

**Efficiency Maine Trust
Board Meeting Minutes
April 26, 2023**

The April 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
- Lily McVetty
- Sheldon Perkins
- Kate Rankin
- Jesse Remillard
- Jack Riordan
- Lauren Scott
- Michael Stoddard

Other Attendees:

- Ross Anthony, Governor's Energy Office (GEO)
- Matt Baker, Daikin
- David Batchelder
- Ben Hiller, Daikin
- David Korn, Ridgeline Analytics
- Timothy Seymour, Darlings
- Larry Simpson, Enervee

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. Colburn) and seconded (Mr. Poole), the Board voted unanimously to approve the agenda and the March 22, 2023, 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 several items highlighted during his presentation:

- EMT has added weatherization as a new measure for qualifying multifamily buildings.

- EMT hosted a press event in Bangor to celebrate the opening of two high speed electric vehicle (EV) chargers at an Irving station. Key stakeholders participated, including the station owners, Mayor of Bangor, Bangor Chamber of Commerce, Governor’s Energy Office and the Maine Department of Transportation (MDOT). This event helped draw people’s attention to Maine’s efforts in extending EV charging to northern and eastern Maine. Mr. Colburn asked about potential delays due to availability of transformers. Mr. Stoddard reported this is an issue, and that some utilities have advance ordered transformers for future projects.
- After a recent court proceeding, the New England Clean Energy Connect (NECEC) transmission corridor is positioned to resume construction. Mr. Stoddard explained that when construction of the transmission line was suspended, NECEC also suspended payments into the several funds established during the settlement of the case. At some point, assuming construction moves forward, EMT expects that payments will resume for the two settlement funds used to promote EV chargers heat pumps, respectively. A third fund, established to provide benefits for low-income consumers, is also expected to begin receiving payments. In prior years, EMT was assigned to administer the settlement funds for low-income consumers.
- EMT continued conversations with GEO about Inflation Reduction Act (IRA) funds. There are two parts to the IRA. One part is tax credits, which are available now. The second part is rebates, which are not yet available. The federal government plans to issue more detailed guidance on the rebate funds early this summer. In the meantime, EMT and GEO are strategizing on how IRA rebates should be incorporated into EMT’s current rebate offerings. EMT plans to seek feedback from the suppliers and contractors as well as various consumer segments, government entities, and other stakeholders. Staff is hoping to be ready to launch IRA-funded rebates as soon as possible after the funds are remitted, which should be facilitated by the fact that Maine already has many pieces in place to administer rebates for weatherization and beneficial electrification.
- Staff have been working hard to disseminate Maine Jobs and Recovery Act (MJRP) funds to schools, hospitality businesses, and municipalities. Since these funds flowed out of the American Rescue Plan Act (ARPA), EMT has prioritized customers that experienced greater economic consequences from the pandemic. Some of these heat pump projects have been completed.
- The Home Energy Savings Program (HESP) saw an increase in heat pump activity in March. Ms. Welsh asked about IRA rebates. Mr. Stoddard emphasized that EMT is encouraging market-rate (or “any-income”) customers to move forward with projects and not to wait for IRA rebates. The IRA rebates are reserved, by the terms of the IRA statute, for low- to moderate-income (LMI) customers. But many customers who express interest in the IRA rebates are unaware of the income eligibility limits. Additionally, a significant number of participants in EMT’s any-income programs are unlikely to meet the eligibility requirements for the IRA rebates. Mr. Stoddard reminded everyone that Maine has not received any IRA rebate funds, and the funds may not arrive until the end of this year. In the interim, consumers can act now and take advantage of the IRA tax credits and existing Efficiency Maine rebates.
- The Retail and Distributor Initiatives ran marketing campaigns to motivate customers to replace tankless coils with heat pump water heaters. Thanks to the programs’ efforts, Maine has the lowest prices in the country for heat pump water heaters.

- Low-Income Initiatives reported a strong uptake in its new moderate-income category. Maine is one of the first states to implement its system of income verification to establish mid-level incentives for moderate-income consumers.
- Mr. Stoddard announced that Ms. Siegel is leaving EMT to work with the Governor's Office of Policy Innovation and the Future (GOPIF) on Maine Climate Council (MCC) initiatives. Ms. McVetty is now the Program Manager for EV Initiatives, and EMT hired Mr. Dwyer as a Program Assistant to help support EMT's EV Initiatives.

5. **Planned Business**

a) **UPDATE on Monthly Financial Reports**

Mr. Leclair reported recently identifying a discrepancy in what the financial reports show for revenues from electric procurement with what we show in the budget for FY2023. This is the result of a recent decision to remove certain LED measures from eligibility in the second half of FY2023 and subsequent years. Staff made a corresponding reduction in the expenditure budget and revenue budget for FY2023, but neglected to reflect that a certain amount of revenues received for LED activity in FY2023 was already received and will be carried forward into FY2024 repurposed to other electric conservation measures. Mr. Leclair indicated Staff intends to come to the Board with a budget adjustment next month to add revenues back into the FY2023 budget. Mr. Leclair also reminded a natural gas utility about an outstanding payment. He shared that EMT is in a good spot and will likely receive ARPA and MDOT funds next month.

b) **APPROVE Significant Change to Triennial Plan V**

Mr. Burnes reported that Staff would first provide an update on EMT's battery-related activities generally, and then explain its request for a Significant Change to Triennial Plan V relating to large battery procurement specifically. He reminded the Board that it had expressed an interest in hearing more about EMT's battery initiatives, and offered the update with the intention of providing useful context for the Significant Change decision. Mr. Riordan gave an overview of EMT's small battery initiatives, and Mr. Remillard gave an overview of EMT's large battery initiatives. Mr. Burnes then explained the request for authorization to shift the large battery initiative from RGGI funding to electric procurement funding and the plan for how projects would be funded under this initiative.

Mr. Poole asked if the batteries are going to be ISO New England assets. Mr. Burnes confirmed that they were not. Mr. Colburn asked a question about the revenue stream(s) for the battery projects. For the small battery program, Mr. Rauscher recommended EMT align its incentives with the small battery initiative in Massachusetts where the incentives are higher, instead of with the Green Mountain Power initiative where the incentives are lower. He also suggested the EMT requirement limiting the resource to

behind-the-meter was overly limiting. Mr. Isaacson expressed interest in seeing the maximum achievable cost-effective (MACE) calculations.

Mr. Rauscher also expressed frustration with the current process for providing program feedback, indicating that the Board was not provided sufficient opportunity to review the details of the battery programs. Ms. Welsh shared that she does not think it is the Board's role to determine program details. Mr. Colburn encouraged EMT to take advantage of the Board's expertise. Mr. Burgess requested there be more opportunity for Board engagement. Ms. MacDonald observed that there is opportunity for continued discussion both in the Innovation Advisory Group and in future Board meetings, as well as enough support to move ahead with the motion.

ACTION: Upon a motion duly made (Mr. Isaacson) and seconded (Mr. Poole) the Board voted to seek approval from the Public Utilities Commission (PUC) for a significant change to the Triennial Plan that would allow EMT to commit electric procurement of up to \$10 million – or \$2 million a year for 5 years – to large battery projects in the Commercial & Industrial Custom Program in fiscal years 2024 and 2025.

Mr. Rauscher abstained. Mr. Rauscher explained his abstention as being due to lack of preparation to vote.

c) APPROVE FY2024 Procurement Request

Mr. Stoddard explained that EMT receives electric and natural gas procurement funds sufficient to capture estimated the “maximum achievable cost-effective” (MACE) energy efficiency resources. Every year, the PUC directs EMT to provide an estimate of unspent, uncommitted procurement funds (“carryforward”), and to inform them of any proposed changes to the Triennial Plan. Staff estimates that the year-end uncommitted carryforward for FY2023 is approximately \$13 million. Staff proposes applying this uncommitted carryforward to FY2024.

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Mr. Isaacson) the Board voted to adjust the requested Electric Efficiency Procurement to \$36,197,965 after applying a good faith estimate of \$13,831,000 in uncommitted carryforward funding toward the FY2024 Electric Efficiency Procurement; and adjust the requested Natural Gas Procurements to \$855,031 after applying good faith estimates of the following carryforward funding toward the FY2024 Natural Gas Procurement: \$337,600 for Unitil, \$196,000 for Maine Natural Gas, \$165,800 for Bangor Natural Gas, and \$191,800 for Summit Natural Gas.

Ms. Welsh was absent for the vote.

d) APPROVE FY2023 Budget Adjustment

The Board decided to table this item.

e) DISCUSSION of Communications and Outreach Activities

The Board decided to table this item.

f) PRESENTATION on Efficiency Maine Organizational Structure

The Board decided to table this item.

6. New Business

Ms. MacDonald reminded everyone that it is routine for the Board to elect Board Officer positions around this time of year and requested Board Members share any thoughts they might have with Mr. Stoddard or herself.

7. Next Meeting Agenda and Scheduling

The next Board Meeting is scheduled for May 24 from 9:30 a.m. to 12:00 p.m.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Burgess) and seconded (Mr. Brennan), the Board voted unanimously to adjourn the Board Meeting at 12:00 p.m.