

**Efficiency Maine Trust
Board Meeting Minutes
January 22, 2025**

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, Treasurer
- Heather Furth
- Mark Isaacson, Vice Chair

- Suzanne MacDonald
- Glenn Poole, Chair
- Chris Rauscher
- Joan Welsh, Secretary

Efficiency Maine Trust (EMT) Staff

- Marie Caspard
- Emily Cushman
- Hogan Dwyer
- Peter Eglinton
- Monte Haynes
- Hope Kohtala

- Greg Leclair
- Lily McVetty
- Sheldon Perkins
- Lauren Scott
- Michael Stoddard

Other Attendees:

- Ross Anthony, Governor's Energy Office (GEO)
- Dale Basher, Downeast Community Partners
- David Batchelder, Lowe's Corporate
- Imogen Best, Solarlogix
- Phillip Borges, Emerson Swan
- Richard Burbank, Evergreen Home Performance
- Emma Cost, GEO
- Richard Hubble, Yarmouth

- Rene Augustus La Casse, A Climate to Thrive
- Pete McGuire, Maine Public Radio
- Danielle Rauscher, Hometown Heat Pumps
- Rob Spatz, Carbon Day EV Charging
- Eloise Vitelli
- Steve Ward, Maine Climate Table
- Tabitha Young, Hometown Heat Pumps

1. Welcome and Introductions

Mr. Poole called the meeting to order at 9:35 a.m.

2. APPROVE Agenda and Minutes

Mr. Stoddard requested an addition to the meeting agenda to discuss a proposed change to the Triennial Plan VI budget for EV Initiatives.

ACTION: Upon a motion duly made (Mr. Welsh) and seconded (Mr. Colburn), the Board voted to approve the revised agenda and the Minutes of the December 18, 2024 Board Meeting.

3. Public Comment on Agenda Items

- Mr. Hubble reported that he estimates that a single-unit air-to-water heat pump system would be less expensive than air-to-air heat pumps for his home. He urged EMT to add this type of system to the list of equipment eligible for rebates. Mr. Stoddard responded that EMT is piloting air-to-water systems in homes in Millinocket. Initial results are promising, and Staff is continuing to review field results to gain a better understanding of the units' performance in cold weather, cost-effectiveness, and design issues.

4. Executive Director's Report

Mr. Stoddard summarized the ED Report. Following are several items highlighted during his presentation:

- The Commercial & Industrial (C&I) Prescriptive Program has received 9 initial applications for the Inflation Reduction Act (IRA) Home Energy Rebates initiative to install heat pump systems in new, multifamily affordable housing. These projects comprise a total of 615 dwelling units and over \$5.3 million in estimated rebates.
- Low-Income Initiatives has rebated 3,347 whole-home heat pump installations in FY25 (1,415 in low-income homes and 1,932 in moderate-income homes)
- EMT suspended the EV rebate program in November for all except low-income customers. The program paid out 235 rebates in December (around three times the typical monthly rate).
- Funds from the Greenhouse Gas Reduction Fund (GGRF) have been disbursed from the U.S. Environmental Protection Agency (EPA) to the Coalition for Green Capital (CGC). EMT will now begin to draw funds from CGC to support loans through Efficiency Maine Green Bank. EMT has also onboarded a number of vendors into the new lending platform and received 65 loan applications in December.
- Mr. Colburn asked for further details about activity at the Public Utilities Commission (PUC), specifically regarding EMT's testimony in Versant's rate case and data requests related to Triennial Plan VI. Mr. Stoddard responded that the data requests are typical inquiries asking for clarification of various metrics and assumptions. Mr. Burns added that the inquiries were intended to clarify rather than challenge the Triennial Plan VI. He also noted that EMT's comments in Versant's rate case focused on requesting that Versant not duplicate EMT's demand management initiatives. Mr. Colburn commented that he hopes EMT's Demand Management Program (DMP) will continue evolving from peak shaving to load shifting.
- Mr. Colburn also noted concern about the description of the Transactive Energy Pilot (TEP) in the ED Report. Mr. Burns clarified that the Post Road Foundation has so far only provided a prototype DERMS platform showing the customer experience on an app, not a fully functioning product. He suggested that the topic be discussed further at an Innovation Working Group meeting.
- In light of the President's recent executive orders, Mr. Isaacson asked for a status update on federal funds in next month's Board meeting. Mr. Burgess added that he would like to have a future discussion about EMT's short-term and long-term plans for federal funds.

5. Planned Business

a) Monthly Financial Report

Mr. Leclair noted that the most recent Regional Greenhouse Gas Initiative (RGGI) auction clearing price was about \$20/ton, which is about \$5 less than the previous auction. Also, EMT has received most of the anticipated New England Clean Energy Connect (NECEC) settlement funds for FY25. Mr. Leclair also advised the Board that a computational error resulted in incorrect totals being reported in last month's December Budget Amendment. The motion for the December Budget Amendment as drafted reflected the total revenues and expenditures to be \$250,462,581 and \$249,414,266, respectively. The correct totals are \$251,642,710 for revenues and \$250,634,396 for expenditures.

b) FY2025 Mid-Year Program Update

Mr. Eglinton began with an overview of FY25 expenditures through end of December for each major program. He then reviewed FY25 highlights, challenges, and plans for each major program and key initiatives (e.g., the Efficiency Maine Green Bank and the Maine Jobs and Recovery Plan [MJRP] initiatives.) Ms. MacDonald applauded the relatively high participation levels among low- and moderate-income Mainers. She noted that this growth may be partially attributable to coordination and collaboration across state agencies and other stakeholder groups. Mr. Stoddard said that it will be a challenge for the Efficiency Maine Green Bank to commit the full \$15 million in GGRF grant funds by December 2025, per the terms of its agreement with CGC. He asked the Board for project leads and ideas, particularly commercial loans. Mr. Burgess asked about how the program budgets have evolved since the start of the fiscal year and how year-to-date expenditures compare to expectations. Mr. Stoddard responded that EMT staff will work on summarizing the various budget adjustments over the course of the year.

c) FY2025 Budget Adjustment - Approve

Mr. Eglinton described Staff's proposed budget adjustments, including shifting \$1 million from the C&I Custom Program to the C&I Prescriptive Initiatives, incorporating RGGI revenues, and correcting an error in the funding codes stated in last month's budget adjustment.

ACTION: Upon a motion duly made (Mr. Colburn) and seconded (Mr. Isaacson), the Board voted to adjust the Trust's FY25 budget as described in the memorandum, resulting in a total FY25 source of funding (revenue) and expenditure budgets of \$253,142,710 and \$251,234,396, respectively.

d) Authorization for Sole Source Contract for Outside Counsel - Approve

Mr. Stoddard reminded the Board that EMT used outside counsel (Beveridge & Diamond, P.C.) to negotiate the agreement with CGC for EMT to receive GGRF dollars. Now Staff is seeking to work with the same firm to ensure that EMT's plans for GGRF comply with the agreement.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Ms. Welsh), the Board voted to authorize a new sole source contract, not to exceed \$10,000, with Beveridge & Diamond, P.C. to review EMT's loan program design and program materials for compliance with EPA Terms and Conditions and related guidance and agreements related to the use of GGRF funds.

e) HoME Resiliency Program Administration - Briefing

Mr. Stoddard explained that the Maine Bureau of Insurance is developing a new program called the HoME Resiliency Program that gives grants to homeowners to replace roofs and/or take steps to mitigate impacts of flooding on a home's electrical systems and appliances. The Bureau is asking EMT for help administering the program and Staff is seeking the Board's advice on responding to the Bureau's request. Staff's initial sense is that the measures contemplated do not fit with the enumerated directives and authorization laid out in the EMT Act. Mr. Poole asked about funding for this initiative. Mr. Stoddard responded that he is not certain of the complete funding landscape, but knows there are millions of dollars available. Mr. Burgess noted that EMT's existing relationships with homeowners and contractors would be helpful for administering this initiative, but he does not think the Board has enough information to make a definitive decision on this invitation. Mr. Brennan noted that he also sees pros and cons to EMT's involvement in the program and is undecided on whether EMT should get involved. Mr. Isaacson noted that he was initially wary of this request but now feels undecided. He noted that this work could replace some of the work lost due to the recent changes in federal funding. Mr. Rauscher noted that there might be an opportunity to harness this program to bring additional customers into EMT's residential programs. Mr. Colburn added that he is concerned about liability and would like more information on the long-term plan for the program. Ms. Furth asked how long EMT has to respond to the Bureau; Mr. Stoddard said there is no firm deadline. Mr. Brennan asked if the PUC would be apprised of this through the Triennial Plan process, to which Mr. Stoddard affirmed that all activities undertaken by EMT need to be reflected in the Triennial Plan. The Board agreed to revisit this topic when more information is available.

f) Demand Management Program —Update

Mr. Meyer provided an overview of EMT's current DMP offerings. For the Demand Response Initiative, EMT partners with Curtailment Service Providers (CSPs) enroll commercial customers that shed load upon request. The program pays customers based on performance. The Small Battery Initiative targets owners of small batteries and pays participants for allowing EMT to remotely discharge their battery on peak days. The EV Managed Charging Initiative pays enrolled EV owners \$50 annually in exchange for allowing EMT to remotely delay charging until after 10pm. The Large Battery Initiative provides performance-based incentives for the installation and dispatch of batteries for demand-metered customers during summer peak demand conditions. Mr. Rauscher asked about EMT's issues with getting Tesla Powerwalls to discharge when called upon. Mr. Meyer explained that there was an issue between Virtual Peaker and Tesla that has been resolved. Mr. Burns added that EMT intends to simplify the program to avoid these types of problems in Triennial Plan VI. Mr. Colburn reiterated that he hopes the DMP will evolve from reducing peak to managing load over the course of the day. Mr. Burgess noted that he would be interested in seeing the geographic distribution of program participants. Mr. Rauscher offered to present on national demand management trends. He applauded EMT for

getting the DMP up and running quickly, noting that Maine has a unique opportunity to innovate in this space given the lack of bureaucracy compared to other states.

g) New State Legislative Bills and Reports – Update

The Board decided to postpone this agenda item due to lack of time.

h) Triennial Plan VI Modification - Approve

Mr. Stoddard explained that EMT initially planned to use the Northeast Energy Efficiency Partnership's (NEEP) federal Climate Pollution Reduction Grant (CPRG) funds to offset Electric Procurement funds in the first year of the Triennial Plan VI (FY26). However, following recent announcements made by the new federal administration, EMT staff is concerned that these funds may not become available in FY26. Consequently, Mr. Stoddard requested that the Board authorize the Staff to make a modification to the Triennial Plan draft, at its discretion, to increase the Electric Procurement budget for FY26 and shift the CPRG funds to the budgets for years two and three. Staff noted that this change could put EMT's FY26 request for Electric Procurement funds very close to the statutory cap. Mr. Isaacson asked what would happen if EMT never receives the CPRG grant funds. Mr. Burnes explained that the Triennial Plan proposed to use the CPRG funds for heat pump water heaters – a qualifying beneficial electrification measure. In the absence of CPRG funds, EMT may rely on more Electric Procurement funds. Mr. Stoddard clarified that his proposed motion is to shift funding sources used in the proposed Triennial Plan VI; it does not change total dollar amounts of the budget of the Plan.

ACTION: Upon a motion duly made (Ms. Welsh) and seconded (Mr. Isaacson), the Board approved authorizing the Staff to modify the draft Triennial Plan VI budget, if necessary, to shift \$13.4 million for heat pump water heater programs from federal funds to Electric Procurement funds in FY26, and to redeploy those FY26 federal funds to offset Electric Procurement funds in the budgets for FY27 and FY28.

6. New Business

Mr. Burgess noted that the Board may need an extra meeting between now and the next monthly meeting given the changing situation with federal funding. Mr. Stoddard agreed.

7. Next Meeting Agenda and Scheduling

The next Board meeting is scheduled for February 26, 2025.

8. Adjourn

ACTION: Without objection, the board adjourned the Board meeting at 12:10 p.m.

Efficiency Maine Board of Trustees – Roll Call Sheet

Board Meeting Date: 1/22/2025

Trustee	Vote 1	Vote 2	Vote 3	Vote 4	Vote 5
<i>Agenda Item</i>	2. Approve Agenda and Minutes	5c) FY2025 Budget Adjustment	5d) Authorization for Sole Source Contract for Outside Counsel	5g) Triennial Plan VI Modification	8. Adjourn
<i>Motion, Second</i>	Ms. Welsh, Mr. Colburn	Mr. Colburn, Mr. Isaacson	Mr. Brennan, Ms. Welsh	Ms. Welsh, Mr. Isaacson	No Objections
Brennan, Daniel	Y	Y	Y	Y	
Burgess, Dan	Y	Y	Y	Y	
Colburn, Kenneth	Y	Y	Y	Y	
Furth, Heather	Y	Y	Y	A	
Isaacson, Mark	Y	Y	Y	Y	
MacDonald, Suzanne	Y	A	A	A	
Poole, Glenn	Y	Y	Y	Y	
Rauscher, Christopher	A	Y	Y	A	
Welsh, Joan	Y	Y	Y	Y	

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