

**Efficiency Maine Trust
Board Meeting Minutes
March 24, 2021**

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

Trustees:

- James Boyle, Secretary
- Dan Burgess
- Kenneth Colburn
- Dan Drost (proxy for Dan Brennan)
- Al Hodsdon
- Mark Isaacson
- Suzanne MacDonald, Chair
- Glenn Poole, Treasurer
- Joan Welsh, Vice Chair

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Emily Cushman
- Peter Eglinton
- Monte Haynes
- Anastasia Hediger
- Greg Leclair
- Laura Martel
- Kate Rankin
- Tim Reed
- Michael Stoddard
- Satchel Toole

Other Attendees:

- Clifford Babkirk, WindowDressers, Inc
- Stephen Ellis, Town of Waldo
- Mark Fowler, Holophane AEL Cyclone
- Linda Guthrie
- Steve Kahl, Thomas College
- Michelle Marean, DNV GL
- Lauren McNamara, Horizon Solutions
- Hank Reisner, City of Belfast
- Larry Simpson, Enervee
- Stephen Ward, Maine Climate Table
- Christie Whitcomb, Hometown Heat Pumps

1. Welcome and Introductions

Mr. Hodsdon called the meeting to order at 9:31 a.m.

2. Approve Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Ms. Welsh), the Board voted unanimously to approve the agenda and the February 24, 2021 Board Meeting Minutes.

3. Public Comment on Agenda Items

Mr. Fowler indicated a desire to hear about funding sources available for customers taking service at the transmission and subtransmission (T&ST) levels. Mr. Stoddard explained that

T&ST customers do not pay an energy efficiency assessment on their electricity bills and thus are not eligible for electric procurement funds, but that this class of customers are served instead by revenues from the Regional Greenhouse Gas Initiative (RGGI). He indicated that this topic would be discussed in further detail with agenda item 5(d), RGGI Funding Priorities.

4. Executive Director's Report

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

- EMT continues to receive elevated media attention, particularly regarding its heat pump and electric vehicle (EV) programs. In February, this included a profile in The Atlantic magazine highlighting the value of heat pumps in decarbonizing heating across the US.
- EMT has increased its focus on training. It has partnered with Kennebec Valley Community College and the Maine Energy Marketers Association to offer heat pump training as more new contractors join the workforce.
- Inbound mail processed through EMT's call center has doubled in the past month, indicating that customers are responsive to direct mail marketing.
- The Commercial and Industrial (C&I) Prescriptive Program (CIP) has experienced a decline in lighting installations, partly the result of COVID-19 precautions and businesses' increasingly conservative attitude toward capital investments.
- CIP's Funding Opportunity Notice (FON) for Small Business Retrofits is well on its way to meeting the goal of fully investing its budget allocation for heat pumps. This has been a successful collaboration with The Nature Conservancy Maine. CIP is also working to launch another FON for the hospitality industry in April.
- The C&I Custom Program approved four projects and added six projects to its pipeline in the last month.
- The Small Business Initiative (SBI) has closed the Calais and Lubec regions (region 16) with just over 150 projects completed. The average savings for these projects is almost \$100 per month. Activity is also picking up in the other active regions.
- The Home Energy Savings Program (HESP) continues to see unprecedented demand for heat pump rebates; activity is more than double what it was last year. The budget is on track to be fully invested.
- Distributor Initiatives reports that in February heat pump water heaters constituted 72% of the top selling electric water heaters and that electronically commutated motor (ECM) circulator pumps constituted 45% of the top selling circulator pumps.
- Low-Income Initiatives are continuing work with the Department of Health and Human Services (DHHS) to reach more low-income Mainers. The program is also working on a pilot that offers incentives to new construction affordable housing projects that meet Passive House certifications. Staff have invited 9 projects to model Passive House energy savings. These buildings are eligible for an incentive worth 3% of construction costs. Ms. MacDonald asked if EMT expects to see increased federal funding for affordable housing in the state. Mr. Stoddard said that affordable housing and EV chargers are top priorities for the Biden administration's infrastructure plan. Mr. Burgess noted that the Governor's administration is actively monitoring this activity.
- EV Initiatives has launched a request for proposals (RFP) for Level 3 fast-chargers in three target areas: (1) I-95 between Waterville and Bangor/Brewer, (2) Route 1 between

Rockland and Ellsworth, and (3) in Lewiston Auburn.

5. **Planned Business**

(a) **ELECT Officers for the Board of Trustees**

Mr. Hodsdon nominated the following slate of Board officers for the upcoming year: Ms. MacDonald as Chair, Ms. Welsh as Vice-Chair, Mr. Boyle as Secretary, and Mr. Poole as Treasurer.

ACTION: Upon a motion duly made (Mr. Burgess) and seconded (Mr. Colburn) the Board voted unanimously to approve the new officers for the Board of Trustees, as listed above.

(b) **UPDATE on Monthly Financial Reports**

Mr. LeClair reported that revenues are on target with the most recent RGGI auction coming in above forecasted levels. New England Clean Energy Connect (NECEC) settlement payments appear to be lagging and it is unclear when these funds will be received.

(c) **APPROVE Write-Off of Bad Debt**

Mr. Haynes requested approval to write off 33 loans in the amount of \$231,138.48 in bad debt. The bad debt write-offs represent non-performing loans for customers who have been awarded a bankruptcy or are deceased. This is the first time EMT has formally written off bad debt in 10 years and reflects some loans that defaulted across that timespan; the request therefore reflects a larger number of defaults than Staff expects for future write-offs which the Staff committed to bring forward no less frequently than once per year.

Mr. Poole noted many of the loans are older. He asked if EMT anticipates additional defaults associated with the pandemic. Mr. Haynes answered that there are no current defaults that are pandemic related. Mr. Isaacson asked if perhaps EMT is doing *too well* with this loan portfolio and wondered if Staff had considered relaxing eligibility requirements to boost participation. Mr. Stoddard noted that the requirements are already quite generous; one loan category's FICO score threshold is as low as 580. He suggested that low interest rates may also have had the effect of reducing interest in EMT's loan offerings.

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Mr. Hodsdon) the Board voted unanimously to authorize EMT to write-off as bad debt a total of \$231,138.48 in accounts receivable according to Appendix A in Mr. Haynes' March 17, 2021 memorandum.

(d) **DISCUSSION of Regional Greenhouse Gas Initiative (RGGI) Funding Priorities**

Mr. Eglinton explained that when the budget was originally set for FY2022, state statute directed EMT to split RGGI funds evenly between C&I and residential programs. A subsequent statutory change eliminated that requirement. Additionally, RGGI auction revenues for this year are higher than originally forecasted. Staff is therefore seeking guidance on ways to reallocate funds for the upcoming fiscal year.

The Board decided that this topic should be fully discussed in a separate "workshop", due to time limits for the regular board meeting. This discussion was scheduled for April 14, 2021 at

10:00 a.m.

(e) PRESENTATION on Small Business Initiative (SBI) Evaluation

Ms. Martel provided an overview of the SBI program evaluation, conducted by Demand Side Analytics. This evaluation estimated the program's gross energy savings, the summer and winter demand reductions, and fossil fuel impacts by conducting detailed measurement and verification on a sample of projects (all lighting measures). It calculated a "realization rate" equal to the ratio of evaluated savings to claimed savings. Based on the results, it recommended changes to the Technical Reference Manual (TRM) and factor schedule in EMT's effRT project tracking database.

Due to time limitations, so Board agreed to postpone the second half of Ms. Martel's presentation to the next Board Meeting.

6. New Business

None.

7. Next Meeting Agenda and Scheduling

The next Board meeting is scheduled for April 28, 2021.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Isaacson) and seconded (Mr. Poole), the Board voted unanimously to adjourn the Board Meeting at 12:07 p.m.