

**Efficiency Maine Trust
Board Meeting Minutes
October 25, 2023**

The October 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 Burgess
- Dan Brennan
- Kenneth Colburn, Treasurer
- Heather Furth
- Mark Isaacson
- Suzanne MacDonald, Chair
- Glen Poole, Vice Chair
- Chris Rauscher
- Joan Welsh, Secretary

Efficiency Maine Trust (EMT) Staff

- Emily Cushman
- Hogan Dwyer
- Peter Eglinton
- Bridget Gifford
- Nat Haslett
- Monte Haynes
- Hope Kohtala
- Greg LeClair
- Laura Martel
- Andy Meyer
- Dan Mistro
- Sheldon Perkins
- Kate Rankin
- Lauren Scott
- Anne Stephenson
- Michael Stoddard
- Joanna Vollrath

Other Attendees:

- Ross Anthony, Governor's Energy Office (GEO)
- Phillip Borges, Emerson Swan Inc.
- Richard Burbank, Evergreen Home Performance
- Matt Cannon, Sierra Club
- Steven Fennell, LaPlante Electric
- Mark Hervey, CLEAResult
- Nichoal Hood, Hometown Heat Pumps
- Andrew Hudacs, University of Maine
- David Korn, Ridgeline Analytics
- David Littell, Bernstein Shur
- Amanda Roy, MaineHousing
- Rebecca Schultz, Natural Resources Council of Maine (NRCM)
- Jack Shapiro, NRCM
- Molly Siegel, Governor's Office for Policy Innovation and the Future
- Amy Smith, Healthy HomeWorks
- Genevieve Soucy, MaineHousing
- DeAnna Task, MaineHousing
- Kiki Tidwell, York Climate Action Community
- William Weber, Portland Climate Action Team
- Stephanie Welsh, Island Institute
- Christie Whitcomb, Hometown Heat Pumps

1. Welcome and Introductions

Ms. MacDonald called the meeting to order at 9:33 a.m.

2. APPROVE Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Mr. Isaacson), the Board voted unanimously to approve the agenda and the September 27, 2023 Board Meeting Minutes.

3. Public Comment on Agenda Items

- Mr. Burbank asked about EMT's timeline for seeking comment from the contractor community on Inflation Reduction Act (IRA) Rebate program plans and on Triennial Plan VI. Mr. Burbank asked how he might best request access data and documents driving EMT's policy decisions. Ms. MacDonald noted that it would be helpful for the Board to have a briefing on EMT's processes for contractor engagement day-to-day as well as in broader strategic planning at a later meeting.
- Mr. Stoddard explained that EMT has been gathering stakeholder input on an IRA Rebate program straw proposal for the past several months, highlighting recent meetings with the Building Performance Association, affordable housing developers/managers, architecture and engineering firms, and the contractors who market and install weatherization services and heat pumps. He added that additional stakeholder input will be solicited in the coming months once the team has issued a straw proposal for the IRA Rebate programs. He noted that, while Staff has been contemplating its plans for over a year, it was not until this past July that the Department of Energy (DOE) released critical program details and guidance. (DOE then issued an update to that guidance two weeks ago.)
- With respect to Triennial Plan VI input, Mr. Eglington noted that there is an open Request for Information (RFI) on the EMT website. This is just the first opportunity of many in the coming months for stakeholders to weigh in.
- Ms. Tidwell suggested EMT provide rebates for electric commercial lawn equipment. She also suggested that EMT hold a Commercial Property Assessed Clean Energy (C-PACE) webinar through the Maine State Chamber of Commerce.

4. Executive Director's Report

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

- As a follow-on to Central Maine Power's recent rate case, EMT presented data on electric vehicle (EV) charging usage and time-of-use information at the Public Utilities Commission (PUC).
- At the Maine Affordable Housing Conference in Portland, Staff presented its high-level concepts for how to deploy the IRA Rebate programs in Maine, placing a particular focus on multifamily buildings.
- EMT submitted letters of support and related documentation for bidders seeking funds from the U.S. EPA's Greenhouse Gas Reduction Fund (GGRF).
- The Commercial and Industrial (C&I) Prescriptive Initiatives launched a new Funding Opportunity Notice (FON) for municipalities with 5,000 to 10,000 residents. This FON,

funded with federal American Rescue Plan Act (ARPA) funds, focuses on electrification of HVAC systems.

- As reported at the September meeting of the Board, the Home Energy Savings Program (HESP) and Low-Income Initiatives launched a change to program design last month, limiting eligibility for program rebates to “whole home heat pump” systems. This change coincided with a number of developments, including a new federal tax credit for heat pumps (30% up to \$2,000), a need to accelerate activity to meet the Maine Climate Council’s (MCC’s) whole-home heat pump goals, and the release of EMT’s residential heat pump evaluation results showing underusage when heat pumps are used as supplemental systems in conjunction with a central furnace or boiler.
 - Mr. Burgess raised concerns about continued access to supplemental heat pump incentives for those customers who are ineligible for federal tax credits and unable to take advantage of MaineHousing’s program. Mr. Stoddard noted that he would be reaching out to GEO before the next Board Meeting to discuss options, and then report back to the full Board. Mr. Rauscher suggested Staff create a table showing different eligibility scenarios to identify gaps.
 - Mr. Rauscher expressed disappointment in Staff’s level of communication with the Board regarding this program transition. Mr. Isaacson, Mr. Poole, and Ms. Welsch observed that there had been considerable reference to the issues and program designs implicated by the IRA tax credits, the IRA Rebate programs, and the program evaluation results. Mr. Isaacson noted that Staff first raised this issue in July. Mr. Colburn suggested an early presentation on risks might have been helpful. Ms. MacDonald suggested that, when the Board revisits its Board Roles and Responsibilities document, it can use this issue/experience as a concrete example for thinking through the implications for future practices.
- EMT launched a Request for Proposals (RFP), referred to as “Phase VI”, seeking bids to develop and operate high-speed EV chargers along select Alternative Fuel Corridors. Awards will leverage National EV Infrastructure (NEVI) funds from the federal Bipartisan Infrastructure Law.
- EMT submitted the FY 2023 financial audit to the Office of the State Controller.
- Mr. Brennan mentioned a news article suggesting Maine was not on pace to meet its 2025 target for heat pump installations in income-eligible households. He and Mr. Stoddard reported that these programs are making substantial progress and have been accelerating.

5. Planned Business

a) UPDATE on Monthly Financial Report

Mr. LeClair reported that revenues from the first Regional Greenhouse Gas Initiative (RGGI) auction exceeded the budget by \$2.7 million. Thermal Renewable Energy Credit (TREC) alternative compliance payments were also higher than anticipated. New England Clean Energy Connect (NECEC) payments are set to resume soon and Staff will need to get Board approval to add the funds to the budget.

b) APPROVE FY2024 Budget Adjustments

Mr. Eglington provided an overview of his October 25 memo detailing Staff’s proposed budget adjustments to allocate new revenues, including higher-than-anticipated RGGI

revenue, recent alternative compliance payments, additional ARPA funds, and new Agricultural Fair Assistance Program payments.

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Mr. Isaacson), the Board voted unanimously to adjust the FY2024 source of funding (revenue) and expenditure budgets as described in Mr. Eglinton's October 25 memo, resulting in a total FY2024 source of funding (revenue) and expenditure budgets of \$163,862,821 and \$161,524,679, as shown in the tables therein, respectively. Mr. Burgess recused himself from the vote, having not been present for the discussion.

c) APPROVE Authorization for Staff Search for Office Space

Mr. Stoddard explained that the lease for EMT's Westbrook office will expire in one year. Given that that space has certain size limitations and sound challenges, EMT is seeking Board authorization to explore alternative options.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Ms. Welsh), the Board voted unanimously to authorize the Staff to search for an office space in Westbrook, Portland, Falmouth, or the surrounding area for a workable space, not to exceed 7,000 sf and/or \$25 a square foot, and to enter negotiations for rental property within this range.

d) PRESENTATION on the Methodology of Identifying Cost Effective Opportunities

Ms. Martel provided a brief overview of the statutory directives relating to EMT's cost-effectiveness calculations. She explained EMT's cost-effectiveness calculation formulas and reviewed their building blocks. She noted that EMT uses values from the regional Avoided Energy Supply Cost (AESC) Study, which includes both regional values and Maine-specific values. Mr. Colburn suggested that EMT incorporate the U.S. Environmental Protection Agency's health benefit values. Ms. Martel noted that the monetary value of those benefits are very small and added it would not have a material impact on any of EMT's measures, as none of them are that close to the cost-effectiveness threshold. Mr. Isaacson asked how the calculations address line losses. Ms. Martel explained that EMT's savings calculations are at the site, not the source but also reported that EMT incorporates an 8% line loss factor at the site in its calculations and reports to ISO-New England.

e) PRESENTATION on MaineHousing Weatherization Assistance Program (WAP) State Plan

Ms. Roy provided an overview of MaineHousing's WAP plan for the coming fiscal year. She explained that WAP serves Heating Energy Assistance Program (HEAP)-eligible households and those with incomes of up to 200% of the federal poverty level. She highlighted the fact that the program is expanding eligibility to small multifamily buildings and noted that MaineHousing is seeking approval from DOE to use specific energy audit software. She also explained that, given the per-unit cap for WAP funds (\$8,200, increasing to \$8,400), MaineHousing braids WAP dollars with other funding streams (e.g., HEAP) to cover the cost of a full home weatherization project (average \$19,000). She noted that the WAP waitlist is 1-3 years long, varying by county. Mr. Brennan added that roughly 45,000 households are on the HEAP list, but WAP only serves a few hundred per year. While MaineHousing focuses

on the neediest cases, EMT's program steps in to help fill the gap for households that are low-income yet have sufficient savings or credit to make a financial contribution to the projects. Mr. Stoddard asked about funding for heat pumps. Ms. Roy explained that MaineHousing was awarded a \$5 million DOE Sustainable Energy Resources for Consumers (SERC) grant for this program year which will facilitate 1,060 installations (single units). Mr. Burgess asked whether MaineHousing requires weatherization prior to heat pump installations. Ms. Roy said no, but that Community Action Agencies are required to assess whether a home receiving a heat pump should be prioritized for weatherization.

f) UPDATE on Beneficial Electrification Rule Making

This agenda item was postponed to the November Board meeting.

g) UPDATE on Efficiency Maine Staff Milestones

Mr. Stoddard recognized Mr. LeClair and Ms. Stephenson for ten years of service at EMT.

6. New Business

Mr. Stoddard noted that the November and December Board meeting schedule may need to be modified due to the upcoming holidays.

7. Next Meeting Agenda and Scheduling

The next Board meeting is tentatively scheduled for November 15, 2023. Staff will follow up via email.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Isaacson) and seconded (Mr. Poole), the Board voted unanimously to adjourn the Board Meeting at 12:06 p.m.

Efficiency Maine Board of Trustees – Roll Call Sheet
Board Meeting Date: 10/25/2023

Trustee	Vote 1	Vote 2	Vote 3	Vote 4
<i>Agenda Item</i>	2. Approve Agenda and Minutes	5.b. Approve Budget Adjustments for FY2024	5.c. Approve Authorization for Staff Search for Office Space	8. Adjourn
<i>Motion, Second</i>	Mr. Poole, Mr. Isaacson	Mr. Colburn, Mr. Isaacson	Mr. Brennan, Ms. Welsh	Mr. Isaacson, Mr. Poole
Brennan, Daniel	Y	Y	Y	Y
Burgess, Dan	A	R	Y	Y
Colburn, Kenneth	Y	Y	Y	Y
Furth, Heather	Y	Y	Y	A
Isaacson, Mark	Y	Y	Y	Y
MacDonald, Suzanne	Y	Y	Y	Y
Poole, Glenn	Y	Y	Y	Y
Rauscher, Christopher	Y	Y	Y	Y
Welsh, Joan	Y	Y	Y	Y

Y= Yes, N = No, A = Absent, R = Recused