

**Efficiency Maine Trust
Board Meeting Minutes
September 28, 2022**

The September meeting of the Board was conducted in person at the Trust's office at 168 Capitol Street in Augusta, Maine. The option to participate by phone and online video conferencing was also available.

Trustees

- Dan Brennan
- Dan Burgess
- Kenneth Colburn, Secretary
- Heather Furth (excused absence)
- Mark Isaacson (excused absence)
- Suzanne MacDonald, Chair
- Glenn Poole, Treasurer
- Chris Rauscher
- Joan Welsh, Vice Chair

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Peter Eglinton
- Monte Haynes
- Hope Kohtala
- Greg Leclair
- Lily McVetty
- Sheldon Perkins
- Michael Stoddard
- Joanna Vollrath

Other Attendees:

- Steve Bright
- Richard Burbank, Evergreen Home Performance
- Jennifer Connors, Runyon Kersteen Ouellette (RKO)
- Peter Fromuth
- Christopher Kessler, Maine House of Representatives and Evergreen Home Performance
- Peter Krajsa, NEIF
- Clifford Krolick
- Jack Shapiro, Natural Resources Council of Maine
- Larry Simpson, Enervee

1. Welcome and Introductions

Ms. MacDonald called the meeting to order at 9:32 a.m.

2. APPROVE Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Mr. Poole), the Board voted unanimously to approve the agenda and the August 25, 2022, Board Meeting Minutes.

3. Public Comment on Agenda Items

Mr. Krolick alluded to an objective in the Inflation Reduction Act (IRA) related to installations of high-speed chargers throughout the United States. He asked if EMT is going to be a beneficiary of some of those funds. Mr. Stoddard confirmed that Maine will

get part of those funds through the Department of Transportation (MaineDOT), explaining that there are two pathways in which that can happen. One pathway is a formula, which for Maine will deliver close to \$19 million. It will be expended in accordance with a plan that was developed and approved this summer. The plan is on EMT's and MaineDOT's websites. The second pathway is through competitive grants.

Mr. Kessler, a State Representative and also an energy auditor with Evergreen Home Performance, shared that Evergreen has been asked to remedy several heat pumps installations that had ductwork or air handlers outside the building's thermal envelope. Mr. Kessler asked if EMT could do anything to address the risk of this situation occurring.

4. Executive Director's Report

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

- Staff participated in nine public events, including the 2022 National Association of Attorneys General (NAAG) Eastern Region Meeting on September 7 about equity in Maine's energy efficiency and beneficial electrification programs.
- The Call Center received over 3,000 inbound calls in August, up from 2,288 last month and up from 1,685 this month a year ago. Inquiries about insulation, heat pumps, and low-income water heaters are the primary call drivers.
- EMT continued participation in the settlement process for the PUC's investigation into rate design to support state policies (Docket 2021-00325).
- The Commercial and Industrial (C&I) Prescriptive (CIP) Initiative pipeline for electricity measures has remained consistent over the last month and constitutes nearly \$6 million in program incentives.
- The Small Business Initiative was merged into the CIP Initiative for budgeting and reporting purposes.
- The C&I Custom Program approved four new projects worth \$1.3 million dollars in incentive offers.
- The Home Energy Savings Program (HESP) is experiencing high levels of demand so far in FY2023. The program team currently forecasts that the number of HESP rebates for FY2023 will increase 9% compared to FY2022.
- The Low-Income Initiatives Eligibility Landing Page (prescreening form) is seeing great success. Since July 1, over 700 households have logged into the site to submit eligibility information. Staff completed a site visit in Portland and scheduled another one in South Portland.
- Electric Vehicle (EV) Initiatives released a Funding Opportunity Notice (FON) for Rural Level 2 EV Charging.
- The Demand Management Program was launched in the spring and three events called in August, targeting curtailment of customer demand on August 4, 8, and 9. Staff is looking forward to analyzing and presenting their results.

5. Planned Business

a) UPDATE on Monthly Financial Reports

Mr. Leclair reported revenues are in good shape. EMT is waiting on payments from one electric utility and one natural gas utility. Mr. Leclair noted that October's revenues will likely double due to the Regional Greenhouse Gas Initiative (RGGI) auction.

b) ACCEPT the FY2022 Annual Audit Report by Runyon, Kersteen Ouellette

Ms. Conners, a partner at RKO, presented an overview of the audit results. Revenues increased by \$26,716,483 from FY2021 to FY2022. Expenditures increased by \$6,228,468 from FY2021 to FY2022. There were no material weaknesses, significant deficiencies, or adjusting entries. It was a "clean audit." Mr. Leclair proposed accepting the FY2022 Annual Audit Report by RKO.

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Mr. Burgess) the Board voted unanimously to accept the FY2022 Annual Audit Report by Runyon, Kersteen Ouellette.

c) APPROVE Allocation of Unbudgeted FY2022 Fund Balance Revenue

Mr. Eglinton proposed adjusting the FY2023 budget to incorporate prior year fund balance. The added budget will support projects that were committed to in FY2022 and expanded opportunities now being forecasted for FY2023.

Mr. Burgess asked why EMT is proposing to reduce the electric procurement by \$2 million dollars instead of carrying it forward to FY2023. Mr. Stoddard explained that Staff's analysis is that, during the last triennial plan period (ending June 30, 2022), some of the opportunities for energy upgrades in which equipment was replaced upon burn out, or was installed in new construction, were "lost opportunities" when, due to the pandemic or other reasons, the customer declined to invest in the upgrade. Those opportunities will not recur in the near future, and therefore the budget we had established to pay for them may be returned.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Mr. Poole) the Board voted unanimously to adjust the FY2023 source of funding (revenue) and expenditure budgets as described in the September 28, 2022 Memorandum and in Attachment A, resulting in a total FY2023 source of funding (revenue) and expenditure budgets of \$162,048,693 and \$161,048,573, as shown in Attachments B and C, respectively.

d) APPROVE FY2023 Budget Adjustment to Support Finance Initiatives

Mr. Eglinton reported that the September 2022 auction of the Regional Greenhouse Gas Initiative yielded approximately \$3.0 million more than what the Trust had forecasted in the budget for the first quarter of FY2023. Staff proposed to increase the budget to reflect the additional revenues, and further recommended applying \$2 million of the new revenue to address an unprecedented increase in home energy loan activity that the loan program experienced during the past few months. In addition, Staff requested

authorization from the Board to modify interest rates, as needed, to address changing market conditions and manage loan demand.

Mr. Colburn asked if there was a reason to place limits on both the lower and upper bounds of APR percentages.

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Mr. Colburn) the Board voted unanimously to adjust the FY2023 source of funding (revenue) budget to reflect increased RGGI auction proceeds, as described above, resulting in a total FY2023 source of funding (revenue) budget of \$165,101,193.30.

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Mr. Brennan) the Board voted unanimously to authorize the Executive Director to modify the interest rates of unsecured loan offerings within the range of 4.99% to 8.99%.

e) EXECUTIVE SESSION

(1) APPROVE Motion to Move into Executive Session Pursuant to 1 MRS §405(A) to Discuss Performance Evaluation of Executive Director

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Mr. Burgess) the Board voted unanimously to approve the motion and move into Executive Session Pursuant to 1 MRS §405(A) to Discuss Performance Evaluation of Executive Director.

(2) Discussion in Executive Session

(3) APPROVE Motion to Come Out of Executive Session

ACTION: Upon a motion duly made (Mr. Burgess) and seconded (Mr. Rauscher) the Board voted unanimously to approve the motion to come out of Executive Session

6. New Business

Mr. Stoddard shared that EMT is offering a small, limited time offering for do-it-yourself (DIY) weatherization projects through the end of the calendar year.

7. Next Meeting Agenda and Scheduling

The next Board Meeting is scheduled for October 26 from 9:30 a.m. to 12:00 p.m.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Burgess) and seconded (Mr. Colburn), the Board voted unanimously to adjourn the Board Meeting at 12:09 p.m.