

Duke Settlement Board Meeting Minutes
January 14, 8:00 a.m. – 12:00 p.m.
Location: Randy Freking, Myers & Reul
525 Vine St., 6th Floor Cincinnati, OH 45202

Board Members: Debbie Brooks, Kathy Merchant, Brewster Rhoads, Mark Shanahan, Kevin Bright

Attorneys: Paul DeMarco, Frank Volpe, Bill Markovits, Randy Freking

The attorneys for the plaintiffs opened the meeting with reminders from the December orientation about some of the most salient facts about the Settlement for the Board to keep in mind as the program design process gets under way:

- There are potentially 1.4 million class members. About 75,000 ($\pm 6\%$) are non-residential. The rest are residential.
 - Non-residential customers include nonprofits, government and businesses.
 - All types of class members (residential and non-residential) must be eligible for assistance.
 - 22 large non-residential customers were excluded from the class.
- Residential claim awards will be \$40-400; non-residential will be \$200-2,000.
- As of this date, the claims administrator has already received 91,500 claims (2/3 from postcards).
- The claims window will remain open until April 13.
- The \$8 million Class Benefit Fund is intentionally designed to benefit class members.
- Duke's geographic area to be served is Southwest Ohio. A map will be provided by Duke (Kevin).

Discussion of how the funding program might be designed:

- The elderly, low-income households and nonprofit organizations may have been most affected by the matters addressed in the Settlement.
- A certain percentage of the beneficiaries of grants made to nonprofit organizations must be class members.
- Ideally grants from the Class Benefit Fund will help to leverage funding from other sources.
- How can we seek class member input on the design of how the funds can best be used?
 - Blast email to everyone for whom Duke has an email address.
 - Request input on the website.
 - Hold a public hearing.
 - Ask key informants to provide a briefing for the Board. Gain an understanding of the "landscape" of needs, programs and funding gaps. Find out what it would take to get successful programs to scale.
- There are two sets of principles:
 - Requirements specified in the Settlement.
 - To be developed: grantmaking parameters within that context.
 - Where possible, build on what exists – take strong programs to scale.
 - Maximize leverage of resources and outcomes.

- What will provide the most benefit for the least possible investment (efficacy)?
- Direct and indirect funding options:
 - Direct: fund and implement specific energy efficiency measures to benefit class members.
 - Indirect: education, outreach, incentivize “uptake” of audit recommendations and existing programs
- Issue a Request for Proposals.
- Develop a reasonable timeline for distribution of funds.

Timeline milestones:

- Late February/early March send an email with specific program ideas.
- By March 20 complete the draft plan.
- By March 30 share the draft plan with the judge.

Action items:

1. Invite key informants to a briefing to share perspectives with the Board about needs, effective practices, gaps in programs and funding. Brewster Rhoads and Mark Shanahan agreed to work together to assemble the panel for the next meeting on February 1.
2. Write a “blurb” for posting on the website. Kathy Merchant agreed to draft the blurb.
3. Develop a “blueprint” for the Class Benefit Fund. Kathy Merchant agreed to draft v1.0.
4. Develop a conflict of interest statement. Debbie Brooks agreed to gather examples of effective statements.
5. Provide a list of the 22 non-residential companies/organizations excluded from the class. Paul DeMarco agreed to provide this list to the Board.
6. Provide a map of the Duke Energy service area in Southwest Ohio with data on customer concentrations. Kevin Bright agreed to share this information.