

**What We've Learned in 2 1/2 Years (A Member's Perspective)**  
**April 8, 2014**

Coordinator: Welcome and thank you for standing by. At this time all participants are in a listen only mode until the question and answer session of today's call.

Today's conference is being recorded. If you have any objections, please disconnect at this time. At that time if you would like to ask a question, please press star 1. I would now like to turn the meeting over to Mr. Tony Jimenez. You may begin.

Tony Jimenez: Hello everybody. Welcome to the ASES Wind Division bimonthly webinar. Today's speaker is Mark Mayhew from NYSERDA, and he is going to talk to us about the Interstate Turbine Advisory Council. And I think we're all in for a treat.

I had the opportunity to hear him speak about this back when it just got started a couple of years ago. And I'm curious to find out what's going on since then.

As an introduction, Mark Mayhew is a Project Manager with the New York State Energy Research Development Authority, NYSERDA. He heads up the on-site wind turbine incentive program and oversees innovative wind turbine technology projects.

His responsibilities for the incentive program included reviewing and approving installer turbine and customer incentive applications and other tasks that sounds like fun. It sounds like a great job.

This program has funded about 190 distributed within turbines that range in size from 2.1 kilowatts two 850 kilowatts. He serves on the Board of Directors

for the Small Wind Certification Council, and that's a small wind entry exam writing committee, the American Shadow Committee for TC88. And he received the Wind Advocate Award at the 2011 National Small Wind Conference.

The Onsite Wind Turbine Incentive Program received a State Leadership in Clean Energy Award from CESA and NYSERDA, and NYSERDA is the founding member of the Interstate Turbine Advisory Council. And with that, I will turn it over to Mark. Thank you.

Mark Mayhew: Okay, thanks Tony. So I've been asked to give my perspective on ITAC. And just to be clear, these views do not necessarily reflect those of CESA, NYSERDA or any other person living or imaginary.

So my perspective on ITAC, ITAC is great. That concludes my presentation. Are there any questions? Okay, I'll give you a little more details. Here's a quick overview of the presentation.

We're going to start with the Six Ws of who, what, where, when, why and how about ITAC, the unified list is the product that ITAC produces, although to me it's not the important—the most important part of the organization and what we've learned along the way.

I have to start with the obligatory slide on my organization. I stole that this slide from a presentation from my NYSERDA past president. What I like about it is that it includes energy, economy and environment all in one sentence. And I think it's that these Three Es that have to be considered equally to have the proper balance of a program.

Tony told you a little bit about me. So here is another slide with kind of all the activities that I'm involved in. And yes, there was a caption contest for that picture. So you can think of what you would like to add. And assisted this is the outfit I wear for all of my presentations, you may keep that in your mind as we go forward.

So the concept for ITAC began back in Stevens points at the Small Wind Conference when we had a number of bureaucrats who got together. And we started talking about our programs. And we quickly realized that all of us had our own individual lists that we used to turbine incentives.

And it quickly became appearance that this was kind of a foolish idea. And wouldn't it make more sense if we combined our efforts and had one unified list that we all used.

And I'm not sure if I'm the only one, but for me sometimes when I have a good idea after I've been consuming alcohol, I think about it the next day and it doesn't seem to be such a great idea.

Well this is one of those ideas that actually still made sense the next day. So we continued to get together. And in September we actually formed CESA ITAC.

One of the challenges we did have was deciding who should be the keeper of the list. And CESA really was—the Clean Energy States Alliance really was the proper choice. It's seems to be that organization lined up most relevant to what all the states were looking for.

Now what's truly noteworthy about this is that in three months you had a bunch of bureaucrats take an idea from concept to implementation. And that is truly unheard of.

Sorry about that. I'm trying to advance this slide, and I'm not having much luck here. (Lisa).

Woman: I just...

Mark Mayhew: I'm not advancing.

Woman: I just moved it to what is ITAC. Is that the current slide?

Mark Mayhew: I need help.

Woman: Yes can you hear me? Mark?

Mark Mayhew: I apologize for the technical difficulties. This is not...(Lisa)? Is anybody out there?

Woman: Yes Mark? Hello? Tony are you able to speak?

Tony Jimenez: Hey Mark, can you hear me?

Mark Mayhew: Very sorry. If I can get some indication if anybody is listening to me? I seemed to have completely...

Hello? Well I am at a loss as to what to do at this point.

Coordinator: Excuse me, all speakers' lines are open. So you need to please make sure that your phone is not on mute. That may be the problem.

Woman: Mark are you able to hear me?

Mark Mayhew: Yes.

Woman: Okay good. I think there's—I think our lines were muted for some time.

Mark Mayhew: Okay.

Woman: Sorry, so what...

((Crosstalk))

Mark Mayhew: I am locked up. I cannot advance the slides right now.

Woman: Okay. Can you—which slide do you see on the screen?

Mark Mayhew: It says in the beginning.

Woman: Okay. So I'll just advance the slides for you if that's okay?

Mark Mayhew: Sure.

Woman: Great.

Mark Mayhew: I'll just ping.

Woman: Which one?

Mark Mayhew: Currently engage funds.

Woman: Okay great.

Mark Mayhew: Is that up because it's not on mine?

Woman: I just clicked on it. It should be up on your screen.

Tony Jimenez: It's up.

Mark Mayhew: Not on mine, okay. So I will do this blind. And we'll keep going. So here's a list of the organizations that are currently part of ITAC. You see that we are represented across—around the country. And I think it's going—one of the things that happens is each of the individual organizations presents on their programs.

And hearing Alaska's program was truly interesting. As you may imagine, it is truly a whole different world up there. Next slide please.

So what is ITAC? Let's just say we're a combination of state programs. And as we're evaluating turbines, we do not certify turbines. We leave this up to the Small Wind to Certification Council and Intertek.

What we do do is look beyond that. We look at the manufacturer itself. We look at the operational history of the turbines, about their training programs and their customer support. Okay next slide please.

So the whys. This slide could be also called everything you want to know about ITAC but was afraid to ask. What I see is one of the most valuable aspects of ITAC is the sharing of information.

This is really my support group. It gives each of us an opportunity to talk about our programs and to ask questions of people who go through the same things. And to really help all of us improve ourselves.

Evaluating the equipment is certainly an important aspect. And again, we really look at the color commentary behind that. It is a learning network. We have speakers present to us, if not it every meeting we have, at least every other meeting. And it's a good opportunity to hear from the true leaders out there and provide us good information so we can make informed decisions.

And finally, it's to be heard. Each of our programs on our own may not have enough influence for manufacturers or for other organizations to really pay attention to us. But combined, we can be a force. And it's that combination of all of our programs that I think again gives additional effort to us. Next slide.

So the unified list. One of our challenges here was what to call the list. We came up with words like the qualified turbines or eligible turbines. And we weren't sure which one of those really sounded good. So we just went for simplicity with just strictly the unified list.

And it is updated on a regular basis. And that web site there will get you to the most current list. And that's one of the reasons I did not include that list in this presentation. So next slide.

So what we've learned. Wind turbine companies come and go. But turbine designs seem to last forever. So if a design is handed from one company to

another, what does that mean? And we've had one company tell us that this is exactly the same turbine except with that these improvements.

So does that mean it's the same or does that mean it's different? And quote (Brent Summerville), "It depends." Again, we had a case where a manufacturer was looking at longer blades. So everything is the same except for larger rotor diameter.

And again, is this the same turbine or not? The quick answer here is that there are no easy answers. These are some of the things we discuss, and some of the things we're still trying to get good answers to.

Probably one of the biggest challenges we are facing right now is the fact with warranties. Some manufacturers bundle an entire warranty together so when you're buying their product, they're warranting the turbine, the tower, the inverter, essentially all the components under one warranty.

Other companies just warranty the products that they make. And they ask that—they are saying that the other products are under separate warranties. So you would have a warranty for the inverter, a warranty for the tower and a warranty for the turbine.

And the challenge that we had with that is that it doesn't seem like the customer would be fully protected in that case. And to give you an example, what if the turbine fell off the tower, and in its falling to the tower out with it.

Now the turbine manufacturer would say would warranty the turbine if it was their fault that it—something happened to it. But the tower manufacturer is going to say well, it's not my fault. There was nothing wrong with the tower. So we're not going to warranty the tower.

So this certainly could be a situation for the customer that just in a situation that we really are hoping to avoid. And again, I guess probably one of the most important things we've learned out of this group that is really important to meet on a regular basis. Next slide.

Current work, we continue to review the small wind turbine incentives that we get. Two that were recently added to the list was Osiris and Kestrel. And another manufacturer that we are looking at that just completed their testing up in Canada is EOCYCLE. This is a 25 KW turbine. And it's looking like a very promising machine.

With the medium-sized turbines, this can be a little bit of a challenge because what I'm saying is that there really isn't an achievable standard that these turbines can meet. Certainly by default, (BIC 61400-22) would be the standard. And that would include (61400-1) for the design.

But for a medium turbine, to try to meet that is essentially cost prohibitive. So what we're looking at is we require the power performance and acoustic tests. And then we're looking at an operational history.

The challenge here is that if you have a new a modification or a new design, it may take quite some time to actually get through that operational—to get enough operational history. And we kind of see that as a shortcoming. But we also know it's important to make sure that we're funding turbines that truly have something behind them.

So next slide, how to get involved. (Val) did make me include this in today's presentation. So if you're heading up a program and would like to get involved in ITAC, certainly we welcome you.

And finally, what I truly love about ITAC, next slide, is that I can say for more information, please contact (Val Story). It is so great for me to—when someone calls up with me with the next best design of a wind turbine, and I can just sit back and say gee, I'd like to help you. But you really need to contact (Val Story).

So thank you very much for your time. And I hope there are some questions. Thank you.

Tony Jimenez: Okay this is Tony. I don't know if you all can hear me or not. As soon as the conference coordinator comes on, we only have one person who's not in the participant (call). So we'll just open up the lines and start asking questions. So Mark can you hear me?

Mark Mayhew: Yes I can Tony.

Tony Jimenez: All right, I guess I'll ask the first one. Can you—how long is, you know, when a manufacturer applies to be for their turbines to be on list, can you kind of—how long is the process? And kind of just walk us through it.

You know, what is the steps that happen? That sort of thing just to give us a feel for the mechanics a little bit more.

Mark Mayhew: All right, well there is an application form that the manufacturer would have to complete. And submit that along with the check. And with backup information with that form.

Depending on how good of a job they do will depend on how quickly things—we turn things around. We have approved turbines and I'm going to say as little as one to two months. Others have taken a little longer.

We actually have an application from a manufacturer who we really have no issues with the turbine itself. But we do have some concerns about the manufacturer and about their customer service. So that's been on hold for quite some time now.

And this manufacturer has acknowledged problems in the past and are saying that they are working through them. But we're still waiting to see that become a reality.

Tony Jimenez: Okay. What does ITAC look for? I mean, you know, ITAC looks sort of—goes beyond basically sort of—goes beyond certification. And so what are you looking for as far as a dealer or a manufacturer presences or business practices that would, you know, either say yes you can be, you know, the turbine can be on the list or no, it can't?

Mark Mayhew: Okay, well one is it we're looking at do they have any dealers in the states.

Tony Jimenez: Okay.

Mark Mayhew: And again, we had one manufacturer who looked good but you couldn't buy one in the United States. So that was kind of—and again, they have since corrected that.

We look at their training program. We really want to make sure that installers know what they're doing. And that that they're—the manufacturer is setting up

these installers with a proper procedure for installing their turbine because we found that they're all different.

It's very interesting when you have a large portfolio of installation manuals and operation manuals to truly see that all turbines are not equal. And certainly the manufacturers look at things a little differently in each of these cases.

So we want to make sure that they're not setting up their installers for failure. And again, it seemed like there was a time where there were manufacturers who would sell a turbine to anybody who had the money to buy one.

And that's really not what we're looking for. We're looking for things that are going to last. And we're going to have—when a customer buys one, hopefully they know that they have a support system that will help them for the whole life of that turbine.

Tony Jimenez: Okay. Let's see, there's no Q and A. So I got one more. Have you seen any changes in business practices or turbines or, you know, how things are done, you know, even at the margins since ITAC got started?

Mark Mayhew: Can you repeat that Tony? You broke up there.

Tony Jimenez: Have you seen any changes in how manufacturers do business or the products or anything since ITAC got started?

((Crosstalk))

Mark Mayhew: And...

Tony Jimenez: Even anecdotally.

Mark Mayhew: Yes I'm try—boy nothing is—I'm certainly sure that there has been. But nothing's just unfortunately jumping into my head as I'm trying to think here. So I apologize for that. And hopefully I can get back with you with some good examples because I'm sure there are some.

Tony Jimenez: Okay. And got a couple questions from (Karen). First one she's asked what's the—what is the feedback loop process? How are products taken off the list and then given the opportunity to get back on the list?

Mark Mayhew: There is a complaint form on the CESA web site and kind of a process that someone can follow if they have issues with a particular turbine. And people have used to that form and submitted information to ITAC for review.

And I guess to try to—and again, based on that information usually just one complaint is not enough to—well certainly it will trigger conversations. But maybe not—probably will not trigger action.

If we hear kind of the same story numerous times, then that can certainly trigger someone from being removed from the list.

We started out, I mean not all turbines were certified when we started out. It was originally started with the combining NYCERDA's list with Focus on Energy's list from Wisconsin and Oregon's Energy Trust lists.

And kind of like if you were on any of those lists, that got you on the initial ITAC list. But with that we were looking to have all turbines certified at some point. And that point has passed. And some companies have been removed

since they did not meet that certification deadline or didn't show that they were making progress towards that. L

So to get back on the list, we almost look at it more like a brand new application. So we really want to see that you're—is the manufacturer really providing the type of service that they should be.

And I realize that's a little vague. And it's probably because in something like that it's not like you can add things up. And if your score is above this point, you're on. If it's below, you're off. It's more of something that you know when you see.

And when you hear from people and hear about their stories, you can really make that determination of is this a quality manufacturer or not.

Tony Jimenez: Okay excellent. Let's give like 15 seconds for anybody else to ask questions. Here's another one. Are there any other states that are considering joining ITAC besides the ones you showed on the one slide?

Mark Mayhew: I know Maryland was thinking about joining. And I'm not quite sure what happened. If you look at the number of states that actually have incentive programs in one form or another, there's actually quite a few.

Maybe the issue is, is that, you know, there is a—we are a self-funded organization. So we do need our membership dues to keep the organization going. And if you don't have a very large program, it may be difficult to come up with that or to make that justification of why you should spend that money to become a member of ITAC.

Like I say, I certainly think it's worthwhile. And I would recommend anybody. It's certainly money, to me it's money well spent. We continue to reach out to organizations. And hopefully our numbers will grow as time goes on.

Tony Jimenez: Okay. All right, any other questions? Another one. Do all states that are currently ITAC members have incentive programs?

Mark Mayhew: Actually no. And because New Jersey is on the list. And their program is paused. I'm not quite sure, suspended. I'm going to be hesitant about the proper word.

Tony Jimenez: Okay.

Mark Mayhew: So they had a program. They had those two incidents of failures. And with that they decided to close down the program.

Tony Jimenez: Okay.

Mark Mayhew: But they are still a member of ITAC, which I'm hoping is positive that they will again reopen their wind incentive program. Wisconsin is kind of in a different type of situation also. I'm not sure if they're running a program right now. But they were one of the founding members. And certainly there's—they have a lot to offer in knowledge. So again, but I believe all the other states do have programs.

Tony Jimenez: Okay. We'll give like 10 more seconds if anybody has anything. (Unintelligible) experiment—I'm going to try to give the floor to (Karen) who asked another question. (Karen) can we hear you? All right, I guess that didn't

work. All right, I will go back to—she's answering. She's typing, sorry. All right that experiment didn't work.

Oh God, what's the—I lost her most recent question. I remember what it was. She had a—do you think—how do you see ITAC evolving as the SWCC list grows longer? I mean do you think eventually a longer list might make ITAC less necessary? Or what are your thoughts on that?

Mark Mayhew: Well no, and again because with turbines being certified to the AWEA standard, and it's important to realize that it is just not the SWCC list. You have SWCC and Intertek.

Tony Jimenez: True.

Mark Mayhew: And who knows in the future, there may be other organizations that will become accredited to certify. So I think the one nice thing is with ITAC is now you have a unified list. And even being unified between certification organizations.

But I think the other thing is, is they'll look at the bigger picture. I mean these organizations look to certify a turbine to the AWEA standard. Nothing about warranties, nothing about customer service, nothing on that bigger picture of the manufacturer.

And I think that's important too to look at because it's not just the product. It's more than that. And I think that's probably something that we've learned. You can have a company with a great product, but if they're not willing to provide the necessary warranty assistance, it can be troubling to the installers and the end users.

Tony Jimenez: All right.

Mark Mayhew: And again, if nothing else I think the fact that you have ITAC being a group of program providers getting together and sharing stories. It's nice to know that, you know, maybe there is an incident that you think is just unique and something that happened in New York State.

But then if you find out that it actually also happened in Massachusetts and in Oregon and in Minnesota, then you know it's not just an isolated incident. That it's something more than that.

Tony Jimenez: And lets the incentive fund managers as a whole know that in turn, whether something's an isolated instance or some sort of systemic problem.

Mark Mayhew: Exactly.

Tony Jimenez: When you start talking with your peers. Okay. All right, I think that's it for the questions. So thank you Mark and thank you for our listeners. And this Webinar should be posted within the next few days.

We've got our process figured out. And our next Webinar topic is still somewhat TBD will be in June. Let me go to my calendar real quick. I believe will be June 10 I believe. And state will send out an email with more details when—as we get them.

So again, Mark thank you for speaking about ITAC. It's good to get an update on it and see what's going on. And I know I've gone and looked at the list several times myself to see what turbines are on it and to get a sense of what's being funded. So we're glad you were able to form ITAC. And it's still going.

Mark Mayhew: Thank you.

Tony Jimenez: And I think we can just exit out now.

Coordinator: Thank you. Now this concludes today's conference. All lines may disconnect at this time.

END