

**Efficiency Maine Trust
Board Meeting Minutes
January 25, 2022**

The January 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
- Emily Cushman
- Peter Eglinton
- Monte Haynes
- Hope Kohtala
- Greg Leclair
- Laura Martel
- Lily McVetty
- Andy Meyer
- Dan Mistro
- James Neal
- Sheldon Perkins
- Kate Rankin
- Jack Riordan
- Lauren Scott
- Michael Stoddard
- Joanna Vollrath

Other Attendees:

- Ross Anthony, Governor's Energy Office
- David Batchelder
- Phillip Borges, Emerson Swan
- Richard Burbank, Evergreen Home Performance
- Padraic Brown, Johnstone Supply
- Joel Farley, Northern Light
- Steve Fennell, LaPlante Electric
- David Gibson, College of the Atlantic and Sierra Club
- Nichoal Hood, Hometown Heat Pumps
- Tagwongo Obomsawin, Governor's Energy Office

1. Welcome and Introductions

Ms. MacDonald called the meeting to order at 9:30 a.m.

2. APPROVE Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Burgess) and seconded (Mr. Brennan), the Board voted unanimously to approve the agenda and the December 21, 2022 Board Meeting Minutes.

3. Public Comment on Agenda Items

Mr. Burbank encouraged EMT to discuss its plans for future Inflation Reduction Act (IRA) funds with the contractor community. He also suggested EMT pilot the pay-for-performance (i.e., "measured" savings) program design envisioned in the IRA "HOMES" Rebate provisions.

Mr. Gibson offered several comments on behalf of the Sierra Club. He advocated for EMT to leverage American Rescue Plan Act (ARPA) funds to support energy-related curricula in PreK-12 schools. He expressed frustration over the time it was taking to launch the Commercial Property Assessed Clean Energy [C-PACE] program and the Clean Energy and Sustainability Accelerator. He stated that EMT had not reached out to him for program design input despite his involvement in the Accelerator legislation. He recommended that EMT prioritize smaller, more rural retailers for the lighting program, thereby better supporting local business and ensuring more equitable access. Finally, Mr. Gibson encouraged EMT to offer incentives on low-flow showerheads.

Mr. Stoddard reported that Staff had recently received Mr. Gibson's request to fund an education program that he was seeking to offer at College of the Atlantic and, after considering it, had explained to Mr. Gibson the reasons that the request had been declined. Mr. Stoddard also shared several updates related to the initiatives of the Efficiency Maine Green Bank prompted by Mr. Gibson's comments. He noted that the C-PACE rulemaking process has reached its conclusion. He reported that EMT is reserving its Revolving Loan Fund capital to low- and moderate-income borrowers and redirecting consumers having higher credit scores to private community banks and credit unions. He also highlighted that EMT has ongoing loan opportunities for small businesses and is working to facilitate municipal leases for schools and municipalities. Also, Mr. Stoddard corrected the record, reporting that EMT Staff had in fact met with Mr. Gibson to receive his suggestions about the Accelerator and had pursued several of his recommendations. Finally, Mr. Stoddard noted that the Trust has had a longstanding initiative to provide low-flow devices to low-income households that request them.

4. Executive Director's Report

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

- EMT discontinued offering discounts on LED bulbs offered for sale in Maine as of January 1. New federal regulations in effect have set minimum efficiency standards for general service-type lamps (GSL), the result of which is that, with certain exceptions, LEDs will be the only type of GSL sold in the U.S.
- Various tax incentives and grant opportunities are associated with the implementation of the federal Inflation Reduction Act (IRA), and Staff is engaged in factoring all relevant provisions of the IRA into its planning and programs. The Department of Energy (DOE) released a request for information (RFI) seeking public input regarding two residential rebate programs (for weatherization and for electrification). EMT is currently formulating a response to this RFI and monitoring national discussions about program details.
- Electric Vehicle (EV) Initiatives announced awards of made as the result of a request for proposals (RFP) for fast chargers in Aroostook and Washington counties. The Staff's expectation is that those chargers will be operational by the summer of 2024. EMT plans to issue another RFP for additional sites in those two counties in the next month or two and also to extend further south along I-95 to Bangor, along coastal Route 1 from Ellsworth at least to Brunswick, and also in the Augusta area.

- Home Energy Savings Program (HESP) weatherization rebate volumes for December were 117% higher than last December due to increased incentives, marketing, and contractor capacity. The total number of heat pump rebates for FY2023 is forecasted to be 14% higher than FY2022's record high.
- Low Income Initiatives has delivered over 550 do-it-yourself (DIY) kits with low-flow showerheads since July 1, 2022. EMT's manufactured home pilot has recruited 25 homeowners who have either completed or scheduled a whole-home heat pump installation. EMT hopes to recruit up to 100 homeowners.
- The Demand Management Program reviewed its summer capacity period. Results are lower than staff had originally forecasted but consistent with first year performance from similar programs in other states.
- Home energy loan activity through the Efficiency Maine Green Bank continues to exceed historical patterns and deplete the pool of available capital in EMT's residential revolving loan fund (RLF). To manage demand, EMT plans to reserve existing capital for loans to income-eligible borrowers only. Staff is simultaneously developing plans to pursue third-party capital for borrowers with higher credit scores.

5. **Planned Business**

a) **UPDATE on Monthly Financial Reports**

Mr. Leclair reported that revenues are on track.

b) **APPROVE Accepting Certain Federal ARPA Funds and APPROVE FY2023 Budget Adjustments**

Mr. Stoddard reminded the Board that EMT has a memorandum of understanding (MOU) with the Maine Department of Transportation (DOT) to administer ARPA funds for EV charging infrastructure. Staff is requesting that the Board formally accept these funds and reflect them in the budget. Staff is also requesting approval to reduce the budget to reflect the discontinuation of LED bulb incentives and to correct a prior clerical error by shifting New England Clean Energy Connect funds from EV Rebates to EV Supply Equipment.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Ms. Furth) the Board voted unanimously to accept up to \$8 million in federal Coronavirus State and Local Fiscal Recovery Funds from the Maine DOT to promote the development of EV Charging Infrastructure.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Mr. Colburn) the Board voted unanimously to adjust the FY2023 source of funding (revenue) and expenditure budgets as described in the January 25, 2023 memo, resulting in a total FY2023 source of funding (revenue) and expenditure budgets of \$166,421,577 and \$163,434,956.

c) APPROVE Commercial Property-Assessed Clean Energy (C-PACE) Final Rule

Mr. Neal presented an overview of EMT’s C-PACE program, highlighting its design, stakeholder process, and next steps. Mr. Stoddard then reviewed each section of the proposed rule in detail.

Mr. Burgess asked if unorganized territories could participate. Mr. Stoddard explained that the C-PACE Act mentions only municipalities, which would generally mean a city or a town, and requires a municipality to adopt an ordinance to participate in C-PACE. He said that staff would confirm whether an unorganized territory would not fit within the definition of a “municipality.” Mr. Colburn recommended making EMT responses to stakeholder feedback public. Mr. Rauscher proposed amending the definition of “Renewable Energy Installation” to help developers and the Trust understand how the definition will be interpreted, and specifically to clarify that the installation cannot on average generate more energy or heat than the “average annual load” of the property (vs. the “peak demand” of the property.)

ACTION: Upon a motion duly made (Mr. Rauscher) and seconded (Mr. Poole) the Board voted unanimously to approve the following decision and directions:

1. That Chapter 5, Commercial Property Assessed Clean Energy (C-PACE) Program Regulations, is adopted as amended;
2. That the Executive Director shall submit the adopted rule and related materials to the Attorney General for review and authorization;
3. That the Executive Director shall notify the following of the adoption of the rule:
 - a. All municipalities in the State;
 - b. All persons who participated in the Trust’s July 26, 2022 C-PACE stakeholder workshop;
 - c. All persons who commented in this Rulemaking.

d) APPROVE Confidentiality Agreement with Manufacturer of Product Under Development

Mr. Burnes explained that one of EMT’s Innovation Program pilots is analyzing the possibility of replacing high-temperature hydronic fossil fuel systems with air-to-water heat pump systems. It appears that the higher the temperature the system can achieve, the higher the savings. Some European air-to-water heat pumps can achieve higher temperature outputs, but it has been challenging to persuade these manufacturers to offer these systems in the U.S. One manufacturer has tentatively agreed to provide EMT with a system on the condition that EMT keep the company name and model confidential.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Ms. Welsh) the Board voted unanimously to approve the “confidential record” designation request for manufacturer, model numbers, and identifiable specifications of the high temperature air-to-water heat pump for the limited purposes of participating in a pilot demonstration project of the Trust.

e) **PRESENTATION on LED Retrospective**

The Board decided to table this item.

6. **New Business**

None.

7. **Next Meeting Agenda and Scheduling**

The next Board Meeting is scheduled for February 22 from 9:30 a.m. to 12:00 p.m.

8. **Adjourn**

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Ms. Welsh), the Board voted unanimously to adjourn the Board Meeting at 12:04 p.m.