

**Efficiency Maine Trust
Board Meeting Minutes
December 21, 2022**

The December 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
- Mark Isaacson
- 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
- Laura Martel
- Lily McVetty
- Dan Mistro
- James Neal
- Sheldon Perkins
- Lauren Scott
- Michael Stoddard

Other Attendees:

- Ross Anthony, Governor's Energy Office
- David Batchelder
- Phillip Borges, Emerson Swan
- Steve Bright, WeaveGrid
- Richard Burbank, Evergreen Home Performance
- Barbara Fleck, Maine Maritime Academy
- Rianne Parker, Energy Infrastructure Partners
- Jack Shapiro, Natural Resources Council of Maine

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 (Ms. Welsh) and seconded (Mr. Colburn), the Board voted unanimously to approve the agenda and the November 16, 2022, Board Meeting Minutes.

3. Public Comment on Agenda Items

Mr. Burbank asked if Inflation Reduction Act (IRA) funds will be subject to EMT's cost-effectiveness requirements. He expressed concern that such requirements could impede insulation projects in low- to moderate-income households that need health and safety

related upgrades before insulation can be installed. To help more insulation projects move forward, Mr. Burbank encouraged EMT to revise any legislation that prevents EMT from rebating health and safety related upgrades.

Mr. Stoddard thanked Mr. Burbank and welcomed additional stakeholder input. Mr. Stoddard agreed that it could be beneficial to review the legislation.

4. Executive Director's Report

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

- The American Council for an Energy-Efficient Economy (ACEEE) ranked Maine fifth in the country for its energy efficiency policies and programs, receiving the "Most Improved" rating through its move up from 16th place last year. Mr. Stoddard observed that it was truly a team effort. He recognized the Maine State Housing Authority, Maine Climate Council, Governor's team, the Legislature and advocacy community, and the Trust Board for their combined efforts and accomplishments that contributed to this result. Ms. MacDonald thanked Mr. Stoddard for his leadership.
- On January 1, 2023, LED light bulbs will become the only light bulb, with some exceptions, that is legally allowed to be manufactured and sold in the United States. Given this shift in the baseline standard for lighting, EMT will discontinue its LED bulb programs at the end of December 2022.
- To help more moderate-income Mainers and create a sustainable rebate structure for years to come, EMT announced that it will change its insulation rebates on January 1, 2023. Depending on income eligibility, EMT will pay 80%, 60%, or 40% of project costs.
- Electric Vehicle (EV) Initiatives has an active request for proposals (RFP) for fast chargers in Aroostook and Washington counties. The program plans to issue another solicitation for additional counties in the near future to further expand the state's charging network. With respect to vehicle rebates, the program continues to face challenges related to supply chain disruption.

5. Planned Business

a) UPDATE on Monthly Financial Reports

Mr. Leclair reported that revenues are on track. He noted that EMT will receive \$6.8 million from the most recent Regional Greenhouse Gas Initiative (RGGI) auction and \$3.1 million in American Rescue Plan Act (ARPA) funds from the State of Maine.

b) APPROVE FY2023 Budget Adjustment

Mr. Eglinton reported that the December 2022 RGGI auction yielded approximately \$2.7 million more than what EMT had forecasted in the budget for the second quarter of FY2023. Since demand for insulation rebates remains high, Staff recommended allocating this surplus to HESP. Separately, Staff proposed shifting \$20,000 in Unutil natural gas funds from the Commercial and Industrial (C&I) Custom Program to the C&I Prescriptive Initiatives (CIPI). CIPI has fully expended or committed its Unutil budget, but now has a pending project opportunity that would leverage these funds.

Meanwhile, the C&I Custom Program has more Unitil funding than is required for its pipeline of pending projects.

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Mr. Isaacson) the Board voted unanimously to adjust the FY2023 source of funding (revenue) and expenditure budgets as described in Mr. Eglinton's December 21, 2022 memorandum, resulting in a total FY2023 source of funding (revenue) and expenditure budgets of \$168,294,077 and \$165,153,456, as shown in the tables, respectively.

c) APPROVE Significant Change to Triennial Plan V

Mr. Burnes explained the Staff's proposal to adjust the budgets for fiscal years 2023-2025 to reflect: 1) the discontinuation of incentives for LED bulbs and 2) crediting the amount of FY2022 uncommitted carryforward of electric procurement funds, where those funds are not currently in the FY2023 budget, to offset the utilities' future payments of electric procurement.

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Ms. Welsh) the Board voted unanimously to adjust the Triennial Plan V budgets for fiscal years 2023-2025 as described in Mr. Burnes' December 21, 2022 memorandum, resulting in a total request for electric procurement of \$42,606,600 in FY2023, \$50,028,965 in FY2024, and \$50,774,338 in FY2025.

d) APPROVE Amendment to Bylaws for Quorum and Remote Participation

Mr. Stoddard explained that EMT's original Bylaws required participants to meet in person. When the COVID-19 pandemic hit, EMT modified its Bylaws to allow for remote participation during the pendency of the restrictions and challenges associated with the pandemic. In light of the changes in circumstances from the start of the pandemic to the present, Mr. Stoddard recommended that the Board should modify the Bylaws to describe the terms and conditions under which remote participation will be enabled going forward.

Ms. Furth noted that remote participation makes it possible for her to participate and stated that EMT's hybrid meetings are both productive and collaborative. Mr. Rauscher suggested Board Meetings be hybrid by default, arguing that if EMT wants an age-diverse Board, it needs to be flexible. Mr. Brennan echoed Ms. Furth's sentiments. Mr. Stoddard reviewed a redlined version of the Bylaws proposing amendments.

ACTION: Upon a motion duly made (Ms. Welsh) and seconded (Mr. Colburn) the Board voted unanimously to approve amending the Bylaws, consistent with Title 1 MRS Section 403-B, allowing Trustees to participate remotely in Board meetings provided that Trustees are encouraged to attend in person except when it is not practical to do so, that Trustees make best efforts to give notice in advance when they will be participating remotely, that access will be provided to the public, and votes will be taken by roll call vote that can be seen and heard.

e) APPROVE E2Tech Membership Renewal

Mr. Stoddard shared that E2Tech has been a valuable resource and reported that EMT pays \$100 each year for its membership. He requested approval to maintain that membership. Mr. Isaacson suggested increasing its annual membership fee, or donation, to \$200.

ACTION: Upon a motion duly made (Ms. Welsh) and seconded (Mr. Isaacson) the Board voted unanimously to renew EMT’s annual E2Tech membership and increase the amount for 2023 to \$200.

f) UPDATE on Manufactured Home Heat Pump Lease Pilot

Mr. Neal, Senior Program Manager for Finance Initiatives, provided an overview of EMT’s Whole Home Heat Pump Pilot. Phase 1 (launched in FY2022) is testing whole-home heat pump solutions in 10 manufactured homes and 9 stick-built homes. It is showing positive preliminary results. Phase 2 (launched in FY2023) represents a significant scaling up, transition up to as many as 100 manufactured homes from fossil-fuel heating systems to heat pumps. It will also pilot a new lease mechanism to facilitate each customer making a financial contribution toward the project. EMT will own the asset and handle all maintenance needs during the term.

Ms. MacDonald raised a concern about insurance providers not insuring a home heated exclusively with heat pumps. Mr. Stoddard shared that EMT heard about this concern a year ago and called a handful of insurance providers. While there may be some carriers that will not insure homes without a backup heat source, there are many more carriers that will insure an all-electric home. Ms. Furth shared that she has two buildings in Downtown Bangor that are fully electric and have had no insurance issues using only heat pumps.

6. New Business

None

7. Next Meeting Agenda and Scheduling

The next Board Meeting is scheduled for January 25 from 9:30 a.m. to 12:00 p.m.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Mr. Isaacson), the Board voted unanimously to adjourn the Board Meeting at 11:52 a.m.