

**Efficiency Maine Trust
Board Meeting Minutes
May 24, 2023**

The May 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

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Emily Cushman
- Hogan Dwyer
- Peter Eglinton
- Monte Haynes
- Hope Kohtala
- Greg Leclair
- Lily McVetty
- Sheldon Perkins
- Kate Rankin
- Jack Riordan
- Lauren Scott
- Michael Stoddard
- Joanna Vollrath

Other Attendees:

- Ross Anthony, Governor's Energy Office (GEO)
- Richard Burbank, Evergreen Home Performance
- David Littell, Bernstein Shur Law Firm
- Maggie McCarey, Aero seal
- Amy Ruzbasan
- Tim Seymour, Darlings
- Will Stein, WeaveGrid
- Claire Swingle, GEO
- Robert Teffeteller, Motiv Power Systems
- Kiki Tidwell

1. Welcome and Introductions

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

2. APPROVE Agenda and Minutes

Mr. Stoddard recommended that since one or two members of the Board may need to leave early, it would be prudent to shift agenda items requiring a vote to the top of the agenda.

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Mr. Colburn), the Board voted unanimously to approve the revised agenda and the April 26, 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 shared information about its programs at 14 public events in the past month, including the ClimateWork Summit on Maine's Economy & Climate Change.
- At the Public Utilities Commission (PUC), EMT continued to participate in rate cases for Central Maine Power (CMP) and Versant Power, both of which are close to reaching settlement. EMT also participated in a third workshop in the Integrated Grid Planning proceeding.
- At the Legislature, EMT participated in:
 - a public hearing on LD 1887. This bill reflects the legislative recommendation in EMT's FY2022 Annual Report to subject utility plans to invest in substations to the same non-wires alternative (NWA) review process as other investments in the transmission and distribution system.
 - a public hearing for LD 1724, a bill that would accelerate beneficial electrification in Maine by allowing EMT to leverage electric efficiency procurement funds for fuel switching measures so long as those measures are cost-effective and would, over the life of the measures, reduce rates. The bill would direct the PUC to incorporate beneficial electrification measures into the calculation of electric MACE – the maximum achievable cost-effective efficiency – even for measures where the majority of the cost savings are derived from reduced fossil fuel costs.
- EMT testified on Section NNNN of the Governor's "Change Package" for the biennial budget (LD 258), which proposes to amend the EMT Act by replacing "shall" with "may" in the current statutory language that directs EMT to oversee and administer funds received from: (a) the US Department of Energy (DOE) State Energy Program (SEP) and (b) other federally funded programs and projects "related to trust programs."
 - Mr. Poole asked who would decide what entity should receive and/or administer the funds. Mr. Burgess said it may be case-by-case. He noted that there are existing programs at MaineHousing and the Department of Transportation, for example, that use federal funds for purposes that overlap with the work of EMT. He also noted that the DOE communicates with GEO, which is designated as the State Energy Office, and that SEP has been under GEO for a decade. Mr. Brennan said that, with the significant influx of new federal dollars, it makes sense to have some flexibility to negotiate the most practical home for funds on a case-by-case basis.
 - Mr. Stoddard reported that his testimony on the Change Package made the observation that it would effectively diminish EMT's authority to oversee and administer federal funds for uses related to EMT's programs, and could potentially undermine the legislative directive for EMT to consolidate administration of energy efficiency programs in the state. Given this policy shift, he asked that the matter be given further consideration by the legislative committee of jurisdiction (the Energy, Utilities and Technology Committee). He also noted that the bill leaves unanswered the question of who will decide whether

EMT “may” oversee and administer certain federal funds, and how this would be decided.

- Commercial and Industrial (C&I) Prescriptive Initiatives expects to launch a heat pump water heater measure in June.
- The Home Energy Savings Program (HESP) is paying rebates in four days even though it allows up to six weeks for processing.
- The Retail and Distributor Initiatives team reported hearing anecdotes from customers that some plumbers discourage homeowners from getting heat pump water heaters. To help address this concern, the team has updated EMT’s online residential installer locator tool so that it will report search results by the number of rebates facilitated from highest to lowest. This will tend to direct consumers to those plumbers who have the most experience and comfort with the product and the rebate process.
- Low-Income Initiatives is on track to invest 98% of its weatherization and heat pump budget in FY2023.
- In the Demand Management Program, EMT approved multiple curtailment service providers (CSPs) to enroll customers in this year’s capacity period for the Demand Response Initiative. EMT also developed a web page for participants to enroll in the Load Shifting Initiative’s small battery program.
- EMT passed its annual third-party compliance review of its calculations for ISO New England.
- In the Electric Vehicle (EV) Initiatives, rebate activity among low- and moderate-income (LMI) customers has increased. EMT also has posted two requests for proposals (RFPs) for high-speed EV charging in Aroostook County and Washington County, as well as along U.S. Route 1 from Freeport to Ellsworth, and in Augusta and Bangor. Mr. Poole pointed to recent news coverage about EV charging stations being out of order. Mr. Stoddard said that Staff is aware of and tracking this issue, and has taken steps to minimize the risk of “downtime.” For example, to guard against the problem, EMT has required the installation of multiple plugs at each site so that if one goes down there is still the possibility of charging. Also, EMT has established a service level agreement (SLA) related to downtime as part of each contract with the winning bidders, and can assess a penalty in the event the SLA is not met.

5. Planned Business

a) UPDATE on Monthly Financial Reports

Mr. Leclair reported that a delinquent utility payment was received. EMT also received \$500,000 in one-time funding from the State for the Industrial Climate Transition Initiative. EMT may be requesting accelerated remittance in FY2023 of Maine Jobs and Recovery Plan (MJRP) funds to support higher-than-anticipated activity in the LMI weatherization initiative.

b) APPROVE FY2023 Budget Adjustment

Mr. Riordan explained that EMT developed budgets for its Demand Response Initiative based on data from the early phase of National Grid’s ConnectedSolutions pilot program. As is to be expected of a pilot, there is a gradual ramp up of activity as the vendors and customers get accustomed to the program rules and incentives and incorporate these into

their sales strategies and/or operating decisions. EMT forecasted program participation levels that would reflect an immature Maine marketplace, similar to the results of the pilot stage of the program in Massachusetts. However, it became clear upon launching the initiative in Maine that CSPs are significantly more knowledgeable and engaged after having worked with other northeast programs in recent years. Participation in EMT's program has been so strong that the program has already encumbered its full budget for the coming year. Staff has indicated it would like to increase the budget by approximately 50%, effectively doubling the curtailable load goal from 14 megawatts (MW) to 28 MW. Mr. Riordan also noted that EMT conducted an analysis of the change in customer performance that can be attributed to the EMT incentive and found that approximately 29% of the load reduction may have happened without the program. Even after this assumption is built into the benefit-cost test, the program remains highly cost-effective.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Mr. Rauscher) the Board voted to adjust the FY2023 expenditure budgets as described in the table in the April 26, 2023 memorandum, resulting in no net change to the overall FY2023 source of funding (revenue) and expenditure budgets.

Mr. Isaacson and Mr. Poole recused themselves due to partial ownership in Competitive Energy Services (CES), one of the participating CSP.

c) APPROVE Operating Budget for FY2024

Mr. Eglinton explained that Staff are requesting approval for a FY2024 "base" operating budget to prepare for and commence implementation of the July 1 start of the fiscal year. He noted that while the overarching budget approved in Triennial Plan V serves as the foundation of these budget allocations, there are a few minor adjustments reflecting new laws, new sources or changed forecasts of revenues, and other updates or corrections. He provided an overview of these changes, as detailed in the May 24, 2023 memo. He noted that Staff would request further changes to this budget after the June Regional Greenhouse Gas Initiative (RGGI) auction, and when FY2023 carryforward is finalized.

Mr. Burgess asked about changes to the Evaluation, Measurement and Verification budget. Mr. Eglinton explained that Staff shifted the budget for the effRT database from EMT Admin to the EMV budget line. Ms. MacDonald asked about the MJRP budget for long-term care facilities. Mr. Eglinton explained that it is a subset of the larger \$14 million initiative for local government, schools, and community organizations. Mr. Stoddard also noted that long-term care facilities are also the focus of EMT's proposal to deploy federal Bipartisan Infrastructure Law (BIL) funds earmarked for capitalizing revolving loan funds (RLFs). As noted in the Executive Director's report, Staff worked with GEO to develop a proposal to provide financing from the RLF, in conjunction with other technical assistance and incentives, for high-efficiency electrification of HVAC systems in congregate housing (e.g., long-term care).

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Mr. Poole) the Board voted to adopt the FY2024 Base Budget for Revenues and Expenditures in accordance

with the first year of the fifth Triennial Plan as approved by the PUC, amended to include the EMT Admin Fund, and the Revolving Loan Funds operated by EMT. Upon approval, the source of funding and expenditure budgets will total \$112,722,358 and \$112,632,537, respectively.

Ms. Furth was absent for the vote.

d) ELECT New Officers

ACTION: Upon a motion duly made (Mr. Isaacson) and seconded (Mr. Burgess) the Board voted to voted unanimously to re-elect Ms. MacDonald as Chair, and to elect Mr. Poole as Vice Chair, Ms. Welsh as Secretary, and Mr. Colburn as Treasurer.

e) DISCUSSION on Communications and Outreach Activities

Mr. Stoddard reminded the Board that there was a request to provide this opportunity for follow-up comments and questions after the March Board meeting presentation on EMT's communications and outreach activities. Ms. MacDonald asked how EMT's communication strategies evolve as the market and programs change. Mr. Eglinton shared that program teams meet weekly to review their communication plans and adjust based on several factors, such as program activity levels, input from contractors, and call center call recordings.

f) PRESENTATION on Efficiency Maine Organizational Structure

Mr. Eglinton provided an overview of EMT's organizational chart. In addition to the 26 in-house staff, EMT leverages a large network of third-party contractors for support in several areas, including program delivery, call center functions, advertising, graphic design, website work, research, evaluation, loan services, and training. When counting all of the contractors, the organization includes approximately 150 full-time equivalents (FTEs). Mr. Isaacson requested a list of staff names and titles.

6. New Business

Ms. MacDonald expressed appreciation for the Board's diverse perspectives, technical expertise, and desire to engage. She suggested that the group take a methodical approach to consider the fundamentals of what this Board should be and how it should operate. She reported that she, Ms. Welsh, Ms. Furth, had volunteered to meet with Mr. Stoddard before the next Board meeting to start to plan a series of discussions in the months ahead and to seek further input on the plan at the June meeting of the full Board.

7. Next Meeting Agenda and Scheduling

The next Board Meeting is scheduled for June 28. Mr. Stoddard suggested the Board consider options to extend the meeting duration to accommodate a very full agenda. He said Staff would follow up to gauge Board member availability.

8. Adjourn

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