



## Memorandum

February 26, 2025

To: Board of Trustees

From: Peter Eglinton, Deputy Director

Re: Accept and Budget Maine Department of Environmental Protection Funding Supporting the  
Manufactured (Mobile) Home Initiative

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### Proposed Motion

Move to find that, as described in this memorandum, the receipt of certain funds from the Maine Department of Environmental Protection (DEP) is consistent with the purposes of the Efficiency Maine Trust Act and authorize the Executive Director to accept \$150,000 as awarded and add the funding to the Low Income Initiatives expenditure budget. The addition of these funds will result in a total FY2025 source of funding (revenue) and expenditure budgets of \$253,292,710 and \$251,384,395, respectively, as shown in the tables below.

### Background

The Trust operates an initiative offering incentives to eligible low-income owners of manufactured homes to replace their fossil-fuel furnace with a ducted heat pump. This is called the Manufactured (Mobile) Home Initiative.

In many cases, the homeowners who are considering switching to a heat pump for their manufactured home would also like to remove the tank that has been used to store the fuel – usually heating oil or kerosene – consumed in the furnace. However, the cost and inconvenience of removing and disposing of the old tank presents a barrier to many of these customers, and in some cases discourages them from proceeding with a heat pump project. The Trust's current program design for the Manufactured (Mobile) Home Initiative does not offer an incentive for the tank removal.

The Maine Department of Environmental Protection (DEP) recently approached the Trust with an opportunity to provide financial assistance to qualified contractors and participating homeowners wishing to remove their fuel tanks after installing the heat pump in their manufactured homes.

DEP views this arrangement with the Trust as an administratively cost-effective way to market and implement a "rebate program[] to ... remove aboveground and underground oil storage tanks and associated piping at residential dwellings" under the authority of the Maine Ground and Surface Waters Clean-up and Response Fund. (38 MRSA §551.5.P)

DEP is prepared to award the Trust \$150,000 for the period 1/1/2025 through 12/31/2026, for rebates to remove fuel storage tanks in connection with heat pump retrofits through the Trust's Manufactured (Mobile) Home Initiative. The DEP and Trust staff have designed an initiative to issue \$400 rebates for qualified tank removal contractors and \$400 rebates for homeowners to offset the costs associated with tank removal. All the DEP funding will be dedicated to the rebates to promote tank removal and not used by Efficiency Maine for operational or administrative costs. As part of the Trust's delivery of the Manufactured (Mobile) Home Initiative, the Trust will provide and process claim forms for qualified contractors and eligible homeowners.

The statute in Maine allows for the Trust to receive funds “from any entity ... if the board determines that receipt of those funds is consistent with the purposes of [the Efficiency Maine Trust Act].” The objectives and activities described involve facilitating measures to save energy and/or reduce carbon consistent with the purposes of the Trust (see, 35-A MRS §10103) and the statutory authority provided for various programs (see, e.g., Id., §10109, §10110, and §10119).

See the tables below for details on the budget adjustments.

**Proposed Amendment to the FY2025 Revenue/Source of Funding**

<b>Funding Source</b>	<b>2036</b>	
	<b>Heating Fuels Efficiency and Weatherization Fund</b>	<b>Total</b>
State of Maine Revenues	150,000	150,000
<b>Total - Funding Source</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>

**Proposed Amendment to the FY2025 Expenditure Budget**

<b>Program Budgets</b>	<b>2036</b>	
	<b>Heating Fuels Efficiency and Weatherization Fund</b>	<b>Total</b>
DEP Fuel Tank Removal Grant	150,000	150,000
<b>Total- Program Budgets</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>