

**Efficiency Maine Trust
Board Meeting Minutes
March 26, 2025**

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
- Heather Furth
- Kenneth Colburn, Treasurer
- Mark Isaacson, Vice Chair
- Suzanne MacDonald

Efficiency Maine Trust (EMT) Staff

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

Other Attendees:

- Ross Anthony, Governor's Energy Office (GEO)
- David Batchelder, Lowe's Corporate
- Lucien Bedard, The Masiello Group
- Philip Borges, Emerson Swan
- Richard Burbank, Evergreen Home Performance
- William Bowden
- Kristen Doyle
- Peter Evans, New Power Technologies
- Dana Fischer, Mitsubishi Electric US
- Matthew Fournier
- Adam Gifford, CLEAResult
- Mika Heming, Passivhaus Maine
- Chace Jackson, Resurgam Group
- Pete McGuire, Maine Public
- Tagwongo Obomsawin, GEO
- Kiki Tidwell, York Climate Action
- Stephen Ward
- Matthew Welter, Quaker Lane Associates
- Chris Zimbelman, Ridgeline Analytics

1. Welcome and Introductions

Mr. Isaacson 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 (Ms. Furth), the Board voted to approve the agenda and the Minutes of the February 26, 2025 Board Meeting.

3. Public Comment on Agenda Items

- None.

4. Executive Director's Report

Mr. Stoddard summarized the Executive Director's monthly update to the Board. Following are several items highlighted during his presentation:

- Staff's work to reach a settlement on Triennial Plan VI (TPVI) at the Public Utilities Commission (PUC) is close to being finalized, with remaining discussion revolving around minor administrative details.
- Also at the PUC, Staff is also involved the net energy billing (NEB) docket, primarily to follow the discussion around cost-benefit analysis and impacts on rates. And in the Stranded Cost Rate Design docket, Staff noted that the PUC staff's draft plan to recover stranded costs via volumetric kWh would reduce customer savings from participating in EMT's beneficial electrification programs.
- At the Legislature, EMT is following LD 585, a bill allowing EMT to access Forward Capacity Market (FCM) revenues to support electric vehicle (EV) rebates, passed out of committee along party lines. The committee discussion focused on geographic distribution of demand for EVs in Maine.
- LD 946 is a bill directing EMT to ensure 50% of EV rebates go to low- and moderate-income (LMI) customers, allocate 50% of all residential budgets to LMI offerings, ensure that all contractors participating in EMT programs pay fair minimum rate wages and employee workers enrolled in apprenticeship programs, and use available funding for low-income weatherization to supplement MaineHousing's low-income Weatherization Assistance Program (WAP). The weatherization funding directive is intended to address a significant gap between MaineHousing's weatherization project costs and WAP's per project funding cap. Mr. Brennan noted that MaineHousing will be testifying against the weatherization funding directive because he believes state agencies should not rely on each other's budgets. Mr. Stoddard asked Mr. Brennan if MaineHousing is able, under federal rules, to focus on fewer priority measures per project to reduce costs. Mr. Brennan responded that MaineHousing is exploring policy changes to reduce project size. Mr. Stoddard expressed his concern with the bill requirement that contractors track and report all of the wages they pay on the tens of thousands of small projects that receive incentives through EMT's programs.
- Staff has been reassuring contractors and the public that most EMT programs remain open to business as usual despite the disruptions in federal funding. However, federal actions have threatened some critical sources of near-term funding. For instance, Efficiency Maine Green Bank capital from the Greenhouse Gas Reduction Fund has been frozen. Through the Maine Attorney General's Office, EMT has joined several other states in suing Citibank and the EPA to have them unfreeze these accounts.
- Mr. Burgess noted that the American Council for an Energy-Efficient Economy (ACEEE) recently ranked Maine 11th of all states in their 2025 State Energy Efficiency Scorecard. Additionally, he asked the Trustees to think about how they can further support publicizing EMT's Triennial Plan VI. Finally, he asked Staff to provide a briefing on all the studies planned over the next year or two.

- EMT announced changes to residential heat pump incentives on April 5. In addition to lowering rebate caps, EMT now sets the rebate per outdoor unit, rather than at a percentage of project cost.

5. Planned Business

a) Monthly Financial Report

Mr. Leclair noted that FY2025 Forward Capacity Market (FCM) revenues are expected to fall about \$450,000 short of initial forecasts. Adjustments have been made to program budgets to account for this shortfall. FY2025 expenditures are on pace to hit \$140 million, well in excess of last year's total expenditures.

Mr. Burgess asked why most of the FY2025 Public Information and Outreach (PIO) budget remains unspent. Mr. Eglinton responded that most marketing and outreach expenditures draw from program budgets rather than the PIO budget. He added that much of EMT's recent public outreach has been developed and implemented internally by the Communications team and those expenses do not show as PIO expenditures. Mr. Burgess encouraged EMT to consider ways to use the PIO budget. He then asked if EMT has plans for the \$950,000 remaining in the Innovation program budget. Mr. Eglinton noted that the Innovation budget is set by a formula, so the budget amount does not always match the need. Mr. Mistro added that EMT expects to pay out a number of Innovation invoices before the end of the year. Mr. Burnes added that he has held off on expanding Innovation projects while the details are worked out for the Northeast Energy Efficiency Partnerships (NEEP) Carbon Pollution Reduction Grant (CPRG), which includes substantial funding for innovation. He believes that a regional approach like that of the NEEP CPRG would help influence ISO-NE decisions.

b) FY2025 Budget Adjustment – Approve

Mr. Eglinton noted that the proposed adjustment moves the remaining unbudgeted Regional Greenhouse Gas Initiative (RGGI) fund balance to residential heat pump budgets to support continued strong activity. The adjustment also transfers funds budgeted for off-peak chargers from EV Initiatives to the Demand Management Program (DMP). The DMP will take on responsibility of administering rebates for off-peak chargers (aka "smart chargers"), which Staff seeks to launch prior to the end of this fiscal year.

Mr. Isaacson requested an EV Rebate program status update. Mr. Eglinton explained that the EV Rebate program is still suspended for all except low-income residents. The launch of the off-peak charging program will enable EMT to reintroduce EV rebates to non-low-income customers using beneficial electrification funds. Mr. Burnes added that off-peak chargers will be available to all Mainers and will be less complicated and more appealing to EV drivers than the current offering that is referred to as "managed charging". Mr. Colburn and Mr. Burgess requested more details about the off-peak charger measure in the future. Mr. Burgess noted that this budget adjustment may not be sufficient to meet demand for the heat pump programs through the end of the fiscal year. Mr. Eglinton responded that he would shift more funds to heat pump programs in a May budget adjustment if needed.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Mr. Isaacson), the Board voted to approve the motion to adjust the FY2025 source of funding (revenue) and expenditure budgets as described in this memorandum, resulting in a total FY2025 source of funding (revenue) and expenditure budgets of \$255,642,710 and \$253,734,395.

c) Hydronic Heat Pump Pilot – Update

Mr. Mistro explained that the first goal of this pilot is to prove the potential to retrofit standard northern Maine homes heating with boilers to air-to-water (hydronic) heat pumps. The second goal is to demonstrate that thermal storage can be used to shift load and realize significant electricity cost savings. 2024-25 was the first winter that the pilot had complete installations in the field. So far, the pilot has shown that hydronic heat pumps can keep an average home warm on the coldest days of the year, and that 180°F water is not necessary to do so. It has also shown that the thermal storage systems perform well in cold weather. To achieve the lowest possible operating cost for this type of system, significant changes to rate design would be needed, and customers would need access to spot prices.

Mr. Colburn asked about the timeframe to develop this pilot into a full program. Mr. Mistro stated that EMT does not have a specific timeframe in mind. He also described the opportunities to lower the installation costs (currently ~\$45,000 total). Mr. Burnes noted that EMT hopes to work with electric co-ops next to install these systems on a larger scale, as these entities can clearly track the benefits of each installation to their overall grid. Mr. Colburn suggested that EMT share these results with regulators. Mr. Burnes said he wants to wait and gather more data before pushing for the regulatory changes needed to maximize the benefits of these systems. Mr. Isaacson noted the role of energy suppliers in the success of cost-effective hydronic heat pumps with thermal storage. Mr. Burgess asked if there are any companies selling these systems already. Mr. Mistro responded that one company in California produces this package, but the heat pumps are insufficient for Maine's climate. Mr. Burnes emphasized that nobody else is creating systems quite like those in this pilot. He also highlighted the challenge of assigning the financial benefit of these systems to the right entity.

d) Commercial & Industrial (C&I) Custom Program – Update

Mr. Remillard provided an overview and update of the activities of the program. He explained that the C&I Custom Program provides incentives for tailored energy efficiency projects that require site-specific engineering analyses and/or projects that are not otherwise covered by CIPI. The C&I Custom Program offers several types of technical support, including free scoping audits and technical assistance study incentives, and offers significant upfront assistance before entities submit incentive applications. Mr. Remillard then shared several case studies.

6. New Business

None.

7. **Next Meeting Agenda and Scheduling**
The next Board meeting is scheduled for April 23, 2025.

8. **Adjourn**

ACTION: Without objection, the board adjourned the Board meeting at 12:01 p.m.

Efficiency Maine Board of Trustees – Roll Call Sheet

Board Meeting Date: 3/26/2025

Trustee	Vote 1	Vote 2	Vote 3
<i>Agenda Item</i>	2. Approve Agenda and Minutes	b) FY2025 Budget Adjustment	8. Adjourn
<i>Motion, Second</i>	Mr. Colburn, Ms. Furth	Mr. Brennan, Mr. Isaacson	No Objections
Brennan, Daniel	Y	Y	
Burgess, Dan	Y	Y	
Colburn, Kenneth	Y	Y	
Furth, Heather	Y	Y	
Isaacson, Mark	Y	Y	
MacDonald, Suzanne	R	Y	
Poole, Glenn	A	A	
Rauscher, Christopher	A	A	
Welsh, Joan	A	A	

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