

**Efficiency Maine Trust
Board Meeting Minutes
June 24, 2020**

THIS MEETING WAS NOT CONDUCTED AT A PHYSICAL LOCATION AND DID NOT INVOLVE ANYONE MEETING IN PERSON BECAUSE OF LIMITATIONS ON TRAVEL AND GATHERINGS DUE TO THE CORONAVIRUS. INSTEAD, THE MEETING WAS CONDUCTED BY PHONE AND VIDEO CONFERENCING.

Trustees:

- James Boyle
- Dan Brennan
- Dan Burgess
- Ken Fletcher, Secretary
- Al Hodsdon, Chair
- Suzanne MacDonald, Vice Chair
- David Stapp
- Joan Welsh

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Emily Cushman
- Peter Eglinton
- Monte Haynes
- Anastasia Hediger
- Greg Leclair
- Rick Meinking
- Kate Rankin
- Michael Stoddard
- Satchel Toole

Other Attendees:

- Bob Adler
- Christine Baillargeon
- Kenneth Capron
- David Costello, Natural Resources Council of Maine (NRCM)
- Heather Deese
- Sue Ely, NRCM
- Shelly Flood
- Erin Kempster
- Michelle Marean, DNV GL

1. Welcome and Introductions

Mr. Hodsdon called the meeting to order at 9:33 a.m.

2. Approve Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Fletcher) and seconded (Mr. Stapp), the Board voted unanimously to approve the agenda and the May 27 Board Meeting Minutes.

3. Public Comment on Agenda Items

None.

4. Executive Director's Report

Mr. Stoddard summarized the Executive Director's Report. Following are items highlighted during his presentation:

- There has been an increase in website traffic over the previous month. Though inbound calls to the call center are low, segments of the supply chain appear to be quite active despite the COVID-19 slow-down.
- EMT received formal approval from the Public Utilities Commission (PUC) for its Significant Change 2 request to amend the Triennial Plan.
- After eight months of work, the Maine Climate Council (MCC) Working Groups presented their final strategy recommendations to the MCC. More than 500 members of the public, council members and work group members attended this online meeting. EMT was active in three of the work groups (Buildings, Energy, and Transportation) and will continue to be involved throughout the fall as an ex-officio member of the MCC.
- Mr. Stapp asked whether biomass-related recommendations received traction in the MCC strategies. Mr. Stoddard noted that there was a fair amount of attention paid to biomass, given the importance of Maine’s forest products industry and the value of forests in carbon sequestration. Biomass as an energy source was considered by the Energy and Buildings Working Groups, resulting in proposals for combined heat and power (CHP) and modern wood heating. Mr. Stoddard noted that there is ongoing debate about whether biomass should be considered carbon-neutral over its full life cycle.
- Mr. Stoddard announced that Retail Initiatives will be launching an instant rebate for heat pump water heaters (HPWH) at all Maine Home Depot locations this month. He also noted that there has been strong retail activity attributed to customer interest in “Do It Yourself” (DIY) projects.
- Mr. Stoddard reported that EMT, in collaboration with Maine State Housing Authority (MaineHousing) and the Community Action Agencies, is increasing its investment in low-income direct-install weatherization projects through the Affordable Heat Initiative (AHI) to reach more homes and help keep contractors employed.
- The Electric Vehicle (EV) Initiatives will launch a request for proposals (RFP) this summer to help install public Level 2 EV charging stations through a PUC pilot program.
- The Evaluation, Measurement, and Verification (EM&V) team kicked off an evaluation of EMT’s commercial heat pump initiatives, which will provide valuable data on the actual performance of heat pumps in those spaces. EMT is also conducting a new construction baseline study that will inform code training initiatives and the benefit-cost assessment of incremental improvements above code compliance.
- EMT initiated its annual audit process in June.

5. Planned Business

(a) UPDATE on Monthly Financial Reports

Mr. Leclair reported that revenues and expenditures are on track. He added that EMT will receive \$200,000 in remaining payments from small consumer-owned utilities by year end. A recently received \$2.2 million payment due from Emera will also be reflected in next month’s revenues report.

(b) APPROVE Adjustments to the FY2021 Budget

Mr. Eglinton explained that the proposed Regional Greenhouse Gas Initiative (RGGI) budget adjustment would allow EMT to sustain existing weatherization activities under HESP, provide additional resources for Commercial and Industrial (C&I) Custom projects

(including those for Transmission and Sub-transmission [T&ST] customers), and provide funding for a new direct-install weatherization initiative for low-income households to help bring back jobs for weatherization contractors.

ACTION: Upon a motion duly made (Ms. Welsh) and seconded (Mr. Stapp) the Board voted unanimously to adjust the FY2021 budget by reducing RGGI funding for Retail Initiatives in FY2021 by \$387,000 and to allocate this amount plus \$3,906,000 in anticipated FY2020 RGGI carryforward (fund balance) to other programs, as described in Mr. Leclair’s June 24 memorandum, resulting in a total FY2021 source of funding (revenue) and expenditure budgets of \$80,763,050 and \$78,574,530, respectively.

(c) APPROVE Adjustments to the FY2020 Budget

Mr. Leclair explained that this is a simple year-end housekeeping adjustment to ensure that the budget matches the actual carryforward balances reported from last year’s financial audit. The recommended adjustment make minor reductions in a couple of program budgets where it will not negatively impact current levels of program activity.

ACTION: Upon a motion duly made (Ms. Welsh) and seconded (Mr. Burgess) the Board voted unanimously to adjust the FY2020 source of funding (revenue) and expenditure budgets as described in Mr. Leclair’s June 24 memorandum, resulting in a total FY2020 source of funding (revenue) and expenditure budgets of \$99,068,434 and \$93,917,233, respectively.

(d) APPROVE Small Business Loan Underwriting Criteria and Key Terms

Mr. Haynes explained that, following the Board’s approval of EMT’s request to enter a sole source contract with New Energy Improvement Fund (NEIF) to administer small business energy loans, Staff is now seeking Board approval of the proposed terms and underwriting guidelines for the new loan offering. Mr. Haynes summarized the proposed underwriting terms and guidelines. Mr. Brennan asked how long the loan term is. Mr. Haynes noted that there are options for 12-, 24-, or 36-month loan terms. Mr. Hodsdon asked how these loans differ from HESP loans. Mr. Stoddard explained that small business customers pose a different risk profile than residential customers. EMT plans to use a “CreditSafe”™ score comparable to a FICO score. Mr. Stoddard clarified that these will be small loans of no more than \$10,000. Mr. Burgess asked where this program will be offered. Mr. Stoddard noted that EMT will start with the “active regions” of the Small Business Initiative (SBI). Depending on popularity of the loans, Staff will assess opportunities to expand the offering to other regions.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Ms. MacDonald) the Board voted unanimously to authorize the Executive Director to proceed with offering small business energy loans according to the terms and underwriting standards described in Mr. Eglinton and Mr. Haynes’ June 24 memorandum.

(e) APPROVE Sole Source Agreement for Google and Facebook Ads

Mr. Stoddard explained that EMT has come to rely heavily on digital advertising, as it is targeted, measurable, and lower cost than other marketing channels. Staff requests Board approval for two actions: (1) to waive the typical requirement for competitive

procurement, and (2) to authorize sole source contracts with Google and Facebook. Mr. Stapp asked how EMT can monitor traffic and control budgets. Mr. Stoddard noted that EMT can add or remove ads and closely monitor click rates to stay within budget targets. Ms. MacDonald urged that Staff to remain cognizant of the approximately 83,000 homes in Maine without broadband. Mr. Eglinton noted that EMT also leverages radio advertising, in-person events, and mailings. He added that Residential Registered Vendors (RRVs) are valuable messengers, and that EMT sometimes matches funds to support their heat pump advertising efforts.

ACTION: Upon a motion duly made (Mr. Stapp) and seconded (Ms. MacDonald) the Board voted unanimously to waive the requirement for competitive solicitation for the digital ad campaign to support implementation of Triennial Plan IV and authorize the Executive Director to purchase digital ads from Google and Facebook in FY2020, FY2021, and FY2022 at amounts not to exceed \$194,000, \$428,000, and \$393,000, respectively.

(f) ELECT Trustees to Executive Committee

ACTION: Upon a motion duly made (Mr. Boyle) and seconded (Mr. Fletcher) the Board voted unanimously to elect Mr. Hodsdon, Ms. MacDonald, Mr. Brennan, Mr. Burgess, and Mr. Fletcher to the Executive Committee.

(g) UPDATE on Commercial and Industrial Prescriptive Program Initiatives

Mr. Meinking presented an overview of various targeted initiatives offered by the C&I Prescriptive (CIP) Program. These initiatives offer enhanced incentives for specific measures and applications, including lighting in public schools, outdoor spaces, and municipalities, as well as efficient heating and cooling in the lodging sector. These initiatives were designed to support contractors, where safe to do so, in the wake of the COVID-19 slowdown.

6. New Business

No new business.

7. Next Meeting Agenda and Scheduling

The next Board meeting is scheduled for July 22, 2020.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Stapp) and seconded (Ms. Welsh), the Board voted unanimously to adjourn the Board Meeting at 11:25 a.m.