin Assembly; Heather Liebham, We Energies; Nilaksh Kothari, Manitowoc Public Utilities; Jeff Ripp, PSCW

Excused: Sen. Paul Farrow, Wisconsin Senate; Paul Meier, WEI

Not present: Earl Gustafson, Wisconsin Paper Council

### **Minutes from June 2014 Meeting**

Dave Siebert moved to approve minutes from June 2014 meeting. Brian Rude seconded. There was no discussion. The motion passed unanimously, with John Sumi abstaining as he was not at the last meeting.

### **Board Membership**

Two new committee member nominations: Kira Loehr, Citizens Utility Board (not present), and Deb Erwin, Xcel Energy (replaces Dave Donovan).

Matt Bromley moved to approve Deb Erwin for the board, PJ Distefano seconded. There was no discussion. The motion passed unanimously.

Peter Taglia moved to approve Kira Loehr for the board, John Sumi seconded. Discussion: this is a return of the Citizens Utility Board to the WPUI board, as Charlie Higley previously served. The motion passed unanimously.

Several terms expire in June 2015. Nominations committee will meet with those whose terms are up to see if they want to renew or would prefer to give someone else the opportunity to serve. If board members are not planning to serve again, they should contact the nominations committee or Cara Lee by the end of February.

### **Organizational Membership**

There are several 2014 members who still need to renew for 2015. Those who volunteered to contact these members include:

- Jordan Hemaïdan will contact Axley Brynelson; Boardman and Clark
- Cara Lee Mahany Braithwait will contact the Cooperative Network, Energy Center of Wisconsin, GDS Associates, MEUW
- Brian Rude will contact Wheeler Van Sickle & Anderson

Other companies/organizations suggested for membership:

- Bob McKee will make an annual plea to MISO
- PJ Distefano suggested the Upper Peninsula Power Company
- Jordan Hemaïdan suggested Michels Pipeline
- Ingeteam, Acciona (Scott Williams will check with WEMPEC for contacts)
- Cara Lee suggested Wisconsin Rural Water Association (though they are their own membership organization and it may be more beneficial to partner on specific programs rather than ask for membership).

## **Budget Discussion**

WPUI is switching to a calendar year reporting process rather than fiscal year reporting (July to June). While the budget shows a net decrease of roughly \$8000, WPUI is still waiting on payment from running the EEI Transmission course in August. This will likely result in a net revenue gain for 2014.

Revenue breakdown: With some declining membership, registration fees have become a larger percentage of revenue. WPUI also generates revenue through professional services by coordinating programs for outside organizations (e.g. Large Public Power Council, EEI, WI State Bar Association).

Expenses breakdown: Salaries and fringe benefits dominate expenses. Services and supplies refer to expenses such as renting space, printing, catering, and website/communications support. All expenditures run through the university procurement system.

Programs: not all programs generate positive revenue (by design). Most impactful yet net loser in revenue was the Summer Seminar Series (condensed version of EUB). The series was offered for free to the general public over eight evenings in July and August, with dozens in attendance for each session (along with hundreds of total web views).

PJ Distefano discussed that WPUI went through an audit as part of a larger audit of the UW System. There is enhanced scrutiny of campus units that carry reserves, and since WPUI part of the university (real estate, procurement system) and College of Engineering, WPUI's finances were also scrutinized. WPUI keeps an intentional reserve to prevent financial instability in case of revenue shortfalls from membership.

PJ met with the Associate Dean of Finance for the College of Engineering with concerns that WPUI's reserves might be taken away because university has been directed to reduce reserves as a whole. WPUI has been assured that it is unlikely that all reserves will be taken away, but WPUI is less likely to draw attention if it carries a slightly smaller reserve margin. It has been suggested that WPUI carry enough in reserves to cover programming costs if no members contribute for a year.

Michael Corradini clarified that WPUI is a funded administrative unit within the Wisconsin Energy Institute, and is similar to other groups/consortia in the College of Engineering that have industrial members contributing funds (e.g. Wisconsin Electric Machines and Power Electronics Consortium, Engine Research Center).

Bob McKee made a motion for the board to officially support WPUI maintaining the funds to cover programming costs in 2015. Kevin Vesperman seconded. Nilaksh Kothari suggested an amendment that the board will review this on an annual basis. Jordan Hemaidan moved to approve the language as amended. Matt Bromley seconded. The motion passed unanimously.

### **Other Discussion**

Peter Taglia raised concern over WPUI contracting with EEI to run two of their courses, as he is concerned about EEI's increasing role in advocacy in state policy. Other board members expressed support for the courses and believed them to be factual and unbiased educational programs. WPUI contracts with several other entities such as the Large Public Power Council and Wisconsin Bar Association, and some but not all organizations take on an advocacy role. It was suggested that WPUI write a disclaimer on any marketing materials that separates WPUI from the views of the organization that WPUI is contracting with.

Peter Taglia made a motion requiring that when WPUI is contracted to run a course for an outside entity and does not control the agenda, WPUI discloses on any promotional materials that this is not a WPUI program and that the content is not provided by WPUI. Heather Liebham and Bob McKee suggested that the board wait until the next board meeting so that Cara Lee has time to ask EEI and other contractors about the appropriate language. Jeff Ripp suggested that the board should review the policy on all of these contracted courses and how they fit into the WPUI mission.

The motion did not receive a second, and thus the board did not vote a formal motion, but provided direction that the executive committee, along with Peter Taglia and Heather Liebham, will discuss the policy on all contracted courses and make a recommendation to the full board for the summer 2015 meeting.

### **Programs for 2015**

The program committee (Peter Taglia, Matt Bromley, Kevin Vesperman, John Sumi, Jeff Ripp) met last Friday and looked at topics suggested at last committee meeting. Summaries for four suggested programs were provided to the board, and the board was asked to write down objectives that WPUI should try to meet in pursuit of each program, as well as potential speakers for each program. They include:

- Natural Gas in Wisconsin (what drives infrastructure development, roles)
- Water and Energy (accounting embedded energy in water and wastewater)
  - o A possible co-sponsorship with Water Council was suggested

- Community-Based Renewables (alternatives, models, economics, green pricing)
- Grid-Scale Battery Storage (state of technology)

#### Other possible programs

- Revisit of 1987 “death spiral” report (recent publication in Electricity Journal) – Mike Corradini suggested discussion of IEEE Spectrum article by former Google workers
- Clean Power Plan (possibly wait until final rule)
- Rate/cost implications of extensive distributed generation
- Third-part retail sales of electricity

The board took 15 minutes to write comments and suggestions for each program, which Cara Lee read to the board. The program committee will put together a new agenda incorporating these comments and will send out the new agendas through email to the board. The board will then vote online on their top choices for programs in 2015. A straw poll was conducted of the board in attendance, and the Natural Gas and Water/Energy programs received more interest than the Community-Based Renewables and Battery Storage program, but all will be voted on by the board after revisions by the program committee. Cara Lee stated that she would be able to do 3 full-day programs in 2015, but could also do a few partial-day programs.

Other suggestions: Peter Taglia suggested a program on what has changed in Wisconsin since Governor’s Task Force on Global Warming (2007-09). For example, what are new price assumptions (e.g. natural gas, renewables, etc.)?

The program committee will likely meet within next two weeks to revise the agendas of the four main programs.

### **Investigation of Energy Policy in Wisconsin**

Tim Baye, State Energy Specialist with UW-Extension, gave a presentation about the state of energy policy in Wisconsin as requested by several senators in the Wisconsin Legislature. Dr. Baye’s investigation in 2013 involved face-to-face interviews with 45 stakeholders from several different organizations and sectors involved in energy to ask whether they thought certain policies (or lack thereof) were either beneficial or frustrating.

Cara Lee provided a reminder that WPUI has a program on January 23 in collaboration with the State Energy Office seeking to gather utilities’ input Combined Heat and Power and Industrial Energy Efficiency.

### **Student Funding:**

Cara Lee provided a document to the board with a proposed policy for funding student research programs. Research is in the WPUI mission, and the proposed

program would fund up to two students to conduct research at \$15,000 each (\$30,000). Jeff Ripp suggested addition to the language in the proposal that the selection of research topic must tie back to the mission of WPU. He also stated a preference for applied research (incorporate policy/delivery to market). Consensus was that the board would start the program this year and review it in 2016 to determine whether to make it an ongoing program that will need to have a revenue source.

Jeff Ripp moved that the board approves 1 scholarship of \$15,000 for 2015 and that a review committee makes a final recommendation of a research project to the full board, and to include language in the formal policy that the proposed research activity "is consistent with the WPU mission." Peter Taglia seconded the motion. The motion was approved unanimously.

Deb Erwin, Kira Loehr, Dave Siebert, Paul Meier were chosen to serve on the review committee for student research projects

### **Next Meeting**

The date for the next board meeting is June 22nd, 2015

Jordan Hemaidan moved to adjourn the meeting. PJ Distefano seconded. The meeting was adjourned at 12:30 p.m.