

**Efficiency Maine Trust  
Board Meeting Minutes  
March 27, 2024**

*The March 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, Treasurer
- Heather Furth
- Mark Isaacson
- Suzanne MacDonald, Chair
- Glen Poole, Vice Chair
- Chris Rauscher
- Joan Welsh, Secretary

**Efficiency Maine Trust (EMT) Staff**

- Ian Burnes
- Emily Cushman
- Hogan Dwyer
- Peter Eglinton
- Monte Haynes
- Hope Kohtala
- Greg Leclair
- Sheldon Perkins
- Lauren Scott
- Michael Stoddard

**Other Attendees:**

- Ross Anthony, Governor’s Energy Office (GEO)
- David Batchelder, Rivertree Productions, Inc.
- Phillip Borges, Emerson Swan
- Richard Burbank, Evergreen Home Performance
- Nancy Dickson, Ridgeline Analytics
- Steve Fennell, LaPlante Electric
- Nichoal Hood, Hometown Heat Pumps
- Dave Korn, Ridgeline Analytics
- Peter Lafond, Acadia Center
- David Littell, Bernstein Shur Law Firm
- Tagwongo Obomsawin, GEO
- Kiki Tidwell, York Climate Action Committee

**1. Welcome and Introductions**

Ms. MacDonald called the meeting to order at 9:31 a.m.

**2. APPROVE Agenda and Minutes**

EMT staff requested that an item be added to the agenda: Declare Distributor and Retailer Sales Data as “Confidential Records” – Approve.

**ACTION:** Upon a motion duly made (Ms. Furth) and seconded (Mr. Colburn), the Board voted unanimously to approve the revised agenda and the February 28, 2024, Board Meeting Minutes.

### 3. **Public Comment on Agenda Items**

- Ms. Tidwell asked how municipalities like York might access Efficiency Maine data, noting that location-specific metrics can help them track progress toward local climate goals. Mr. Stoddard said that EMT is currently facing a high volume of data requests from various sources in Maine and across the country. Staff is eager to help but needs to consider the impact on its internal resources. Mr. Eglinton explained that EMT currently shares regional data on an annual basis to limit the number of ad-hoc response needs. He suggested that Ms. Tidwell reach out to the Southern Maine Planning and Development Commission for this information.
- Mr. Burbank suggested EMT address data requests as part of the triennial plan process. He recognized the strain on internal resources and emphasized that EMT should not serve as the sole repository for all public inquiries and data requests.

### 4. **Executive Director's Report**

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

- Staff is collaborating with state agencies and others to prepare proposals for federal grants expected to be submitted in the coming weeks. Among these are two submissions for grants from the Environmental Protection Agency (EPA) Carbon Pollution Reduction Grants and the state's application for use of the Inflation Reduction Act (IRA) Home Energy Rebate program funds. Staff is also working to launch the recently awarded \$10 million grant from the Department of Energy (DOE) to support heat pump installations in manufactured homes.
- The Retail and Distributor Initiatives have seen a surge in demand for heat pump water heaters. Mr. Stoddard commended the efforts of EMT staff and delivery teams in driving customer interest through negotiations with stores. Efforts to make heat pump water heater systems more compact are underway, although approval from ENERGY STAR is pending.
- In the Electric Vehicle (EV) Initiatives, several charging station awards are pending contracts. Staff will attend a ribbon-cutting ceremony for the new Tesla charging station in Rockland next week. EMT awarded three bids to proposals to pilot electric bicycles (e-bikes) by government entities or non-profit organizations serving low-income clients. Mr. Stoddard also noted that the legislature recently increased the maximum manufacturer's suggested retail price (MSRP) for EMT-rebated EVs from \$50,000 to \$55,000.
- EMT approved its first C-PACE loan for the Vertical Harvest Company in Westbrook, ME.
- EMT awarded its first large battery project at the Portland International Airport. The project is worth \$1,250,000 in performance incentive commitments. In addition to shaving peak demand costs, it will enhance reliability and provide benefits during power outages.
- Mr. Stoddard addressed concerns regarding the slowdown in residential weatherization activity in the middle of FY2024, noting that this appears to reflect a macroeconomic trend impacting a wide range of consumer spending. He expressed optimism, observing that rebate numbers for weatherization for the past two months are showing signs of improvement.

## 5. Planned Business

### a) Monthly Financial Report

Mr. Leclair reported that the March Regional Greenhouse Gas Initiative (RGGI) auction yielded \$12 million for the third quarter, surpassing EMT's projections by \$8.2 million.

### b) FY2024 Budget Adjustment – Approve

Mr. Eglinton summarized Staff's proposed budget adjustments for FY2024. These include allocating excess RGGI revenues to Low-Income Initiatives to support whole-home heat pump installations in low-and-moderate income (LMI) homes, and to the C&I Prescriptive Initiatives to support whole-building electrification. Additionally, Staff proposes reallocating electric procurement funds from the C&I Custom Program to the Demand Management Program to support the energy storage systems (ESS) initiative, and correcting an allocation of New England Clean Energy Connect (NECEC) funding, shifting from the Home Energy Savings Program (HESP) to Low-Income Initiatives. Mr. Isaacson inquired about the necessity of requesting Board approval for such small budget adjustments. Mr. Eglinton confirmed that all inter-program shifts require Board approval, adding that Staff is making an effort to consolidate these requests.

**ACTION:** Upon a motion duly made (Ms. Welsh) 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 March 27 memorandum, resulting in a total FY2024 source of funding (revenue) and expenditure budgets of \$199,392,802 and \$196,030,739, as shown in the tables therein, respectively.

### c) Triennial Plan VI Planning

#### i. RGGI Funding Priorities for Triennial Plan VI (e.g., Weatherization, Heat Pumps, etc.)

Mr. Eglinton provided an overview of the basic requirements and limitations for RGGI funds. He reviewed historical RGGI revenue actuals compared to EMT forecasts. He explained that EMT took a conservative forecasting approach in Triennial Plan V, using the administrative floor price set for the regional auctions and the number of Maine's RGGI carbon allowances expected to be auctioned each year, as provided by the Maine Department of Environmental Protection (DEP). Actuals repeatedly exceeded forecasts, requiring ongoing quarterly budget adjustments. For Triennial Plan VI, Staff proposes shifting to a forecasting approach that uses an average of the last eight quarters; Staff estimates this would range from \$26-\$30 million per year, depending on whether EMT includes quarters that triggered the Cost Containment Reserve (which elevates revenues). Mr. Eglinton then outlined Staff's proposed priorities for RGGI investment in Triennial Plan VI. Staff's top priority is to focus RGGI funds on core measures that can only be funded with RGGI (i.e., are not eligible to be funded from other revenues), offsetting with federal, state, and settlement funding when available and appropriate. These measures include residential and commercial insulation, C&I thermal projects, and electric projects among Transmission and Sub-Transmission level customers. For context, maintaining existing activity levels among

these measures would require at least \$25 million annually. To the extent practicable, Staff also proposes using RGGI funds to defray the burden on ratepayers for funding beneficial electrification.

Mr. Stoddard clarified that the Staff is currently seeking general endorsement from the Board for its forecasting approach and funding priorities. Staff is laying the groundwork so that the Board will be informed and prepared to give input when the time comes to vote on the Plan and its associated budgets. He noted that participating stakeholders can also submit feedback about the Triennial Plan on the EMT website. Mr. Isaacson voiced support for the priorities. He suggested that EMT base its forecast on the mean revenue. Mr. Colburn recommended maintaining a conservative forecasting approach, noting that it is easier to spend excess funds as they materialize than to turn programs off.

**ii. Heating System Measures Beyond Air-to-Air Heat Pumps**

Mr. Stoddard explained that there are a small number of measures in EMT's portfolio that do not meet the standard eligibility criteria, but for which EMT has continued to offer rebates at the request of stakeholders. These include pellet boilers, pellet furnaces, and geothermal heating systems. Generally, these measures do not satisfy EMT's cost-effectiveness test. Nonetheless, in 2016 the Board approved continuing the eligibility of these measures using RGGI funding, in part because other measures within the Home Energy Savings Program were highly cost-effective and pulled up the overall cost-effectiveness of the program. Staff reported that it is seeking input from the Board as to whether the practice of treating these measures as eligible for RGGI funds, even though they are not cost-effective should be continued in the next triennial plan period, especially considering the growing demand for competing uses of the funds. Mr. Burnes noted that, in addition to having a benefit-to-cost ratio below 1, the pellet measures fail to reduce *gross* greenhouse gas emissions. He highlighted that the Maine Climate Council measures *gross* carbon savings (not *net* carbon savings) when accounting for progress towards Maine's 2030 and 2050 statutory carbon reduction goals. One result of measuring gross carbon emissions is that biomass technically has a higher emissions rate than oil and coal. Staff noted two other points for consideration. First, the representatives of the pellet industry have consistently encouraged EMT to continue funding rebates for pellet heating systems and not reduce the amount of the rebate. Second, there is a relatively new State law that established Thermal Renewable Energy Credits (TREC's), and these credits are supporting conversions to biomass.

**d) Accept Funds for Manufactured Homes Heat Pump Pilot – Approve**

Mr. Stoddard explained that Staff is seeking a formal approval by the Board to accept the recently awarded DOE grant funding for the Manufactured Homes Heat Pump Pilot. Maine statute allows for EMT to receive funds "from any entity...if the board determines that the receipt of those funds is consistent with the purposes of the EMT Act." (35-A §10103[4]) Staff argues that the pilot's objectives and activities involve investing in measures to save energy and/or reduce carbon consistent with the purposes of EMT. Staff also requests Board

approval of a commitment to meet at 20% cost-share requirement for the grant using \$2.5 million of RGGI funding over an anticipated 3-year period.

**ACTION:** Upon a motion duly made (Mr. Burgess) and seconded (Mr. Colburn), the Board voted unanimously to find that, as described in Mr. Eglinton’s March 27 memorandum, the receipt of the funds is consistent with the purposes of the EMT Act and to authorize the Executive Director to accept up to \$10 million in U.S. DOE funds to administer the “Whole-Home Heat Pump Solutions for Mobile/Manufactured Homes Project” and to commit \$2.5 million of RGGI funds to meet a 20% cost-share requirement over the course of the project.

**e) Request to Declare Distributor, Retailer, and Manufacturer Sales Data as “Confidential Records” – Approve**

Mr. Stoddard explained that Maine’s Climate Action Plan goals for heat pumps pertain to total sales (and installations) of heat pumps in Maine, regardless of whether an incentive was provided. To measure progress towards those goals, EMT is seeking sales data from distributors for all heat pumps sold in Maine. Distributors (and retailers and manufacturers) consider sales data to be sensitive business data and proprietary, and will typically only share such information if it is treated as confidential to avoid jeopardizing a competitive advantage with other distributors, retailers, or manufacturers. EMT is therefore requesting that the Board designate sales data as “confidential records” under the EMT Act.

**ACTION:** Upon a motion duly made (Mr. Brennan) and seconded (Ms. Welsh), the Board voted unanimously to move to determine that, if requested, sales data attributable to a single retailer, distributor, or manufacturer be treated as “confidential records” and, as such, not subject to a Maine Freedom of Access request.

**f) E-Bike Pilot – Update**

Mr. Stoddard reminded the Board that the EMT Act was recently updated to state that EMT may extend EV rebates to e-bikes. After discussing opportunities with various stakeholders (including the Bicycle Coalition of Maine [BCM], housing authorities, and State agencies) and reviewing existing e-bike programs in other jurisdictions, EMT set a budget of \$50,000 to pilot an e-bike program and issued an RFP to provide a limited quantity of rebates for e-bikes. EMT awarded three bids to proposals from three public housing authorities serving low-income clients. Mr. Stoddard noted that BCM has raised concerns with this narrow approach. Mr. Colburn offered to participate with Mr. Stoddard in a follow-up discussion with BCM.

**6. New Business**

None.

**7. Next Meeting Agenda and Scheduling**

The next Board meeting is scheduled for April 24, 2024. EMT will also hold an additional Triennial Plan VI workshop meeting on April 12, 2024 to discuss the 3-year Beneficial

Electrification Plan. Ms. MacDonald asked the Staff to provide Trustees with reminders about these supplementary Triennial Plan VI workshops.

**8. Adjourn**

**ACTION:** Upon a motion duly made (Mr. Poole) and seconded (Mr. Colburn), the Board voted unanimously to adjourn the Board Meeting at 12:10 p.m.

**Efficiency Maine Board of Trustees – Roll Call Sheet**  
**Board Meeting Date: 3/27/2024**

<b>Trustee</b>	<b>Vote 1</b>	<b>Vote 2</b>	<b>Vote 3</b>	<b>Vote 4</b>	<b>Vote 5</b>
<i>Agenda Item</i>	2. Approve Agenda and Minutes	5.b. Approve FY2024 Budget Adjustment	5.c. Approve Accepting Funds for Manufactured Homes Heat Pump Pilot	5.e. Approve Request to Declare Distributor, Retailer, and Manufacturer Sales Data as “Confidential Records”	8. Adjourn
<i>Motion, Second</i>	Ms. Furth, Mr. Colburn	Ms. Welsh, Mr. Isaacson	Mr. Burgess, Mr. Colburn	Mr. Brennan, Ms. Welsh	Mr. Poole, Mr. Colburn
Brennan, Daniel	Y	Y	Y	Y	Y
Burgess, Dan	Y	Y	Y	Y	Y
Colburn, Kenneth	Y	Y	Y	Y	Y
Furth, Heather	Y	Y	Y	Y	Y
Isaacson, Mark	Y	Y	Y	Y	Y
MacDonald, Suzanne	Y	Y	Y	Y	Y
Poole, Glenn	Y	Y	Y	Y	Y
Rauscher, Christopher	Y	Y	Y	Y	Y
Welsh, Joan	Y	Y	Y	Y	Y

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