

**Efficiency Maine Trust
Board Meeting Minutes
October 26, 2022**

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 Brennan
- Kenneth Colburn, Secretary
- Celina Cunningham (delegate for Governor's Energy Office)
- Heather Furth
- Mark Isaacson
- Suzanne MacDonald, Chair
- Glenn Poole, Treasurer
- Chris Rauscher

Efficiency Maine Trust (EMT) Staff:

- Emily Cushman
- Peter Eglinton
- Bridget Gifford
- Nat Haslett
- Monte Haynes
- Hope Kohtala
- Greg Leclair
- Rick Meinking
- Sheldon Perkins
- Jesse Remillard
- Molly Siegel
- Joanna Vollrath

Other Attendees:

- Ross Anthony, Governor's Energy Office (GEO)
- Clifford Babkirk
- Steve Birkett
- Steve Bright
- Richard Burbank, Evergreen Home Performance
- Kim Ferenc, MaineHousing
- David Korn, Ridgeline Analytics
- Clifford Kroklick
- Rebecca Schultz, Natural Resources Council of Maine (NRCM)
- Genevieve Soucy, MaineHousing
- William Weber
- Bob Wolfer
- Rob Wood, The Nature Conservancy

1. Welcome and Introductions

Ms. MacDonald called the meeting to order at 9:33 a.m. Celina Cunningham introduced herself as the GEO's Deputy Director, serving as proxy for Dan Burgess. Mr. Eglinton noted Mr. Stoddard's absence.

2. APPROVE Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Ms. Furth), the Board voted unanimously to approve the agenda and the September 28, 2022, Board Meeting Minutes. Mr. Isaacson abstained because he did not attend the September meeting.

3. Public Comment on Agenda Items

- Mr. Burbank said that he appreciated that the Executive Director’s Report is available online for the public.
- Mr. Krolick expressed his concern that lower-income Mainers face higher financial barriers to acquiring electric vehicles (EVs) and urged EMT to shift its focus to moderate-income households. Mr. Eglinton observed that EMT’s EV Initiatives recently launched a new tier of rebates dedicated exclusively to moderate-income Mainers.

4. Executive Director’s Report

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

- EMT saw considerable media coverage of the newly launched \$100 rebate for do-it-yourself (DIY) weatherization measures and the manufactured home heat pump pilot.
- The Public Utilities Commission (PUC) approved new rates targeting EV and heat pump customers. EMT is currently working with Central Maine Power (CMP) and Versant to provide education and a list of benefits on Efficiency Maine’s website.
- Activity in the Commercial and Industrial (C&I) Prescriptive Initiatives is strong with multiple projects in the pipeline. Virtual customer consultation requests are very active, mostly due to the rollout of multiple Funding Opportunity Notices (FONs). Participation by small businesses has been steady now that enhanced incentives are available to eligible small businesses statewide. In prior years, eligibility was limited to specific regions.
- The Home Energy Savings Program (HESP) is seeing large volumes of both weatherization and heat pump rebates. Weatherization activity is up 240% from last year, and heat pump activity is up 38%.
- Retail Initiatives continues to focus on heat pump water heaters (HPWHs), working with manufacturers and retailers to foster competition and reduce prices. HPWH prices in Maine are the now lowest in the country.
- A new prescreening form to establish eligibility for certain EMT initiatives assisting “Low Income” households is live on efficiencymaine.com and generating considerable activity.
- EV Initiatives released an FON for Rural Level 2 EV Charging. Mr. Eglinton reported that a new request for proposals (RFP) for DC fast charging stations in Northern/Eastern Maine will be released at the end of the month.
- Home energy loan activity through the Efficiency Maine Green Bank continues to exceed historical patterns and deplete the pool of available capital in EMT’s residential revolving loan fund (RLF). Staff is closely monitoring activity and developing plans to address high demand for loans as well as to pursue third-party capital to maintain – and expand – loan offerings.
- EMT launched a targeted FON for lighting and heating, ventilation and air conditioning (HVAC) retrofits at agricultural fairs.

5. Planned Business

a. UPDATE on Monthly Financial Reports

Mr. Leclair reported that revenues are on track with what was forecasted in the budget. He mentioned that EMT received the first installment of American Rescue Plan Act (ARPA) funds for this year, and called attention to the new thermal renewable energy credit (TREC) alternative compliance payment (ACP) revenue stream.

b. PRESENTATION on MaineHousing 2023 Weatherization Assistance Program (WAP) State Plan

Mr. Brennan introduced two MaineHousing staff members – Ms. Ferenc and Ms. Soucy. Ms. Ferenc presented MaineHousing’s weatherization plans for the coming fiscal year. She highlighted that MaineHousing is expanding the universe of eligible properties to include certain multi-family housing units and also households participating in various means-tested federal programs. Mr. Brennan observed that the expansion into the multi-family sphere will require continued close coordination with EMT. Mr. Eglinton agreed, noting that staff are already engaged in discussions about how to avoid program duplication and communicate clearly with eligible participants.

c. APPROVE FY2023 Budget Adjustments

Mr. Eglinton provided an overview of the two budget adjustment proposals. First, the Agricultural Fair Assistance Program budget needs to be updated to account for carryforward and new revenues received over the summer. Second, EMT needs to incorporate the Thermal Energy Investment Program (TEIP) – a new program established by the Legislature in 2021 to support provide incentives and loans for thermal energy-derived projects. The new law provided that the program will be funded through alternative compliance payments from electricity suppliers who fail to secure their required quota of TRECs.

ACTION: Upon a motion duly made (Mr. Brennan) and seconded (Mr. Colburn) the Board voted unanimously to adjust the FY2023 source of funding (revenue) and expenditure budgets as described in Mr. Leclair’s October 26 memo, resulting in a total FY2023 source of funding (revenue) and expenditure budgets of \$165,627,321 and \$162,486,699, as shown in the tables therein, respectively.

d. UPDATE on the Inflation Reduction Act (IRA)

Mr. Haslett provided an overview of the sections of the Inflation Reduction Act (IRA) that are relevant to EMT’s work. He described various updates to tax credits and tax deductions for energy efficiency upgrades, new rebates for select energy efficiency upgrades, and clean vehicle tax credits. He also reviewed energy storage-related provisions, the new Greenhouse Gas Reduction Fund/Green Bank provisions, a new contractor training program, and a new initiative providing assistance for updating building codes. Mr. Haslett noted that the precise details for many of these provisions have yet to be finalized. EMT will continue to monitor their development, participating in national discussion forums and rulemaking processes as appropriate. Staff will focus on gaining an understanding of how these incentives interact with EMT’s current program offerings.

Ms. MacDonald asked if “disadvantaged communities” will be defined at the census tract level versus by municipality, noting that this may present challenges for contractors and customers trying to

understand eligibility. Mr. Haslett said he was not aware of the final definition parameters, and noted that EMT would likely have the opportunity to provide input on this and other matters through the policymaking process. Ms. MacDonald also queried how the IRA will affect EMT's Triennial Plan V. Mr. Eglinton said that once there is more clarity, EMT will work to adjust or add to its current programs as appropriate, and potentially create new programs/opportunities.

Mr. Rauscher asked whether EMT will be the lead agency in managing these new funds. Mr. Eglinton said that EMT is working with GEO to figure out what makes the most sense. Mr. Rauscher noted that several stakeholder groups that were key in drafting the IRA have now transitioned to implementation, and recommended that EMT leverage their work to free up staff time. Mr. Eglinton noted that Mr. Haslett has been attending a wide variety of stakeholder meetings and is keeping a close watch on the national discussion.

e. UPDATE on EMT Initiatives Funded by the Maine Jobs and Recovery Plan

Mr. Eglinton provided a brief overview of EMT's ARPA funding allocations through the Maine Jobs and Recovery Plan (MJRP). EMT MJRP initiatives include: (1) the Low and Moderate-Income (LMI) Weatherization Initiative, (2) Efficiency in Travel, Tourism & Hospitality, (3) Efficiency in Local Government, Schools & Community Organizations, and (4) Efficiency in Manufacturing. EMT is also working with the Department of Transportation (DOT) to implement a fifth initiative – Electric Vehicle Charging Stations. The program managers spearheading each of these initiatives then provided updates on year-to-date activity within each.

Mr. Eglinton (on behalf of Ms. Gifford) shared that the LMI Weatherization Initiative is driving a considerable increase in activity. The program is pursuing all outreach strategies.

Mr. Meinking spoke about the recently launched FONs for his MJRP initiatives, including the Hospitality Retrofits FON, the School Retrofits FON, and the Small Municipality Retrofits FON. He noted that his team will launch the Long-Term Care Facility Retrofits FON in the coming weeks. All these FONs leverage ARPA funds to drive electrification of HVAC equipment, while also providing incentives for lighting and refrigeration upgrades using electric procurement funds. Mr. Meinking highlighted his team's various outreach strategies, including attending trade/association conferences, performing direct mailing, educating qualified partners, and offering virtual building consultations. Mr. Colburn asked about the geographic distribution of the FONs. Mr. Meinking said that the FONs are available statewide. The School Retrofits FON targets school districts comprised of multiple towns, thereby serving more rural areas. By targeting smaller municipalities, the Small Municipality FON also tends to serve more rural areas. Ms. MacDonald asked whether contractor availability is impacting uptake for these projects. Mr. Meinking acknowledged that workforce is a challenge. He said that the FONs require a contractor commitment, helping to ensure that the contractors do not over-extend themselves.

Mr. Remillard spoke about the upcoming Program Opportunity Notice (PON) targeting manufacturing facilities. The PON will provide enhanced incentives for beneficial electrification and heat recovery.

Ms. Siegel provided an overview of the current Rural Level 2 EV Charging FON. She noted that EMT plans to release a “Phase 4” RFP for DC fast charging stations in Northern/Eastern Maine in late October and additional Level 2 charging FONs in late 2022/early 2023.

6. New Business

Ms. MacDonald asked for input regarding expectations for in-person Board Meetings. She suggested that Board members could attend in person every other month. The Board expressed interest in remaining flexible due to busy schedules and long-distance travel requirements. Mr. Eglinton said that staff will draft changes to the EMT bylaws to reflect this flexibility. Mr. Poole suggested that agenda items could inform the meeting type choice, noting that some items are better addressed in person.

7. Next Meeting Agenda and Scheduling

The next Board Meeting is scheduled for November 16, 2022, from 9:30 a.m. to 12:00 p.m.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Isaacson) and seconded (Mr. Rauscher), the Board voted unanimously to adjourn the Board Meeting at 12:04 p.m.