FY2025 ANNUAL REPORT

The Efficiency Maine Trust (Efficiency Maine) is the independent, quasi-state agency established to plan and implement programs to promote energy efficiency and beneficial electrification in Maine. Through its suite of programs, Efficiency Maine provides consumer information, marketing support, demonstration pilots, discounts, rebates, loans, and other initiatives to promote high-efficiency equipment and operations that help Maine's homes, businesses, and institutions reduce their energy costs and lower their greenhouse gas emissions. The result is job growth, a more efficient grid, improved energy independence, a stronger local economy, and progress toward meeting the state's climate change goals. Efficiency Maine is governed by a Board of Trustees with oversight from the Maine Public Utilities Commission.

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Abbreviations/Acronyms

A&E	Architecture and Engineering
AC	Alternating Current
ACEEE	American Council for an Energy-Efficient Economy
ACP	Alternative Compliance Payment
AGI	Adjusted Gross Income
AMP	Arrearage Management Program
ARPA	American Rescue Plan Act
BEV	Battery Electric Vehicle
BIL	Bipartisan Infrastructure Law
C&I	Commercial and Industrial
C-PACE	Commercial Property Assessed Clean Energy
CPRG	Climate Pollution Reduction Grant
CCF	Centum Cubic Feet
CCIA	Clean Communities Investment Accelerator
CEBE	Center for an Ecology-Based Economy
CFI	Charging and Fueling Infrastructure
CGC	Coalition for Green Capital
CHP	Combined Heat and Power
CO_2	Carbon Dioxide
CSO	Capacity Supply Obligation
DAC	Disadvantaged Community
DAFS	Department of Administrative and Financial Services
DC	Direct Current
DERMS	Distributed Energy Resource Management System
DEP	Maine Department of Environmental Protection
DHHS	U.S. Department of Health and Human Services
DIY	Do-It-Yourself
DOAS	Dedicated Outdoor Air System
DOE	U.S. Department of Energy
ECM	Electronically Commutated Motor
EERLF	Energy Efficiency Revolving Loan Fund
EERRF	Energy Efficiency and Renewable Resource Fund
EM&V	Evaluation, Measurement, and Verification
EPA	U.S. Environmental Protection Agency
ERA	Energy Improvements in Rural or Remote Areas
EV	Electric Vehicle
EVSE	Electric Vehicle Supply Equipment
FCA	Forward Capacity Auction
FCM	Forward Capacity Market

FON	Funding Opportunity Notice
FR	Free Ridership
FY	Fiscal Year
GEO	Governor's Energy Office
GGRF	Greenhouse Gas Reduction Fund
GHG	Greenhouse Gas
GOPIF	Governor's Office of Policy Innovation and the Future
GSL	General Service Lamp
HEAP	Home Energy Assistance Program
HEAR	Home Electrification and Appliance Rebates
HER	Home Efficiency Rebates
HESP	Home Energy Savings Program
HVAC	Heating, Ventilation, and Air Conditioning
IRA	Inflation Reduction Act
ISO-NE	Independent System Operator for New England
K-12	Kindergarten to Grade 12
kW	Kilowatt(s)
kWh	Kilowatt-Hour(s)
L3	Level 3 (electric vehicle charger)
LBE	Lead by Example
LD	Legislative Document
LED	Light-Emitting Diode
LEV	Linear Expansion Valve
M&V	Measurement and Verification
MACE	Maximum Achievable Cost-Effective
MaineDOT	Maine Department of Transportation
MaineHousing	Maine State Housing Authority
MHDV	Medium- and Heavy-Duty Vehicle
MJRP	Maine Jobs and Recovery Plan
MMBtu	Million British Thermal Unit(s)
MOU	Memorandum of Understanding
MRS	Maine Revised Statutes
M.R.S.A.	Maine Revised Statutes Annotated
MTEP	Maine Transactive Energy Pilot
MUBEC	Maine Uniform Building and Energy Code
MW	Megawatt(s)
MWh	Megawatt-hour(s)
NCIF	National Clean Investment Fund
NECEC	New England Clean Energy Connect
NEVI	National EV Infrastructure
NTG	Net-to-Gross
NWA	Non-Wires Alternative

NWAC	NWA Coordinator
OPA	Office of the Public Advocate
PACE	Property Assessed Clean Energy
PACT	Program Administrator Cost Test
PHEV	Plug-in Hybrid Electric Vehicle
PHTP	Packaged-Terminal Heat Pump
PON	Program Opportunity Notice
PreK	Pre-Kindergarten
PUC	Public Utilities Commission (Maine)
QP	Qualified Partner
RFP	Request for Proposals
RGGI	Regional Greenhouse Gas Initiative
RRV	Residential Registered Vendor
SBI	Small Business Initiative
SCADA	Supervisory Control and Data Acquisition
SLFRF	State and Local Fiscal Recovery Funds
SNAP	Supplemental Nutrition Assistance Program
SO	Spillover
T&D	Transmission and Distribution
TA	Technical Assistance
TANF	Temporary Assistance for Needy Families
TREC	Thermal Renewable Energy Credit
TRM	Technical Reference Manual
V2G	Vehicle-to-Grid
VRF	Variable Refrigerant Flow
VW	Volkswagen

Message from the Executive Director

Fiscal Year 2025 was the 15th year of operation for the Efficiency Maine Trust ("the Trust"). In FY2025, we counted among our accomplishments the launch of several initiatives funded by the Inflation Reduction Act (IRA), the continued expansion of the electric vehicle (EV) infrastructure, and successful completion of programming under Triennial Plan V. We were also pleased to develop, through an extensive stakeholder process, the successor Triennial Plan VI, which was approved in April 2025 and will serve as our strategic blueprint for the next three years.

FY2025 was the first year that the Trust leveraged electric ratepayer funds for the express purpose of encouraging fuel-switching measures where customers shifted from fossil fuels to electricity.[1] This policy change, authorized by the Maine Legislature, will ensure predictable, sustained funding for beneficial electrification incentives, setting Maine on the path toward lower electricity rates, energy independence, and significant carbon reduction.

To support greater demand management, the Trust launched a unique initiative aimed at helping to level the load on the electric grid—an instant discount for off-peak EV chargers that will help manage the impacts of Maine's transition to EVs. The software used by an off-peak charger ensures that charging occurs when the grid has plenty of capacity (and avoids peak periods). Charging during "off-peak" hours helps to manage electricity costs by minimizing the need to run the state's most expensive power plants and by deferring future grid upgrades.

At the same time, the Trust continued to support the expansion of EV charging infrastructure throughout the state by administering federal grants and settlement funds. In FY2025, Efficiency Maine issued and awarded six rounds of federally funded grants for 44 public EV charging locations (representing 40 Level 3 ports and 255 Level 2 ports) throughout the state, from Van Buren to Old Orchard Beach, which represents an investment of $8.6 million and brings the total of public EV charging locations in Maine to nearly 600. More are on the way.

Efficiency Maine is also proud to be playing its part in the state's effort to lower the energy burden of low- and moderate-income Mainers. In FY2025, the Trust distributed more than $46 million to support low- and moderate-income initiatives. To bolster this work, the Trust committed federal funds to its Manufactured (Mobile) Home Initiative to serve the needs of low- and moderate-income Mainers who live in single-wide manufactured homes.

The recognition of Maine's programs and initiatives from the American Council for an Energy-Efficient Economy (ACEEE) was another high point in the year. In October 2024, Efficiency Maine's success accelerating the electrification of home heating was honored with a prestigious ACEEE "Leader of the Pack" award for its programs promoting heat pumps and heat pump water heaters in residential buildings. The award, which is bestowed every five years, recognizes outstanding energy efficiency

[1] This was made possible by the Beneficial Electrification Policy Act (Public Law, Chapter 328), enacted in 2023.

programs across the United States. The Trust was selected from among nearly 100 nominated programs across the country for a "comprehensive program that replaces a home's fossil fuel appliances and equipment with more efficient electric alternatives." In March 2025, ACEEE also ranked Maine 10th in its State Energy Efficiency Scorecard. The scorecard ranks the 50 states and the District of Columbia on policies and programs advancing energy efficiency. This year marks Maine's second consecutive top 10 ranking, an achievement we are proud to have contributed to.

Looking ahead, we're excited to continue implementing the approved initiatives of Triennial Plan VI, which will:

- Lower overall energy bills for Maine homes and businesses;
- Suppress electricity rates by up to $490 million over the lifetime of the beneficial electrification measures, including tens of thousands of heat pumps and heat pump water heaters;
- Expand the Trust's initiatives to enhance grid flexibilityand shift electricity use away from periods of peak demand;
- Advance the State's carbon reduction targets;
- Promote investment in upgrades to Maine's building sector and transportation equipment; and
- Contribute to putting Maine on a path to energy independence and insulating Maine consumers from volatility of global energy prices.

With changes afoot in federal policy, FY2026 is bringing some new challenges to our programs. Fortunately, Maine policies continue to provide strong support for our work and the contractors and vendors of Maine are well prepared to meet the needs of Maine's energy consumers. We are looking forward to another busy year of improving Maine's energy efficiency.

/s/ Michael D. Stoddard

Introduction

This Annual Report of the Efficiency Maine Trust describes activities during Fiscal Year 2025 (FY2025), which covered the period from July 1, 2024, to June 30, 2025. The report includes the budgets, activities, and results for all programs and related activities administered by the Trust. Through the Trust's FY2025 programs, Maine's energy consumers will avoid more than $796 million in unnecessary lifetime energy costs. The Trust's FY2025 programs helped:

- Prompt more than $420 million of incremental private investment;
- Install 36,910 high-performance heat pumps[2] since July 2024, including 12,385 whole-home systems;
- Support weatherization projects in 2,955 homes (1,081 of which were homes of low-income and moderate-income households) through the Home Energy Savings Program (HESP) and Low Income Initiatives;
- Install more than 10,400 heat pump water heaters—close to the FY2024 all-time annual record of over 10,500 installations;
- Avoid an estimated 88,500 short tons of annual greenhouse gas emissions;
- Save more than 19 million MMBtus (19 million, million British thermal units) over the life of the measures installed;
- Added more than 89,000 annual MWh of "beneficial electrification" to help switch off of imported fuels and suppress transmission and distribution rates; and
- Reduce summer peak demand by 18.9 MW.

The Trust was created by state statute in 2009.[3] The purposes of the Trust include:

- Consolidating under one roof the funds for Maine's consumer-focused efficiency and alternative energy programs for all fuel types, including electricity, natural gas, and unregulated fuels;
- Procuring distributed energy resources (such as efficiency, demand response, energy storage) that cost less than traditional energy solutions to help individuals and businesses meet their energy needs at the lowest cost; and
- Helping transform the energy market in Maine so that energy-efficient products; alternative energy equipment; and related energy services are more accessible and affordable to residents, businesses, non-profits, and governmental entities.

The Trust is governed by a nine-member Board of Trustees. In FY2025, Glenn Poole (former Energy Manager at Verso Corporation), and Mark Isaacson (Manager at Competitive Energy Services, retired) served as Chair and Vice-Chair, respectively. Kenneth Colburn (Principal at Symbiotic Strategies LLC) served as Treasurer, and Joan Welsh (former member of the Maine House of Representatives) served as

[2] Throughout this report, the Trust bases its count of heat pump units on a "heat pump equivalent" to accommodate the diversity of systems installed across the residential and commercial sectors. One "heat pump equivalent" represents the potential to offset 25.1 MMBtu of delivered heat per year.
[3] 35-A Maine Revised Statutes (MRS) Chapter 97.

Secretary. Ex officio positions were filled by Dan Brennan (Director of the Maine State Housing Authority) and Dan Burgess (Director of the Governor's Energy Office [GEO[4]]). Heather Furth (Owner of Orono Brewing Company), Suzanne MacDonald (Senior Researcher at the National Renewable Energy Laboratory), and Christopher Rauscher (Senior Director of Market Development and Strategy at Sunrun) also served.

Sectors Served

The Trust's programs and initiatives serve multiple sectors. Table 1 illustrates the sectors served by each Major Program. Table 2 illustrates the sectors served by each of the Trust's Other Initiatives.

Table 1: Sectors Served by Major Programs

Program	Commercial and Industrial	Small Businesses	Multifamily	Residential			Institutions and Governmental Entities
				Any Income	Low Income	Moderate Income	
Commercial and Industrial Custom Program	✓	✓	✓				✓
Commercial and Industrial Prescriptive Initiatives	✓	✓	✓				✓
Distributor Initiatives	✓	✓	✓	✓	✓	✓	✓
Retail Initiatives	✓	✓	✓	✓	✓	✓	✓
Home Energy Savings Program			✓	✓	✓	✓	
Low-Income Initiatives			✓		✓	✓	
Electric Vehicle Initiatives[5]	✓	✓	✓	✓	✓	✓	✓
Demand Management Program	✓	✓	✓	✓	✓	✓	✓

[4] GEO transitioned to the Department of Energy Resources (DOER) in FY2026. This annual report maintains the name GEO, as it was active during all of FY2025.

[5] The Trust's EV Initiatives comprised two main components. The first component was the EV supply equipment (EVSE) initiative, which provided planning, education and financial incentives to promote the installation of EV chargers. In FY2025, the EVSE initiative limited participation to properties that are publicly accessible, which did not include private homes. The second component was the EV rebates initiative, which provided consumer education and financial incentives for the purchase or lease of qualifying vehicles. Rebates for the purchase or lease of vehicles were available to all types of Maine customers at some point in FY2025.

Table 2: Sectors Served by Other Initiatives

Initiative	Commercial and Industrial	Small Businesses	Multifamily	Residential			Institutions and Governmental Entities
				Any-Income Households	Low-Income Households	Moderate-Income Households	
Efficiency Maine Green Bank	✓	✓	✓	✓	✓	✓	✓
Non-Wires Alternatives	✓	✓	✓	✓	✓	✓	✓
Renewables[6]				✓			
Lead by Example Initiative							✓
Thermal Energy Investment Program	✓	✓	✓				✓
School Decarbonization Program							✓
Electric Bicycle (E-Bike) Pilot					✓		
Medium- and Heavy-Duty Vehicle (MHDV) Pilot	✓	✓					

Funding

The Trust received and/or expended funds in FY2025 from a variety of sources, including Maine's electric utility ratepayers, the Regional Greenhouse Gas Initiative (RGGI), the Forward Capacity Market (FCM) from the New England grid, the New England Clean Energy Connect (NECEC) Settlement Funds, the Energy Efficiency and Renewable Resource Fund (EERRF), the Volkswagen (VW) Settlement Funds, the Thermal Energy Investment Fund, and the State General Fund. It also received and/or expended funds from several federal funding sources, including American Rescue Plan Act (ARPA), the Inflation Reduction Act (IRA) Home Energy Rebates program, National Electric Vehicle Infrastructure (NEVI) Program Funds, Charging and Fueling Infrastructure (CFI) Discretionary Grant Program Funds, an Energy Improvements in Rural or Remote Areas Grant, and the Energy Efficiency Revolving Loan Fund (EERLF) Capitalization Grant Program.

The Trust is directed by Maine statute to invest these funds to promote more efficient and affordable use of energy and customer-sited alternative energy systems. Table 3 and Table 4 depict the FY2025 funding sources available to each of the Trust's major programs or other initiatives.[7] Detailed descriptions of the Trust's funding sources and spending can be found in the Finance and Administration section.

[6] As described in the Renewables section, the Trust allocated the Renewables budget to fund residential rebates in the Innovation Program's Hydronic Heat Pump with Thermal Storage Pilot. The pilot was restricted to a handful of homes, so did not broadly serve the residential sector.

[7] Table 3 and Table 4 reflect the funding sources available to each program or initiative in FY2025. In some cases, those budgeted funds were not actually spent during this fiscal year. By contrast, the "funds invested" indicated at the start of each Major Programs section represent the funding sources deployed in FY2025.

Table 3: Major Programs' Funding Sources

Program	Electric Efficiency Procurement	Regional Greenhouse Gas Initiative	Forward Capacity Market	Federal Funds	NECEC Settlement Funds	State General Fund
Commercial and Industrial Custom Program	✓	✓		✓		
Commercial and Industrial Prescriptive Initiatives	✓	✓		✓	✓	
Distributor Initiatives	✓					
Retail Initiatives	✓					
Home Energy Savings Program	✓	✓	✓			
Low-Income Initiatives	✓	✓	✓	✓	✓	
Electric Vehicle Initiatives[8]	✓			✓	✓	✓
Demand Management Program	✓					

[8] As previously noted, the Trust's EV Initiatives comprised two main components: the EVSE (charging) initiative and the EV rebates initiative. The EVSE initiative leveraged federal, NECEC, and VW funds. The EV rebates initiative leveraged NECEC funds, Electric Efficiency Procurement funds, as well as an allocation from the State General Fund.

Table 4: Other Initiatives' Funding Sources

Initiative	Electric Efficiency Procurement	Regional Greenhouse Gas Initiative	Federal Funds	Volkswagen Settlement Funds	Energy Efficiency and Renewable Resource Fund	Thermal Energy Investment Fund	State General Fund	Other[9]
Efficiency Maine Green Bank		✓	✓					
Non-Wires Alternatives	✓							
Renewables[10]					✓			
Lead by Example Initiative				✓				
Thermal Energy Investment Program						✓		
School Decarbonization Program		✓						
Electric Bicycle (E-Bike) Pilot							✓	
Medium- and Heavy-Duty Vehicle (MHDV) Pilot							✓	
Fuel Tank Removal								✓

Results

In FY2025, the programs that the Trust administered played an important role in helping Maine businesses, institutions, and households take advantage of energy efficiency, educating consumers about products that save energy, and helping them connect with vendors and contractors. The Trust's programs provided financial incentives that spurred consumers to choose energy-efficient options over lower-priced, less-efficient options—a choice that will reduce energy bills over the long term and put the Maine economy on a stronger footing.

Table 5, Table 6, and Table 7 illustrate the costs and benefits associated with major programs that the Trust administered in FY2025.[11] Table 5 shows these results for programs (or portions of programs) that save electricity and reduce demand on the grid. Table 6 shows results for programs (or portions of programs) that involve switching from a solid or gaseous fuel to electricity ("electrification") in order to reduce operating costs and air emissions. Table 7 shows results for programs (or portions of programs) that save fuels (e.g., oil, propane, kerosene, natural gas, wood) through energy efficiency improvements, including weatherization (e.g., insulation) but not electrification.[12]

[9] The Fuel Tank Removal initiative is funded by the Maine Department of Environmental Protection.
[10] As described in the Other Initiatives section, the Trust used these funds to support the Innovation Program's Hydronic Heat Pump with Thermal Storage Pilot in FY2025.
[11] The costs associated with the Trust's other activities (Other Initiatives, Strategic Initiatives, and Administration) can be found in Table 24.
[12] The results tables in each Major Programs section in this report follow this categorization. For results associated with the subset of "beneficial electrification" measures that satisfy the statutory definition in 35-A MRS §10102(3-A) (i.e., those that are both cost-effective *and* reliably reduce rates), and are funded exclusively with the Electric Efficiency Procurement, see Appendix H.

Efficiency Maine's costs reflect the financial incentives paid by the programs, as well as the costs to manage the programs, provide public information and outreach, hold training sessions, provide technical support, and conduct quality assurance for each program.[13] Table 5, Table 6, and Table 7 also show the program participants' (customers') incremental costs invested in the energy upgrades, including those associated with upfront costs and operational costs, such as lifetime electricity costs for electrification projects. The lifetime benefits reflect the financial benefits from the energy savings (lifetime avoided energy supply costs and avoided operations and maintenance costs).[14,15] The benefit-to-cost ratio indicates the ratio of the financial benefits to the sum of Efficiency Maine costs plus participants' incremental costs.

Table 5: Costs and Benefits for Major Electric Efficiency Programs

Program	Efficiency Maine Costs	Participant Costs	Lifetime Benefits	Benefit-to-Cost Ratio
Commercial and Industrial Custom Program – Electric	$1,520,521	$4,108,562	$24,948,892	4.43
Commercial and Industrial Prescriptive Initiatives – Electric	$6,823,099	$7,590,481	$40,265,843	2.79
Distributor Initiatives – Electric	$9,115,762	$933,992	$25,684,688	2.56
Retail Initiatives – Electric	$7,730,650	$2,009,290	$21,612,431	2.22
Low-Income Initiatives – Electric	$992,379	$-	$1,769,409	1.78
Demand Management Program	$849,480	$-	$6,848,750	8.06
Total	**$27,031,891**	**$14,642,325**	**$121,130,014**	**2.91**

Table 6: Costs and Benefits for Major Electrification Programs

Program	Efficiency Maine Costs	Participant Costs	Lifetime Benefits	Benefit-to-Cost Ratio
Commercial and Industrial Prescriptive Initiatives – Electrification	$12,111,170	$17,514,591	$55,668,956	1.88
Home Energy Savings Program – Electrification	$22,262,214	$196,207,405	$285,091,888	1.30
Low-Income Initiatives – Electrification	$38,084,987	$146,906,398	$226,235,971	1.22
Electric Vehicle Initiatives – EV Rebates[16]	$3,009,099	$17,654,661	$28,034,779	1.36
Total	**$75,467,470**	**$378,283,056**	**$595,031,594**	**1.31**

[13] The Trust's cross-program costs (e.g., for Administration and Strategic Initiatives) can be found in Table 24 and Appendix C.

[14] For detail on the energy savings values incorporated into this calculation by program, see Table A-1 and Table A-2. Where Other Initiatives generated any associated savings, those are captured in Table A-3.

[15] The lifetime benefits shown in the summary tables, and in the individual program tables throughout this report, are calculated using methodologies and assumptions approved by the Public Utilities Commission (PUC) as part of the approval process for the Trust's Triennial Plan V.

[16] As noted above, the Trust's EV Initiatives comprise two main components: EVSE (i.e., chargers) and EV rebates. In this report, the Trust includes EVSE expenditures in the "Other Initiatives" tables (see, e.g., Table 24 and Table C-3). While EV chargers are critical infrastructure for promoting the increased use of EVs, chargers do not, by themselves, save any energy. The Trust attributes all costs and savings associated with EVs in the "Major Programs" tables under EV Initiatives.

Table 7: Costs and Benefits for Major Thermal Efficiency Programs

Program	Efficiency Maine Costs	Participant Costs	Lifetime Benefits	Benefit-to-Cost Ratio
Commercial and Industrial Custom Program – Unregulated Fuels	$3,135,639	$6,667,605	$37,392,010	3.81
Commercial and Industrial Prescriptive Initiatives – Unregulated Fuels	$227,238	$207,023	$348,288	0.80
Home Energy Savings Program – Unregulated Fuels	$6,938,468	$16,986,653	$29,172,272	1.22
Low-Income Initiatives – Unregulated Fuels	$7,325,835	$3,749,876	$12,870,408	1.16
Total	**$17,627,181**	**$27,611,157**	**$79,782,979**	**1.76**

Major Programs

Commercial and Industrial Custom Program

The Commercial and Industrial (C&I) Custom Program incentivizes tailored energy efficiency projects that require site-specific engineering analyses and/or projects with energy conservation measures that are not otherwise covered by prescriptive incentives. The C&I Custom Program is primarily designed to overcome the barriers confronting Maine's larger businesses and institutions when making investments in complex energy efficiency and distributed generation projects. These projects represent important facility improvements that reduce the inefficient use of energy and keep operating costs down for Maine's largest energy users.

Commercial and Industrial Custom Program

Sectors Served

- Commercial and Industrial
- Small Business
- Multifamily
- Institutions and Governmental Entities

Funds Invested

- Electric Efficiency Procurement
- Regional Greenhouse Gas Initiative
- Federal Funds

FY2025 Activities

Following are some program activity highlights for FY2025:

- Awarded incentives to 9 new customers and to 12 customers who had participated in prior years.
- Observed continued interest from large and small manufacturing facilities, driven largely by a targeted, federal incentive for projects that reduce fossil fuel use and additional bonus incentives for beneficial electrification and heat recovery projects.[17] Projects involving site-specific process upgrades at these facilities constituted 4 of 21 awards and accounted for 19% of incentive funds awarded.
- Observed renewed interest in large combined heat and power (CHP) projects. Fielded inquiries for three projects in excess of 1 MW, one of which led to a large incentive award.
- Supported continued interest in insulation measures including steam piping and component insulation, primarily from hospitals and universities. These projects constituted 3 of 21 awards and accounted for 3% of incentive funds awarded.
- Observed a renewed interest in technical assistance (TA) studies.
- Awarded all remaining funds in the Lead by Example (LBE) Initiative, an initiative to increase installation and use of clean, cost-effective energy measures at properties owned or leased by the State of Maine.[18]

[17] For additional detail on this initiative, see Appendix F: Maine Jobs and Recovery Plan Initiatives.
[18] Though managed through the C&I Custom Program, the LBE Initiative did not use C&I Custom Program funds. The Trust tracks all LBE Initiative activity and results separately under Other Initiatives.

- Managed the Demand Management Program's initiative to install large commercial batteries: the Energy Storage System Program.[19]

FY2025 Results[20]

Table 8: C&I Custom Program – Electric Efficiency Results

Metric	Value
Total Participants[21]	14
Total Projects	17
Efficiency Maine Costs	$1,520,521
Participant Costs	$4,108,562
Lifetime Benefits[22]	$24,948,892
Benefit-to-Cost Ratio	4.43

Table 9: C&I Custom Program – Thermal Efficiency Results

Metric	Value
	Unregulated Fuels[23]
Total Participants	15
Total Projects	16
Efficiency Maine Costs	$3,135,639
Participant Costs	$6,667,605
Lifetime Benefits[24]	$37,392,010
Benefit-to-Cost Ratio	3.81

[19] Though managed through the C&I Custom Program, the Energy Storage System Program did not use C&I Custom Program funds. The Trust tracks all Energy Storage System Program activity and results separately under the Demand Management Program.

[20] Some custom projects achieved a combination of both electric savings and thermal savings in FY2025. Where the project passes the Trust's cost-effectiveness test based on the dominant savings type alone, the Trust funds the incentive with a single funding stream appropriate to that savings type. For this subset, all results (including savings associated with the secondary fuel) are captured in the table corresponding to the dominant savings type. For those projects where there are significant savings of both types (both of which contribute to the cost-effectiveness calculation), the Trust uses two or more funding sources to support the appropriate prorated portions of the incentive. For this subset, the relevant portions of project results associated with each fuel type are reported in the corresponding tables. The project and participant counts, however, are repeated in both tables. Overall, the C&I Custom Program closed 29 distinct projects with 25 distinct participants in FY2025.

[21] As used in this report, "Participant" refers to an energy customer in Maine that completed a project, and received payment from the Trust for an incentive, during the fiscal year being reported. A project that has been awarded (or approved) by the Trust but is not yet completed is not counted as a Participant. Also, a Participant does not refer to the contractor or vendor that helped to develop or install the project.

[22] For detail on the energy savings values incorporated into this calculation, see Table A-1.

[23] These results include those associated with four natural gas efficiency projects. The Trust captures these under "Unregulated Fuels" (and not "Natural Gas") as they leveraged RGGI funds in FY2025, not Natural Gas Efficiency Procurement funds.

[24] For detail on the energy savings values incorporated into this calculation, see Table A-2.

FY2025 Analysis

The C&I Custom Program continued to employ an incremental approach to developing projects. The program team focused on encouraging customers to complete one or more individual projects that fit with their current priorities and budget, building a positive foundation for additional program participation and energy efficiency investment in the future. This strategy appears to be effective; as noted above, the program continues to see a significant number of repeat participants.

Overall, the program received a relatively low number of new applications in FY2025, while several of its key repeat participants were engaged in implementing longer-duration projects awarded in prior years. Activity in the manufacturing sector remained strong in FY2025, thanks in large part to the enhanced, ARPA-funded incentives available for projects that reduce fossil fuel (with additional bonus incentives for beneficial electrification and heat recovery projects). Other awards went primarily to colleges and universities, forest product businesses, and anaerobic digester facilities. The Trust fielded a notable jump in large CHP-related project inquiries, fueled in part by the desire to guard against increasing electricity prices. The program also supported continued interest in insulating steam piping and related components, primarily from hospitals and universities. These particular insulation projects are high-value opportunities with considerable potential for energy cost savings.

C&I Custom Program

Family-owned Merrill Blueberry Farms has been harvesting and processing wild blueberries for almost 100 years. Their facility uses a quick-freeze process to preserve berries at their peak ripeness for a variety of commercial end uses and direct retail sales. The farm switched from its former energy-intensive system to a high-efficiency refrigeration system that uses floating head pressure controls that adjust the compressor in response to ambient temperatures. Using an incentive from Efficiency Maine's Custom Program, they were able to offset the cost of the high-efficiency equipment for an estimated annual energy savings of 184,000 kilowatt-hours (kWh).

As in FY2024, the program continued to experience declining interest in snowmaking equipment and microsteam turbine technology after relatively high activity for both measures in prior years. The Trust attributes this slowdown to market saturation. Indeed, most of Maine's ski areas have previously responded to rising energy costs and advancements in high-efficiency snowmaking equipment by seeking out the program's incentives. The growth in interest in microsteam turbine engine technology was driven largely by a vendor who actively marketed in Maine. This vendor offers a compact and efficient backpressure turbine package that is economically attractive to lumber mills due to availability of cheaper biomass fuel and rising electric rates. FY2022 saw the first of these packages commissioned through this program. In FY2023, two more of these systems were commissioned, and the program awarded three new projects. The program did not make any such awards in FY2024, and awarded only one project in FY2025. The Trust believes that the vendor has now contacted most potential sites where

this package would be a good fit, and that most of those who determined that the opportunity is worthwhile have already moved ahead.

Participants in the C&I Custom Program relied primarily on internal staff and vendors to identify energy efficiency opportunities in FY2025. In some cases, however, more complex projects required site-specific engineering beyond existing staff's capabilities or what vendors were willing to explore on speculation. In other cases, customers were simply unsure of where to start. Accordingly, the program continued to offer support to overcome the lack of site-specific assessment and in-house expertise at customer facilities by providing free scoping audits to identify viable projects. Depending on the context, these scoping audits can range from a comprehensive review of facility opportunities to a consultation and technical guidance on a discrete project. The program also offered TA grants to support further development of complex projects.

The program completed two scoping audits in FY2025. The number of requests has waned in recent years, coinciding with the rollout of virtual consultations through the C&I Prescriptive Initiatives. This offering provides a simple complement to the C&I Custom Program's on-site scoping audits and can be an efficient way to identify project opportunities in certain simpler contexts (e.g., retail spaces, offices). Where the virtual consultations identified opportunities for custom projects, customers were referred to the C&I Custom Program.

Interest in TA studies, on the other hand, grew slightly in FY2025 compared to the prior year. The program completed one TA study and awarded three others, representing a small bounce-back from the declining trend that began several years ago. The Trust attributes the slowdown of recent years to the proliferation of smaller, less complex projects (most of which do not require advanced analysis through a specialized third party) participating in the program. As the program starts to see more complex heating, ventilation, and air conditioning (HVAC) and process-related projects that warrant deeper analysis, TA studies are growing in popularity. The program also instituted two changes to the TA study incentive offering in FY2024 that helped boost participation in FY2025: it increased the incentive cap from $20,000 to $25,000 and added support for project design development.

Despite relatively slow uptake, scoping audits and TA studies can be a worthwhile investment by the program for those who choose to take advantage of them. Activity from FY2015 through FY2025 suggests that, on average, 55% of scoping audits lead directly to project implementation in subsequent fiscal years. The data also shows an average TA-to-project conversion rate of 74% for the same period. The program will continue to invest in these studies where appropriate because, in addition to empowering and encouraging customers to move forward with energy efficiency projects, scoping audits and TA studies represent an opportunity for the program to provide input and direction on facility capital planning.

FY2026 Plans

- Continue to conduct outreach to manufacturers, seeking additional opportunities to invest Industrial Climate Transition Initiative funds to reduce greenhouse gas emissions at industrial facilities in the state.[25]
- Launch a program offering to detect and mitigate compressed air leakage, targeting what is believed to be a sizeable untapped opportunity.
- Work to accommodate the potential for a small number of higher-cost custom project proposals. If a project shows potential for significant, cost-effective electricity savings but exceeds the program's $1 million per fiscal year incentive limit, the Trust may work with customers to have the PUC consider a specific funding request through a long-term capacity contract.

[25] For more information on the Industrial Climate Transition Initiative funds, see the Finance and Administration section.

Commercial and Industrial Prescriptive Initiatives

Commercial and Industrial (C&I) Prescriptive Initiatives constitute a program that provides financial incentives, technical assistance, and project management support for the installation of energy-efficient equipment through a mix of broad market-based initiatives and targeted initiatives. The program promotes "off-the-shelf," widely available equipment that has predictable operating characteristics and applications across the C&I sector. Typical solutions promoted through this program include HVAC systems; LED lighting; and sector-specific solutions, such as refrigeration, compressed air equipment, and agricultural equipment. The program's targeted initiatives focus on specific sectors, hard-to-reach markets, or certain technologies, providing enhanced incentives or technical support.

Commercial and Industrial Prescriptive Initiatives

Sectors Served

- Commercial and Industrial
- Small Businesses
- Multifamily (≥3 units)
- Institutions and Governmental Entities

Funds Invested

- Electric Efficiency Procurement
- Regional Greenhouse Gas Initiative
- NECEC Settlement Funds
- Federal Funds

FY2025 Activities

Following are some program activity highlights for FY2025:

- Incentivized 7,672 heat pumps, including mini-splits, variable refrigerant flow (VRF) systems, and packaged terminal heat pumps (PHTPs)/vertical PHTP systems.
- Launched a new initiative targeting space heating electrification in new construction of affordable multifamily housing to invest federal funds from the IRA Home Energy Rebate program.
- Concluded one campaign targeting exterior lighting retrofits and another accelerating whole-building electrification and weatherization in existing multifamily buildings having 3 to 15 units.
- Continued to promote five ARPA-funded campaigns targeting the hospitality industry, small municipalities, long-term care facilities, assisted housing facilities, and pre-kindergarten to grade 12 (PreK-12) public schools.[26]
- Launched a targeted offering providing grants and loans for energy audits and project implementation in congregate housing facilities, leveraging new federal funds from the Energy Efficiency Revolving Loan Fund Capitalization Grant Program.
- Continued to observe a slowdown in the number of applications for horticultural lighting incentives, particularly from cannabis cultivation facilities.

[26] For more detail on these ARPA-funded initiatives, see Appendix F: Maine Jobs and Recovery Plan Initiatives.

- Refined and expanded the qualified products lists for heat pump technology to assist Qualified Partners (QPs) in project design and streamline data entry for heat pump projects. Several additions included new HVAC equipment models using a new generation of refrigerants.[27]
- Launched incentives for two new measures: Linear Expansion Valve (LEV) kits and Dedicated Outdoor Air Systems (DOASs).
- Experienced growing interest in "virtual" consultations (launched May 2022) for businesses looking to learn more about how to get started on an energy efficiency project. Most requests were for multifamily buildings, followed by lodging and office buildings. Conducted 180 consultations, 59 of which led to project implementation (14 participants completed projects, and 45 had projects pending).
- Convened a new HVAC advisory group with HVAC QPs to facilitate whole-building electrification.
- Engaged the QP network and participating distributors with monthly newsletters and webinars, frequent website updates, participation in sector conferences, and ongoing distributor events. Observed a shift in the types of QPs, with HVAC contractors now outnumbering lighting contractors. Focused efforts on engaging architecture and engineering (A&E) firms to support installers working on design-build of whole-building HVAC projects. The network maintained a high number of engaged contractors (781) representing 660 companies.

FY2025 Results

Table 10: C&I Prescriptive Initiatives – Electric Efficiency Results

Metric	Value
Total Participants	2,793
Total Projects	27,729[28]
Efficiency Maine Costs	$6,823,099
Participant Costs	$7,590,481
Lifetime Benefits[29]	$40,265,843
Benefit-to-Cost Ratio	2.79

Table 11: C&I Prescriptive Initiatives – Electrification Results

Metric	Value
Total Participants	199
Total Projects	256
Efficiency Maine Costs	$12,111,170
Participant Costs	$17,514,591
Lifetime Benefits[30]	$55,668,956
Benefit-to-Cost Ratio	1.88

[27] The new, alternative refrigerants (R-32 and R-454B) have a lower global warming potential than the traditional R-410A.
[28] Of the 27,729 reported "projects," 27,014 were bulbs sold through distributors.
[29] For detail on the energy savings values incorporated into this calculation, see Table A-1.
[30] For detail on the energy savings values incorporated into this calculation, see Table A-1.

Table 12: C&I Prescriptive Initiatives – Thermal Efficiency Results

Metric	Value Unregulated Fuels
Total Participants	26
Total Projects	33
Efficiency Maine Costs	$227,238
Participant Costs	$207,023
Lifetime Benefits[31]	$348,288
Benefit-to-Cost Ratio	0.80

FY2025 Analysis

The C&I Prescriptive Initiatives continued to generate momentum behind electrification of Maine's commercial buildings in FY2025. In FY2024, the program made a notable shift away from supplemental heat pump systems, limiting rebate eligibility to whole-building or whole-zone systems and emphasizing appropriate system sizing. In part, this change was made in response to evaluation results showing that heat pumps installed in commercial buildings in Maine were not being used to their full capacity when operated concurrently with the old, existing furnace or boiler. The Trust concluded that this was likely occurring as a result of the old furnace or boiler working more rapidly and powerfully to meet the heat load before the heat pumps had an opportunity to contribute. In FY2025, the program continued to monitor the ever-expanding universe of heat pump equipment and configuration options to identify potentially eligible measures. It added several new heat pump models to the qualified products lists and rolled out new incentives for LEVs and DOASs. With these additions, the program now offers heat pump solutions for all HVAC system types.

In FY2025, efficient LED lamps showed increasing signs of having transformed the market for lighting, continuing a trend from recent years, and the program continued to shift its emphasis to other measures. As with the Trust's other programs, C&I Prescriptive Initiatives discontinued discounts for screw-in LED replacement lamps in FY2023 when federal regulations phased out incandescent and halogen screw-in bulbs, making LED bulbs the standard.[32] In FY2025, the program continued to offer incentives for tubular LED lamps and mogul base lamps through distributors, running a limited-time promotion for exterior lighting retrofits to accelerate the transition of these relatively high-cost measures. Late in the year, the program added new 3-foot and 8-foot T8 LED lamp offerings upon determining that the fluorescent equivalents are still common in the marketplace.

Additionally, the program continued to observe a decline in the number of applications for horticultural lighting incentives, due primarily to the fact that a large portion of the state's cannabis cultivation

[31] For detail on the energy savings values incorporated into this calculation, see Table A-2.

[32] New standards set by the federal Energy Independence Act of 2007 resulted in LED General Service Lamps (GSLs) becoming the baseline technology for residential and commercial screw-in replacement lamps. With this change in baseline, LED GSLs ceased to be a cost-effective opportunity for program intervention (there being no intervention needed by the Trust's programs) in most applications, and thus became ineligible for incentives.

facilities have already participated in the Trust's programs. In FY2026, the program will decrease incentives on cannabis lighting and limit applications to retrofit projects.

Unlike in FY2024, the Thermal Efficiency Results (Table 12) for this program reflects a single measure: multifamily weatherization. Data from FY2025 show a benefit-cost ratio less than 1.0, although some projects were cost-effective. Staff are evaluating ways to modify the program to improve the cost-effectiveness of future weatherization projects in multifamily buildings.

Through its targeted initiatives, the program focused on specific sectors with distinct efficiency opportunities or in harder-to-reach sectors. These initiatives included continued support for the investment of federal ARPA funds in the hospitality industry, small municipalities, long-term care facilities, assisted housing facilities, and PreK-12 public schools. The deadline for applications for all of these initiatives was the end of the fiscal year. The program also launched a campaign targeting the electrification of space heating in new construction of affordable multifamily housing. This effort invested federal funds from the IRA Home Energy Rebate program. Meanwhile, the program concluded a promotion for existing multifamily buildings with 3 to 15 units. The combination of enhanced incentives, direct outreach, customized consumer information, and project management support through these targeted efforts incurs higher program costs, but elicits more customer engagement than through standard C&I Prescriptive Initiatives offerings alone. These targeted initiatives also encourage QPs to review opportunities with their customer networks.

The new HVAC advisory committee provided the program team with helpful feedback and suggestions regarding ways to accelerate market transformation for beneficial electrification of an entire heating system or an entire zone within the building. These discussions led to program design changes, including the addition of an incentive for "early replacement" of existing equipment (where the equipment has exceeded the period of its "useful life" but is still operating). The program also changed the incentive structure for zonal retrofits to promote whole building projects and limit small zonal projects. To be eligible for a zonal retrofit project, the zone (or zones) must offset at least 50% of the building's heat load. Each completed zone must be fully heated by heat pump technology.

C&I Prescriptive Initiatives

In FY2025, the C&I Prescriptive Initiatives offered improved incentives to help Maine businesses and organizations make the switch to more energy-efficient systems. One such opportunity involved incentives for HVAC in new construction, such as the Betsy Ross Crossing for low-income residents 55 and over. This addition to an affordable housing complex owned and operated by the South Portland Housing Authority brought 52 additional units to the market in 2025, each featuring all-electric and high-efficiency HVAC service. Receiving $278,402 in Efficiency Maine incentives, the development installed five VRF systems, two mini-split heat pumps, and three energy recovery ventilators to service the entire building. These efficiency measures are expected to save residents a combined 65,7510 kWh annually.

In FY2025, the program continued to grow its direct, customer-focused marketing efforts to supplement the customer outreach efforts of the QP network. Program activities included participating in industry conferences, attending and leading workshops, and marketing the various initiatives across the state. The program saw increasing interest in its virtual consultation service, indicating that a certain population of Maine businesses and commercial property managers would like to install efficient equipment but do not feel ready to call a contractor. As noted above, the consultations are proving effective in spurring project development; of the 180 consultations conducted in FY2025, 59 led to project implementation (14 participants completed projects and 45 had projects pending).

As in previous years, supporting the program's QP network was an important focus in FY2025. The program communicated directly with participating contractors through webinars, newsletters, a website, and workshops. The network maintained a high number of engaged contractors: 781 individuals representing 660 companies. The most significant growth was among HVAC contractors, reflecting a similar trend in program activity. Indeed, through collaboration with QPs and direct outreach to likely customers, the program saw a continued increase in adoption of larger, more complex HVAC solutions such as VRF systems. Program staff also focused their efforts on engaging A&E firms to support installers working on design-build of whole-building HVAC projects. The program will continue to prioritize these measures in FY2026.

FY2026 Plans

- Launch targeted offerings for retrofits in multifamily buildings leveraging new federal funds from the Inflation Reduction Act (IRA) Home Energy Rebates program, subject to funding availability.
- Evaluate ways to modify the program to improve the cost-effectiveness of future weatherization projects in multifamily buildings.
- Explore ways to encourage more participation from small businesses, including broadening eligibility criteria and supporting the Efficiency Maine Green Bank in marketing an expanded loan opportunity for small businesses.
- Close out the remaining ARPA-funded projects to meet the December 31, 2026, spending deadline.
- Decrease incentives on cannabis lighting and limit applications to retrofit projects.
- Relaunch the campaign targeting exterior lighting retrofits to capture the remaining opportunity.
- Continue to offer the virtual consultation service and evaluate its effectiveness.
- Continue to expand marketing and outreach efforts directly to all Maine businesses in addition to those eligible for enhanced incentives through targeted initiatives.
- Continue to attend conferences, workshops, meetings, and other events to share information with potential customers and participating QPs.
- Collaborate with participating distributors and QPs to market available incentives and discounts and targeted initiatives. Continue focus on enrolling A&E firms in QP network to support design-build of whole-building HVAC projects.

Distributor Initiatives

Distributor Initiatives

Sectors Served

- All

Funds Invested

- Electric Efficiency Procurement

Distributor Initiatives offer incentives for energy-efficient products acquired through distributors. Distributors are supply houses where contractors and larger customers go to purchase plumbing, heating, refrigeration, and electrical supplies. This midstream program leverages relationships with distributors of energy-efficient products to provide instant product discounts and to distribute technology information at the point of purchase. In FY2025, the measures discounted through this program included heat pump water heaters and electronically commutated motor (ECM) circulator pumps for boiler systems.

FY2025 Activities

Following are some program activity highlights for FY2025:

- Continued to offer heat pump water heater discounts at all distributors of plumbing supplies in the state; every distributor offers heat pump water heaters at a lower price than traditional electric water heaters.
- Increased incentives on heat pump water heaters to compensate for price increases.
- Processed 5,306 instant discounts for heat pump water heaters, compared to 5,088 in FY2024.
- Provided discounts for 16,143 ECM circulator pumps, compared to 14,560 in FY2024.
- Targeted plumbing companies to educate staff on ECM circulator pumps and heat pump water heaters.
- Developed a campaign to promote heat pump water heaters when homeowners are converting to heat pumps for space heating.
- Continued to connect weekly with all participating distributors and to track market share of heat pump water heaters and ECM circulator pumps by branch for each distributor. Used this data to target product training where market share was lowest.
- Ended ECM circulator pump incentives based on ECM size and replaced them with a standard $75 instant discount for pumps of all sizes to simplify the program.

FY2025 Results

Table 13: Distributor Initiatives – Electric Efficiency Results

Metric	Value
Total Equipment	21,449
Efficiency Maine Costs	$9,115,762
Participant Costs	$933,992
Lifetime Benefits[33]	$25,684,688
Benefit-to-Cost Ratio	2.56

[33] For detail on the energy savings values incorporated into this calculation, see Table A-1.

FY2025 Analysis

For most of FY2025, the program offered distributors an incentive if they would sell heat pump water heaters for no more than $449. The program also offered an incentive on bulk purchases of five or more heat pump water heaters sold for less than or equal to $399 to compete with manufacturer bulk pricing of traditional electric water heaters.

In May of FY2025, the program increased incentives for distributors to compensate for equipment price increases. Distributors that sold heat pump water heaters for no more than $549 received this increased incentive as well as an incentive on bulk purchases of five or more heat pump water heaters sold for less than or equal to $499.

The program continued to focus on marketing to plumbers, the primary customers of distributors. Staff collaborated with plumbing companies to answer questions from installers about heat pump water heaters and ECM circulator pumps; staff also worked to adjust the installer locators on the Efficiency Maine website to reflect those plumbers installing heat pump water heaters most frequently. The Distributor Initiatives also benefited from advertising campaigns promoting heat pump water heaters as part of the Retail Initiatives. With these efforts and the discounts offered, heat pump water heater sales in Maine remain among the strongest nationwide.

Distributor Initiatives

In FY2025, Efficiency Maine rebated 16,143 ECM circulator pumps that are used to circulate hot water through a forced hot water heating distribution system. Traditional circulator pumps run at one fixed speed and use some electricity to magnetize their rotor. ECM circulator pumps can modulate their speed and use permanent-magnet motors, making them much more energy efficient. ECM circulator pumps can reduce operating costs by 85%.

FY2025 once again saw success in ECM circulator pump sales as the program marketed available discounts heavily to plumbers through participating distributors. To further promote the sale of ECM circulator pumps, from October 1 through December 31, the program ran a limited-time offer that increased the instant discount to $100 for pumps of all sizes.

FY2026 Plans

- Collaborate with distributors to keep heat pump water heaters at a lower price than traditional electric water heaters.
- Visit distributors frequently to provide in-store support for product training, best practice sharing, in-store signage, and marketing materials.
- Direct customers interested in heat pump water heaters to plumbers most likely to recommend them.
- Attempt to capture more market share and increase uptake of ECM circulator pumps by conducting direct outreach to plumbers.
- Consolidate program delivery of this initiative with Retail Initiatives to conduct marketing and promotions for heat pump water heaters.

Retail Initiatives

Retail Initiatives focus on energy-saving measures that sell in relatively high volumes through retail stores and that, on average and through typical usage, achieve predictable energy savings.

Retail Initiatives

Sectors Served

- All

Funds Invested

- Electric Efficiency Procurement

The program leverages relationships with retailers to promote Efficiency Maine's mail-in rebates or instant discounts on energy-efficient products. Of all the Trust's programs, Retail Initiatives reach the largest number of Maine customers; this program also serves all sectors of the economy.

FY2025 Activities

Following are some program activity highlights for FY2025:

- Collaborated directly with retailers to make heat pump water heaters cost-competitive with traditional electric water heaters after instant discount.
- Continued to offer customers a choice of either an instant discount for heat pump water heaters or a mail-in rebate.
- Raised the mail-in rebate for heat pump water heaters to match the instant discount provided in Lowe's and Home Depot.
- Processed 4,626 incentives for heat pump water heaters, down from 4,772 in the previous year.
- Continued the do-it-yourself (DIY) campaign to replace old water heaters when they burn out, targeting price parity with traditional electric water heaters and providing in-store marketing.
- Encouraged homeowners to replace working traditional electric water heaters before they fail ("DIY early retirement") with limited-time pricing and out-of-store marketing (email, postal mail, digital advertisements).
- Worked with retail partners to place energy-efficient consumer products in prominent store locations and maintain adequate inventory.
- Rebated 4,711 ENERGY STAR®-certified clothes washers.

FY2025 Results

Table 14: Retail Initiatives – Electric Efficiency Results

Metric	Value
Total Equipment	9,335
Efficiency Maine Costs	$7,730,650
Participant Costs	$2,009,290
Lifetime Benefits[34]	$21,612,431
Benefit-to-Cost Ratio	2.22

[34] For detail on the energy savings values incorporated into this calculation, see Table A-1.

FY2025 Analysis

In FY2025, the program continued to offer in-store instant discounts on heat pump water heaters at Lowe's and Home Depot. These discounts were set at levels to match or beat the price of electric resistance water heaters. By continuing to collaborate with these stores for the fourth year in a row, the program was able to secure some of the lowest prices for heat pump water heaters in the country. The program leveraged the retailers' price decrease with a significant marketing campaign to boost program activity.

The program ran three limited-time offers in FY2025 on heat pump water heaters at Lowe's and Home Depot. These offers took place from August 28 through October 31, February 1 through February 28, and May 1 through June 3. Each of these promotions offered $50 on top of the standard instant discount. All three promotions continued to drive demand to unprecedented levels.

Retail Initiatives

Efficiency Maine rebated nearly 10,000 heat pump water heaters through Retail Initiatives and Distributor Initiatives. These high-efficiency water heaters consume up to 70% less electricity than traditional electric water heaters. This single-year's investment is expected to drive $37,783,696 in lifetime energy savings. During FY2025, roughly one of every 20 heat pump water heaters in the United States was installed in Maine.

Field staff continued to work closely with store personnel and corporate offices, and, as a result of program influence, these stores offered free end-cap and vestibule space to advertise heat pump water heaters, access to train their store associates, and hundreds of heat pump water heaters in inventory. Additionally, due in part to competition, retailers lowered their list price for heat pump water heaters at no cost to Mainers.

The program continued to offer expanded technical support hours. These changes have enabled retailers and customers to contact the field team in the early mornings and evenings, and on weekends, when a large percentage of heat pump water heaters in Maine are sold.

FY2026 Plans

- Continue to target DIY replace-on-burnout heat pump water heaters with in-store and online marketing combined with instant discounts that keep heat pump water heaters cost-competitive with traditional electric water heaters.
- Continue to encourage homeowners to replace working traditional electric water heaters with heat pump water heaters using limited-time offers of favorable pricing and out-of-store marketing.
- Collaborate with retailers to ensure availability and prominent in-store location of heat pump water heaters.
- Adjust mail-in rebates and instant discounts on heat pump water heaters as necessary to maintain price parity with traditional electric water heaters.
- Consolidate program delivery with Distributor Initiatives to conduct marketing and promotions for heat pump water heaters.

Home Energy Savings Program

The Home Energy Savings Program drives installation of home weatherization and efficient heating systems by offering rebates, providing customer and vendor education, and developing and maintaining a vendor network. This program encourages energy upgrades in single-family homes, multifamily homes with two units, and condominiums.

Home Energy Savings Program

Sectors Served

- Residential
- Multifamily (2 units)

Funds Invested

- Electric Efficiency Procurement
- Regional Greenhouse Gas Initiative
- Forward Capacity Market

FY2025 Activities

Following are some program activity highlights for FY2025:

- Completed the first full year of the new program design that limits eligibility for rebates to heat pump systems serving a whole home's heating needs.
- Revised the rebate structure for whole-home heat pumps to be $1,000 per rebate-eligible outdoor unit up to a lifetime limit of $3,000 to simplify program design, improve heat distribution, improve cost-effectiveness, and conserve program funding.
- Rebated 6,124 whole-home heat pump projects, up from 1,804 in FY2024.
- Weatherized 1,874 homes for the full year, up from 1,776 in FY2024.
- Rebated 54 biomass boilers and 27 geothermal systems.
- Continued to implement a comprehensive marketing plan promoting weatherization and heat pumps in collaboration with Low-Income Initiatives.
- Presented at dozens of events and training workshops throughout FY2025, increasing program awareness among customers and contractors.
- Supported Residential Registered Vendors (RRVs) with in-person visits and monthly pro-calls. Maintained a database with more than 800 registered vendors, including 691 heat pump vendors and 70 weatherization vendors.
- Supported the Efficiency Maine Green Bank in re-launching financing for customers of all income levels seeking support for heat pump and weatherization projects.

FY2025 Results

Table 15: Home Energy Savings Program – Electrification Results

Metric	Value
Total Participants	6,007
Total Projects	6,133
Efficiency Maine Costs	$22,262,214
Participant Costs	$196,207,405
Lifetime Benefits[35]	$285,091,888
Benefit-to-Cost Ratio	1.30

Table 16: Home Energy Savings Program – Thermal Efficiency Results

Metric	Value
	Unregulated Fuels
Total Participants	2,006
Total Projects	2,020
Efficiency Maine Costs	$6,938,468
Participant Costs	$16,986,653
Lifetime Benefits[36]	$29,172,272
Benefit-to-Cost Ratio	1.22

FY2025 Analysis

In FY2025, the program completed the first full year of the new "whole-home" approach for heat pump incentives. Initially, the program instituted higher incentives (40% of project costs up to $4,000) to reflect higher project costs for a whole-home heat pump system. It also placed a strong emphasis on proper system sizing to ensure that at least 80% of the home's heating load could be met with heat pumps, allowing for some supplementation with other sources (e.g., electric space heaters, monitor heaters, and wood stoves). Participants were required in most cases to turn off their existing central fossil fuel heating systems to ensure that they are only used as emergency backup. In homes where the existing central system is also used to provide domestic hot water (e.g., for the sink, shower, or laundry), the central system remains on, and the program required thermostats for space heating to be turned off or all the way down.

When the rebate for whole-home heat pumps first launched in FY2024, the program saw a decline in activity, but by the end of the fiscal year, program activity returned to levels seen in the prior year. In FY2025, program activity continued to grow steadily, returning to levels seen prior to the implementation of the whole-home heat pump rebates.

As whole-home heat pump rebates were still a new measure in FY2025, staff closely monitored program uptake and results through the first year of implementation and made several changes to improve program design. In response to preliminary signs that some customers were concurrently operating

[35] For detail on the energy savings values incorporated into this calculation, see Table A-1.
[36] For detail on the energy savings values incorporated into this calculation, see Table A-2.

their old central furnace or boiler heating system with heat pumps, staff modified the rebate claim form to emphasize the importance of using heat pumps as the primary heating system.

In April of FY2025, staff launched a simplified program design aimed at increasing cost-effectiveness, improving heat distribution and comfort within the home, and conserving program funding. The new whole-home heat pump rebate was modified to be $1,000 per rebate-eligible outdoor unit up to a lifetime limit of $3,000 in heat pump rebates per housing unit. The program also removed homes served by natural gas from eligibility for heat pump rebates.

In FY2025, weatherization activity increased by 6% from FY2024. The program team continued to spend significant time working with weatherization contractors and tracking their project pipelines. The program also supported weatherization with a robust marketing campaign that included radio, newspaper, direct mail, email, and digital advertisements.

Staff participated in dozens of workshops, events, and conferences for both homeowners and contractors. Through the Home Energy Savings Program and the Low-Income Initiatives, the Trust also continued to support participating RRVs by providing training scholarships, matching marketing investments, and offering a program liaison service that provides regular outreach to contractors with the highest levels of program participation.

Home Energy Savings Program

In FY2025, HESP facilitated the transition of more than 6,000 homes to high-efficiency heat pumps as their primary heating system, which included relegating their old central boiler to an emergency backup system. The new heat pump systems deliver both heating and cooling at significant cost savings to the homeowner. Surveys found that customer satisfaction was extremely high for the performance of both the heat pumps and the program. This program also weatherized nearly 2,000 homes.

FY2026 Plans

- Support weatherization projects and heat pump installations with vendor and customer outreach and incentives.
- Restart marketing efforts to clarify rebate availability amid confusion resulting from the phase-out of federal tax credits.
- Continue to monitor rebate structure and focus on continuous improvement.

Low-Income Initiatives

The Trust delivered energy efficiency benefits to low- and moderate-income customers through a portfolio of initiatives in FY2025.[37] These initiatives targeted incentive funding to eligible households through three channels:

- *Market-based initiatives*, where income-eligible customers participate in the same programs the Trust offers to other residential customers, and where low- and moderate-income customers may be eligible for enhanced incentives.
- *Targeted initiatives*, where the Trust focuses on specific measures, types of homes/ buildings, geographic areas, pilot projects, etc., using enhanced incentives and/or facilitating project management and contractor support.
- *DIY kits*, where eligible customers receive an offer of free DIY kits with small energy-saving devices.

Low-Income Initiatives

Sectors Served

- Residential – Low-Income
- Residential – Moderate-Income
- Multifamily

Funds Invested

- Electric Efficiency Procurement
- Regional Greenhouse Gas Initiative
- Forward Capacity Market
- Federal Funds
- NECEC Settlement Funds

The resulting blend of approaches is designed to overcome some of the major obstacles to accessing cost-effective energy upgrades encountered by low- and moderate-income Mainers.

FY2025 Activities

Following are some program activity highlights for FY2025:

Market-Based Initiatives

- Completed the first full year of the new program design that limits eligibility for rebates to heat pump systems serving a whole home's heating needs. Observed considerable uptake among income-eligible customers in the residential sector; rebated the installation of 2,388 systems in low-income homes and 3,144 systems in moderate-income homes (5,532 total), up from 1,821 total income-eligible homes in FY2024.
- Revised rebate structure for whole-home heat pumps, shifting away from an incentive based on project cost to one based on the number of outdoor units. Low-income customers were eligible for a $3,000 rebate per eligible outdoor unit up to a lifetime limit of $9,000, and moderate-

[37] The Low-Income Initiatives portfolio is not the only Efficiency Maine program serving income-eligible customers; these customers also participate in the C&I Prescriptive Initiatives (multifamily offerings), Retail Initiatives, Distributor Initiatives, EV Initiatives, and the Demand Management Program. For a summary of the Trust's investments in initiatives serving low-income customers specifically, see Table 27: FY2025 Low-Income Expenditures (All Funding Streams).

income customers were eligible for a $2,000 rebate per eligible outdoor unit up to a lifetime limit of $6,000.

- Continued to offer rebates for supplemental heat pumps to qualifying low-income households only. Observed considerable decline in interest, incentivizing 265 such systems over the course of the year (vs. 1,280 in FY2023, prior to the introduction of the whole-home heat pump rebates).
- Saw a continued acceleration of weatherization activity, supporting upgrades in 1,081 income-eligible homes (up from 740 in FY2023 and 1,061 in FY2024).
- Continued to collaborate with the Home Energy Savings Program (HESP) on a comprehensive marketing and outreach campaign focused on heating homes entirely with heat pumps and on promoting weatherization, targeting both homeowners and participating trade allies.

Targeted Initiatives

- Continued the Manufactured (Mobile) Home Initiative, offering incentives to low-income residents of single-wide manufactured homes retrofitting existing fossil fuel furnaces with central heat pump systems. These systems leverage the home's existing ductwork. Revised the program design and rules to account for requirements associated with new federal awards. Administered an incentive for fuel tank removal using funds from the Maine Department of Environmental Protection (DEP).
- Provided incentives to support the installation of 487 heat pump water heaters in low-income homes. Of these units, 284 replaced existing electric resistance water heaters, and 203 replaced fossil fuel systems that pull domestic hot water off the boiler (i.e., tankless coil water heating).
- Worked with Passamaquoddy tribal leaders and representatives from the Houlton Band of Maliseet Indians to rebate heat pumps in their communities. Completed 35 and 44 installations in each community, respectively.

DIY Kits

- Continued to observe a considerable slowdown in the number of DIY energy-saving kit requests and fulfillments (428 in FY2025 down from 1,311 in FY2024), due primarily to market saturation from multiple years of direct mailings. In FY2025, these DIY kits included faucet aerators and low-flow showerheads with thermostatic valves. (Discontinued LED bulbs in FY2024.)

Other Activities

- Continued to refine the Trust's online form for verifying income-based eligibility to help individuals access enhanced incentives. Extended the adjusted gross income (AGI) verification option to the subset of low-income participants in the Manufactured (Mobile) Home Initiative.

- Continued to support the electric utilities' Arrearage Management Program (AMP) by providing participants with electricity use reports and information on energy-saving products and available incentives.[38]
- Supported the Innovation Program's Whole-Home Heat Pump Solutions Pilot.[39]
- Convened periodic meetings of the Low-Income Advisory Group (a gathering of stakeholders, including the Office of the Public Advocate, the Public Utilities Commission, low-income advocates, state and local housing authorities, tribal group representatives, utilities, and community action agencies) to collaborate on the Trust's offerings. The Advisory Group coordinated with other low-income programs and resources across the state, provided status reports on implementation, and gained valuable insights on program design and implementation.
- Raised awareness about the Trust's low- and moderate-income offerings at various events. These included the Common Ground Country Fair, the Rental Housing Alliance member dinner meeting, Sustainable Brunswick's Prepare for Winter event, the Rockland Electrification Expo, Sustainable Scarborough Day, a Bridging the Gap Resource Connection event, a Waldo County Climate Action Coalition meeting, a Sunrise County Economic Council meeting, an Age Friendly Windham community event, an Age Friendly Communities of Fayette event, Mt. Vernon and Vienna energy efficiency event, a York County weatherization event, a presentation to the Blue Hill Peninsula Chamber of Commerce, a presentation to the York Energy Coach Program participants, a presentation to a Lewiston landlord group, the St. George Community Development Corporation Community Wellness Fair, a radio interview on WERU's Power For the People, Earth Day celebrations in South Portland, Wiscasset, and Portland, municipal energy/sustainability/climate action committee meetings (Bath, York, Brooklin, Ogunquit, Appleton), and several library information sessions and presentations to various Rotary and Lions clubs. Staff also presented to 28 different heat pump training classes at Central Maine Community College, Kennebec Valley Community College, and the Maine Energy Marketer's Association.

FY2025 Results

Table 17: Low-Income Initiatives – Electric Efficiency Results

Metric	Value
Total Participants	939
Total Projects	939
Efficiency Maine Costs	$992,379
Participant Costs	-
Lifetime Benefits[40]	$1,769,409
Benefit-to-Cost Ratio	1.78

[38] A Maine law enacted in April 2014 requires each electric utility to offer AMP initiatives. The AMP legislation was intended to help reduce the number of low-income customers in arrears on their electric bills and, therefore, lower the "bad debt" burden to ratepayers that is associated with customers who fail to pay their utility bills.
[39] For further detail, see the Innovation section.
[40] For detail on the energy savings values incorporated into this calculation, see Table A-1.

Table 18: Low-Income Initiatives – Electrification Results

Metric	Value
Total Participants	6,040
Total Projects	6,053
Efficiency Maine Costs	$38,084,987
Participant Costs	$146,906,398
Lifetime Benefits[41]	$226,235,971
Benefit-to-Cost Ratio	1.22

Table 19: Low-Income Initiatives – Thermal Efficiency Results

Metric	Value
	Unregulated Fuels
Total Participants	1,108
Total Projects	1,133
Efficiency Maine Costs	$7,325,835
Participant Costs	$3,749,876
Lifetime Benefits[42]	$12,870,408
Benefit-to-Cost Ratio	1.16

FY2025 Analysis

Market-Based Initiatives

As in HESP, FY2025 marked the first full year of the new "whole-home approach" for heat pump incentives in Low-Income Initiatives. Activity slowed immediately following the change in FY2024 as contractors and customers took time to adjust. Activity then grew steadily throughout FY2025, ultimately returning to previous levels. Uptake among income-eligible customers was strong; the program supported 2,388 installations in low-income homes and 3,144 systems in moderate-income homes (5,532 total).

The heat pump program design continued to emphasize proper system sizing to ensure that at least 80% of the home's heating load could be met with heat pumps, allowing for some supplementation with other sources (e.g., electric space heaters, monitor heaters, and wood stoves). In homes where the existing central system is also used to provide domestic hot water (e.g., for the sink, shower, or laundry), the central system remains on, and the program required thermostats for space heating to be turned off or all the way down.

As rebates for heat pumps that heat whole homes were still a new measure in FY2025, the Trust closely monitored program uptake and results through the first year of implementation. Staff worked with HESP to make several changes to simplify program design. As described in the HESP section, these included a

[41] For detail on the energy savings values incorporated into this calculation, see Table A-1.
[42] For detail on the energy savings values incorporated into this calculation, see Table A-2.

number of tweaks to better ensure that customers are not concurrently operating their old central furnace or boiler heating system with heat pumps. Low-Income Initiatives also implemented the same change to incentive structure, basing rebates on the number of outdoor units rather than a percentage of project costs. Low-income customers were eligible for a $3,000 rebate per eligible outdoor unit up to a lifetime limit of $9,000, and moderate-income customers were eligible for a $2,000 rebate per eligible outdoor unit up to a lifetime limit of $6,000. Finally, the program followed HESP in adding a new requirement that an installation address cannot have a natural gas utility account.

As noted above, the Trust continued to provide rebates for supplemental heat pumps to low-income customers only. It did so on the presumption that these households are less likely to have a tax liability and therefore may not be able to take advantage of the federal tax credit on heat pumps. Interestingly, despite increasing the associated rebate from $2,000 to $4,000 (capped at 80% of project costs) in FY2024, the Trust observed considerable decline in activity; the program issued 265 rebates for supplemental systems in FY2025, compared to 1,280 in FY2023 (prior to the introduction of whole-home heat pump rebates). Eligible homeowners were far more attracted to the generous whole-home rebates, completing 2,388 comprehensive heat pump projects. Toward the end of FY2025, the program changed the rebate for supplemental heat pumps to $3,000, to align with the approach used with whole-home rebates.

Interest in the market-based weatherization initiative persisted, with 1,081 homes weatherized in FY2025 (similar to 1,061 homes in FY2024). This pace of activity contributes significantly to Maine's efforts to meet the weatherization goals of the state's climate action plan by 2030. The Trust continued to leverage federal ARPA funds through the Maine Jobs and Recovery Plan (MJRP) to support these weatherization projects.[43] As in HESP, the program staff continued to spend significant time working with weatherization contractors and tracking their backlogs. The program also supported weatherization with a robust marketing campaign that included radio, newspaper, direct mail, email, and digital advertisements.

[43] For additional detail, see Appendix F: Maine Jobs and Recovery Plan Initiatives.

Targeted Initiatives

Low-Income Initiatives

Efficiency Maine committed federal funds to its Manufactured (Mobile) Home Initiative in FY2025 to expand programming for low-income Mainers. This initiative targets owners of single-wide manufactured homes. The number of heat pump and weatherization rebates for low- and moderate-income Mainers reached an all-time high.

The Manufactured (Mobile) Home Initiative provides incentives to low-income residents replacing fossil fuel furnaces with central heat pump systems that leverage the home's existing ductwork. These incentives include an elevated rebate, as well as an attractive financing option for the balance of project costs.[44] In its current iteration, the initiative incentivizes ducted heat pumps in single-wide manufactured homes in and south of Bangor.[45] The Trust paused this initiative at the beginning of FY2025, relaunching in September with a revised program design that accounts for federal grant requirements associated with the IRA Home Energy Rebates funds and the Energy Improvements in Rural or Remote Areas (ERA) grant. The Trust also administers a DEP-funded $800 incentive for fuel tank removal, with half of the incentive going to the contractor and the other half to the customer. This new DEP offering helped address what, for some, is a barrier to participation—the cost and inconvenience associated with removing and disposing of an old fuel tank. Overall, the program completed 32 heat pump installations over the course of the year and generated a healthy pipeline of interested homeowners for FY2026. Eleven of these participants opted for the DEP fuel tank removal incentive.

In FY2025, low-income households accessed heat pump water heaters through the program's initiative that provided free units for eligible customers. The program supported 487 installations through this pathway. Roughly 58% of the program's incentives for heat pump water heaters in FY2025 were for projects that replaced electric resistance water heaters, and 42% replaced tankless coil systems for water heating. Additionally, income-eligible households were able to benefit from heat pump water heaters by purchasing discounted units at local retail stores, or by hiring contractors that purchase discounted units from distributors. The purchases through retail stores and distributors are reported on in the Retail Initiatives and Distributor Initiatives sections of this report, respectively.

DIY Kits

As noted above, the program observed a continued slowdown in the number of requests for DIY energy-saving kits in FY2025. In recent years, the program sent repeated mailings of business reply cards to the full list of participants in the Home Energy Assistance Program (HEAP) and programs managed by the

[44] For additional detail on the financing option, see the Other Initiatives – Efficiency Maine Green Bank section.
[45] As described in the Innovation section, the Trust continued to pilot different permutations of whole-home heat pumps in manufactured (mobile) homes through the Innovation Program in FY2025 (e.g., different equipment, "double-wide" homes, and northern regions of the state). Depending on the results of these studies, the Trust may expand the Manufactured (Mobile) Home Initiative offerings in the future.

U.S. Department of Health and Human Services (DHHS). The declining response rate suggests that this initiative has reached most of the potential within this segment of customers.

Other Activities

In FY2022, the Trust added an online form that individuals may use to request verification of their income eligibility to receive higher incentives offered through the Trust's programs. The Trust verifies eligibility, providing individuals with a formal confirmation letter. In FY2025, the eligibility pathways for low-income customers included participation in HEAP, or one of DHHS's means-tested programs including the Supplemental Nutrition Assistance Program (SNAP) for food assistance, Temporary Assistance for Needy Families (TANF) for cash assistance, and MaineCare for medical insurance coverage. Moderate-income households may confirm eligibility for certain offerings based on an AGI threshold, as demonstrated through a tax transcript from the Internal Revenue Service.[46]

Overall, the Trust processed 10,605 verification requests through the online form in FY2025 (up from 9,825 in FY2024 and 5,701 in FY2023): 16% through the HEAP pathway, 34% through the DHHS program pathway, and 50% through the AGI pathway.[47] This functionality continued to be a key asset to the program; it provides a streamlined customer experience and helps RRVs support their customers and receive rebates more quickly.

Enrollments in AMP slowed slightly in FY2025 to 1,415 (down from 1,794 in FY2024). The program continued to provide electricity usage assessments, energy-saving tips, and offers for energy-saving devices to 100% of new AMP enrollees. As noted above, the Trust phased out offering LED bulbs in the DIY energy-saving kits, leaving low-flow showerheads with thermostatic valves and faucet aerators only. The program continued to assess which AMP customers may benefit from installation of a heat pump water heater, replacing 14 electric resistance water heaters for AMP enrollees in FY2025.

FY2026 Plans

- Drive demand for high-performance heat pumps in income-eligible homes to help meet Maine's statutory goals of having at least 115,000 households in the state wholly heated by heat pumps and an additional 130,000 households in the state partially heated by heat pumps by 2030.[48]
- Continue to advance the market-based weatherization initiative to support Maine's goal to weatherize at least 10,000 low-income households through the combined efforts of the Trust and MaineHousing between 2020 and 2030.[49]

[46] The Trust also extended the AGI verification option to the subset of low-income participants in the Manufactured (Mobile) Home Initiative.
[47] Note that the program proactively sent eligibility verification letters to all HEAP-eligible homeowners in FY2025, resulting in fewer customers needing to come to the online screening tool. Indeed, 2,387 projects were completed in HEAP households in FY2025, yet only 1,179 HEAP customers used the tool (16% of tool users).
[48] 35-A MRS §10104(4)(F)(7). This goal was established by the Maine Climate Council in 2020 and codified in statute by the 130th Legislature in 2021.
[49] 35-A MRS §10104(4)(F)(2). This goal was established by the Maine Climate Council in 2020 and codified in statute by the 130th Legislature in 2021.

- Ramp up marketing and outreach for the Manufactured (Mobile) Home initiative to advance the goal of completing 150 installations in FY2026.
- Limit DIY kit offering to AMP enrollees.
- Continue to work with MaineHousing to provide an education and outreach program to residents of manufactured homes to increase awareness of Efficiency Maine programs and MaineHousing's offerings.[50]

[50] For additional detail, see Appendix G.

Electric Vehicle Initiatives

The Trust administers programs to expand availability of electric vehicle (EV) charging infrastructure (also referred to as EV supply equipment) and the adoption of EVs in Maine. The Trust's programs provide financial incentives to fund the installation of EV charging infrastructure in Maine and rebates for eligible vehicles.

Electric Vehicle Initiatives

Sectors Served

- All

Funds Invested

- Electric Efficiency Procurement
- NECEC Settlement Funds
- Federal Funds
- State General Fund

FY2025 Activities

Following are some activity highlights for FY2025:

Charging

- Completed two competitive solicitations for Level 3 (DC fast charger) projects and four competitive solicitations for Level 2 charger projects.
- Awarded $8.6 million to public EV charger projects, including 10 DC fast charger projects and 34 Level 2 projects.
- Supported the completion of several public EV charging stations, including the Maine Sports Arena in Saco and the Caribou Inn in Caribou.

Vehicles[51]

- Provided a total of 1,117 EV rebates in FY2025.
- Of the total rebates, 697 were for battery electric vehicles (BEVs), and 420 were for plug-in hybrid electric vehicles (PHEVs). Enhanced rebates went to 21 governmental entities; 103 low-income customers; 69 moderate-income customers; and 6 commercial and non-profit customers.
- In the first and second quarters of the fiscal year, consumer demand for EVs exceeded projections and was growing rapidly. To stay within budget, in November the Trust restricted rebate eligibility to low-income Mainers for the remainder of the year.
- Educated participating dealers on rebates and federal tax credits for clean vehicles and conducted regular visits to dealerships to build relationships with and gather feedback from dealership staff.

Education, Marketing, and Stakeholder Engagement

- Recruited and provided guidance to potential EV charger applicants.
- Implemented a Google Ads campaign promoting EV incentives to low-income customers.
- Developed and disseminated new brochures, guidebooks, and other materials to customers and participating EV dealers.

[51] The EV Initiatives team also supported the E-Bike Pilot and the Medium- and Heavy-Duty Vehicle Pilot. The Trust reports on activity and results for these pilots separately under Other Initiatives.

- Hosted or participated in EV workshops, conferences, and ride-and-drive events, including the Common Ground Country Fair, Center for an Ecology-Based Economy (CEBE) Solar and EV Expo, Rockland Electrification Expo, Green & Healthy Maine HOMES Energy Show and EV Expo, Wells Library Community Event, and Scarborough Sustainability Day.
- Presented program updates and federal funding briefings at stakeholder meetings hosted by the Governor's Office of Policy Innovation and the Future, Drive Electric Maine, the Transportation Strategic Advisory Group, and local climate action groups.

FY2025 Results

Table 20: EV Initiatives – EVSE Results[52]

Metric	Value
Total Level 2 Plugs Awarded	255
Total Level 3 Plugs Awarded	40
Efficiency Maine Costs[53]	$1,987,043

Table 21: EV Initiatives – Vehicle Rebate Results

Metric	Value
Total EV Rebates	1,117
Efficiency Maine Costs	$3,009,099
Participant Costs[54]	$17,654,661
Lifetime Benefit[55]	$28,034,779
Benefit-to-Cost Ratio	1.36

FY2025 Analysis

In FY2025, the Trust launched and awarded six competitive solicitations for DC fast chargers and Level 2 chargers as part of the Recharge Maine initiative to expand availability of public charging infrastructure.[56] Two rounds of competitive solicitations were for public DC fast chargers along priority corridors and in communities with a high concentration of multifamily affordable housing. The Trust also awarded four rounds of competitive solicitations for public Level 2 charger projects across the state. These efforts invested federal funds from three different federal awards.

[52]Elsewhere in this report, the Trust includes EV Initiatives' EVSE metrics with Other Initiatives and EV Initiatives' rebate metrics with Major Programs (see, e.g., Table 24 and Table C-2). The reason is that, while EV chargers are critical infrastructure for promoting the increased use of EVs, unlike all other measures in Major Programs, chargers do not, by themselves, save energy. Nevertheless, because EVSE is such an integral element of the Trust's EV Initiatives, descriptions of the associated FY2025 activity are included in the Major Programs – EV Initiatives section.

[53] The costs reported here reflect amounts paid out during FY2025. They do not reflect amounts that were awarded in FY2025 but will not be paid out until the next fiscal year.

[54] Participant Costs reflect the customers' share of the incremental costs to purchase the vehicle, new electricity costs associated with charging those EVs, and avoided maintenance costs.

[55] For detail on the energy savings values incorporated into this calculation, see Table A-2.

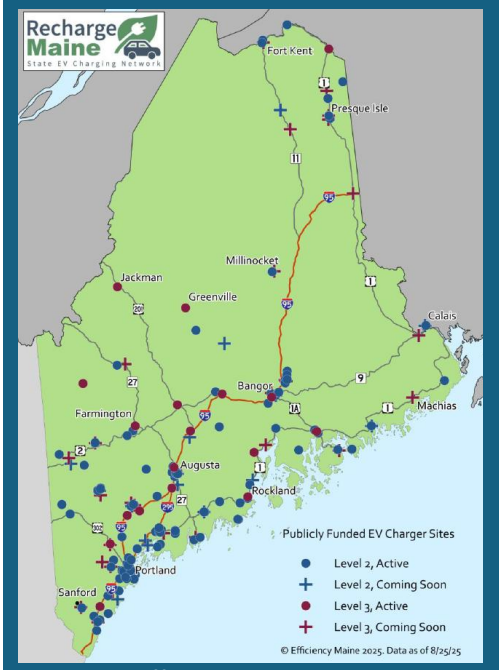
[56] Recharge Maine is an ongoing collaboration of the Trust with MaineDOT, the Governor's Energy Office (GEO), the Governor's Office of Policy Innovation and the Future (GOPIF), and the Maine Department of Environmental Protection (DEP).

Some work on projects was delayed, however, when the federal government directed Maine and all other states in early 2025 to pause investment of federal National Electric Vehicle Infrastructure (NEVI) funds. Subsequent guidance encouraged the Trust and others to resume work on projects, but the pause and uncertainty around federal funding caused a significant delay in awarding projects, executing agreements, and investing funds. Some projects that were on track to be awarded and completed in FY2025 were pushed into FY2026 due to the delay.

A number of charging projects from earlier competitive solicitation rounds were completed in FY2025. These included:

- Yarmouth Merrill Memorial Library (2 AC/L2 ports)
- Augusta Comfort Inn (16 DC/L3 ports)
- Maine Sports Arena in Saco (10 AC/L2 ports)
- Old Orchard Beach Chamber of Commerce (4 AC/L2 ports)
- Caribou Inn (4 AC/L2 ports)
- Gorham Nouria (2 DC/L3 ports)
- Indian Hill Trading Post in Greenville (2 DC/L3 ports)

Electric Vehicle Initiatives



In FY2025, Efficiency Maine issued and awarded six rounds of federal funding for public EV chargers throughout the state. In December 2024, the Old Orchard Beach Chamber of Commerce commissioned four public Level 2/AC ports, and in February 2025, Caribou Inn followed suit. These public EV chargers, at extreme opposite ends of the state, are among the nearly 600 chargers helping EV drivers enjoy the beaches, mountains, and lakes along more than 300 miles of Maine's primary travel corridors.

The second focus of the Trust's EV Initiatives is to directly incentivize the adoption of EVs in Maine. In FY2025, the Trust continued to offer instant discounts through participating car dealers in Maine and rebates for vehicles purchased directly from the manufacturer, with enhanced incentives for qualified low- and moderate-income Maine residents, Maine governmental entities, tribal governments, and select non-profits. Program activity accelerated significantly in the first quarter of FY2025 and was on track to exceed the available budget for general EV rebates through the General Fund. The Trust limited rebates to low-income households for the second half of the year, and continued to invest NECEC funds dedicated to low-income rebates. Participation of low-income households was modest, and the Trust worked to target eligible households through digital advertisements and other outreach.

After the approval of Triennial Plan VI, the Trust was able to plan for increased EV rebate funding in FY2026. Staff worked with stakeholders and EV dealers to prepare for expanded EV rebate eligibility in FY2026 for low- to moderate-income Mainers as well as commercial customers. Starting in FY2026, all EVs receiving rebates must be paired with off-peak EV charging.

To support the program activity described above, staff participated in dozens of dealer visits, “ride and drives,” and other outreach events across the state, including several EV charger groundbreaking and ribbon-cutting events. The program also developed a new EV guidebook and other marketing materials.

FY2026 Plans

- Support EV charging infrastructure planning through the Recharge Maine initiative.
- Administer competitive solicitations to invest federal funds for DC fast chargers and Level 2 chargers.
- Support the installation and commissioning of DC fast charger and Level 2 sites funded in previous fiscal years.
- Grow EV rebate and off-peak charging adoption among low- and moderate-income customers, businesses, nonprofits, and government entities.
- Educate the public on the benefits of transitioning to EVs.

Demand Management Program

The Demand Management Program seeks to increase the efficiency of energy use in Maine by deploying measures and strategies that mitigate the impacts of peak demand on electricity utility transmission and distribution (T&D) systems. In FY2025, the program consisted of three discrete initiatives:

Demand Management Program

Sectors Served

- All

Funds Invested

- Electric Efficiency Procurement

- *Demand Response Initiative*: A traditional demand response program where businesses are compensated for temporarily reducing their electricity usage when called upon to do so. This occurs during periods of peak demand that drive system costs. Third-party curtailment service providers or "Program Partners" recruit end-user participants and manage all aspects of participation in demand response events and reporting to the Trust.
- *Load Shifting Initiative*: An initiative focused on using both passive and active load-shifting strategies. In FY2025, this initiative included three measures: EV managed charging, small battery management, and off-peak chargers. EVs, batteries, and chargers are programmable and, in some cases, networked, operating in response to remote signals. The initiative incentivizes participants to modify the timing of their electricity consumption from the grid—shifting away from periods of peak demand to periods of lower demand—which reduces overall system costs for all ratepayers.
- *Large Battery Initiative:* An initiative involving performance-based incentives for the installation and dispatch of batteries for demand-metered customers during summer peak demand conditions.

FY2025 Activities

Following are some program activity highlights for FY2025:

Demand Response Initiative

- Reduced the 2024 summer capacity season peak by over 13 MW through five dispatches based on validated results (June 1, 2024–September 30, 2024).
- Approved four Program Partners for the 2025 summer capacity season (June 1, 2025–September 30, 2025), which combined enrolled a total of 208 participants.

Load Shifting Initiative

- Completed the second season of the EV managed charging measure: 128 vehicles participated in the 2024 summer capacity season.
- Completed the first season of the residential and commercial small battery management measure: 132 small batteries were enrolled for the 2024 summer capacity season, surpassing the program's goal of 125 for FY2025.

- Reduced the summer capacity season peak by 394 kilowatts (kW) through both EV managed charging and small battery management.
- Suspended the EV managed charging and small battery measures before the 2025 summer capacity season to prepare for launching new program designs in future years.
- Launched a new "off-peak charger" measure in April 2025: an instant discount on chargers that operate off-peak. The discounted charger operates normally during off-peak hours and automatically pauses charging during peak hours (5:00 p.m. to 9:00 p.m. weekdays). Customers may override the pause at any time. By the end of FY2025, there were 88 commissioned off-peak chargers.

Large Battery Initiative

- Continued to offer technical assistance funding and added two new vendors to the available battery vendors and developers list.

FY2025 Results

The results for the Demand Management Program recorded in this annual report derive from activity conducted from June 1 through September 30, 2024, which is referred to as the 2024 summer capacity season throughout this section. This period straddles the end of the Trust's FY2024 and the start of FY2025. Since the results of the activity were not validated until the fall of 2024 and the incentive payments were made at that time (i.e., during FY2025), they are reported in this annual report. The results for the 2025 summer capacity season will be reported in the Trust's FY2026 Annual Report and are not factored into the results reported in the table below.

Table 22: Demand Management Program – Electric Efficiency Results

Metric	Value
Total Participants[57]	646
Efficiency Maine Costs	$849,480
Participant Costs	-
Lifetime Benefits[58]	$6,848,750
Benefit-to-Cost Ratio	8.06

[57] "Participants" as used here means customers enrolled by Program Partners and customers who actively participated in the Load Shifting Initiative.
[58] For detail on the energy savings values incorporated into this calculation, see Table A-1.

FY2025 Analysis

Demand Response Initiative

Enrollment in the Demand Response Initiative for the 2024 summer capacity season continued to be strong, bringing the total enrolled curtailable load to 15.6 MW compared to 16.0 MW in the 2023 summer capacity season. Program Partners called a total of five events during the 2024 summer capacity season and successfully forecasted the New England system peak on July 16, 2024. The program was able to curtail 13 MW, a roughly 1.5 MW increase compared to the 2023 summer capacity season.[59] The Trust will continue to monitor these metrics in the year ahead as the program enters its fourth year.

Load Shifting Initiative

The program completed the first full year of offering the small battery measure in FY2025. A total of 132 small batteries participated in 2024 summer capacity season, exceeding the Trust's goal of 125 batteries.

FY2025 also saw the continuation of the EV managed charging measure. A total of 128 EVs and chargers participated in the 2024 summer capacity season.

Staff worked closely with the Distributed Energy Resource Management System (DERMS) provider as well as manufacturers of batteries, EVs, and EV chargers in an effort to ensure that batteries were responding to events and discharging to the grid and that chargers and vehicles remained online and connected.

The Trust called nine events for the small battery and EV managed charging measures during the 2024 summer capacity season on days with forecasted peak demand on the grid. July 16, 2024, was the peak day on the grid, and these measures reduced the peak load by 272 kW. Staff coordinated with various vendors throughout the state and participated in events to market this program to customers who had already installed battery arrays and EV chargers.

Overall, the program's managed EV charging and small battery initiatives did not scale up to the level the Trust had hoped. The Trust therefore paused these measures in FY2025 while it works on developing improvements to the program design to be ready for a relaunch in FY2026.

Demand Management Program

Efficiency Maine forged new ground in FY2025 when it debuted its Off-Peak Electric Vehicle Charger instant discount. The offer aims to help manage the impacts of Maine's transition to electric vehicles on the electric grid. An "off-peak" charger uses software to ensure that the timing of the charging session occurs when the grid has plenty of capacity. Charging during off-peak hours helps to manage electricity costs by minimizing the need to run the state's most expensive power plants and by deferring future grid upgrades. Off-peak chargers pause the charging process during the grid's periods of peak demand, which in Maine occurs Monday through Friday from 5 p.m. to 9 p.m. Customers may override the program any time they need to charge during this period. Efficiency Maine is encouraging the use of off-peak chargers to help lower the load on the grid during these peak periods.

[59] The program compensates Program Partners for actual, validated savings only.

In April of FY2025, the Trust launched a new off-peak charger measure: an instant discount on chargers that are permanently pre-programmed to operate off-peak. The discounted charger operates normally during off-peak hours and pauses charging during peak hours (5:00 p.m. to 9:00 p.m. weekdays). If a customer needs to charge during peak hours, they can override the default for the day, and the charger will return to its off-peak schedule the following day. Initial interest in this new measure was strong, and by the end of FY2025 there were 88 commissioned chargers. Since this new measure was implemented, 99% of charging sessions on commissioned chargers have occurred off-peak.

Large Battery Initiative

In addition to the Demand Response Initiative and the Load Shifting Initiative, the Trust transitioned its Energy Storage System Innovation Pilot Project to a standing initiative, referred to as the Large Battery Initiative, in the Demand Management Program. The Trust did not make any new awards in FY2025. One project was rejected for lack of load during typical peak demand periods, and another is still under review. The Trust attributes this lack of activity in part to uncertainty with federal tax credits, which are an important part of the business case for these projects, and tariffs.

FY2026 Plans

Demand Response Initiative

- Oversee a portfolio of approximately 15 MW of curtailable load for the 2025 summer capacity season.
- Implement an optimized customer enrollment and tracking system.

Load Shifting Initiative

- Accelerate marketing and outreach for the off-peak charger measure.
- Work with battery manufacturers, third-party operators, and installers to collaboratively develop and launch a redesigned initiative targeting small batteries.

Large Battery Initiative

- Conduct targeted outreach to manufacturers and large municipal facilities leveraging economic analysis using new rates from Central Maine Power as of July 1, 2025.

Other Initiatives

In FY2025, the Trust spearheaded the implementation of several miscellaneous initiatives, some of which leverage or supplement the Trust's existing programs, and others that stand on their own with unique characteristics. A brief description of these initiatives follows.

Efficiency Maine Green Bank

In 2012, the Trust launched its first suite of loan products to help Mainers finance clean energy and energy efficiency projects in their homes, followed in subsequent years by loans and lease products catering to small businesses, municipalities, schools, and low-income households. In 2021, the Maine Legislature enacted Public Law, Chapter 358, authorizing the establishment of a more comprehensive financing program at the Trust.[60] Collectively, these financing initiatives are administered under the umbrella of the Efficiency Maine Green Bank. Efficiency Maine Green Bank initiatives are generally designed to drive private capital into market gaps for energy efficiency and clean energy equipment and services. These initiatives serve as an important complement to the Trust's other financial incentives (e.g., rebates, instant discounts) and technical assistance to Maine's residents, businesses, and institutions.

In late 2022, Congress passed the Inflation Reduction Act. A provision of the IRA authorized the U.S. Environmental Protection Agency (EPA) to implement the Greenhouse Gas Reduction Fund (GGRF), a historic $27 billion investment to facilitate development of energy efficiency and clean energy projects. EPA awarded funds through three grant competitions in 2024: the $14 billion National Clean Investment Fund (NCIF), the $6 billion Clean Communities Investment Accelerator (CCIA), and the $7 billion Solar for All competition. The Trust aligned with one lead applicant in the NCIF competition—the Coalition for Green Capital (CGC)—which was one of three proposals nationally to receive an NCIF award and to complete a signed agreement with EPA.

In early FY2025, staff executed agreements with CGC for a $15 million grant and a $10 million loan using these NCIF funds to support the Efficiency Maine Green Bank. The Trust's NCIF funds, along with those of other green banks, were transferred to Citibank in preparation for mid-year deployment. Subsequently, the new federal administration froze the accounts at Citibank before the Efficiency Maine Green Bank was able to access any of these funds. The Trust has worked with the Office of the Maine Attorney General to join a complaint filed against EPA and Citibank seeking to have the funds released. The case is on appeal.

Despite this delay and uncertainty, the Trust continued its ongoing work to expand the Efficiency Maine Green Bank's finance initiatives and administrative capacity. If the Trust is able to access the new funds from the NCIF, it will have the capital to double the size of the Efficiency Maine Green Bank's portfolio,

[60] Public Law, Chapter 358, 130th Maine State Legislature, First Special Session, Legislative Document (LD) 1659, An Act To Create the Maine Clean Energy and Sustainability Accelerator.

enabling new offerings while also bringing more complex administrative requirements. In part to support this expansion, the Trust commissioned a new online lending platform and brought on a new provider for lending services in FY2024. In FY2025, the Trust onboarded the new service providers and then transferred all underwriting and servicing for any new loans (made through its existing finance initiatives) to the new lending platform and service providers. Staff planned and managed a smooth process for participating RRVs to transition to the new system, overseeing the development of training guides, holding office hours, and performing targeted outreach. Within four months, the Trust onboarded 60 RRVs (130 users), with an additional 40 RRVs in process at the end of the year. Active RRVs now include the top performers associated with more than 90% of all rebates issued through the Home Energy Savings Program and Low-Income Initiatives.

Trust staff also continued to foster strong relationships with members of the green bank community from across the country in FY2025, helping to organize a negotiating block for GGRF implementation and to establish a network for exchanging experiences and best practices. These efforts helped to build the Efficiency Maine Green Bank's reputation among its peer organizations. The Efficiency Maine Green Bank joined the newly formed U.S. Green Bank 50 and the American Green Bank Network, and the Trust's staff has played an active role. Additionally, staff continued to cultivate relationships with public financing stakeholders within Maine, including the Finance Authority of Maine, Maine Municipal Bond Bank, Maine Bureau of Consumer Credit Protection, Maine Bankers Association, Maine Credit Union League, and Coastal Enterprises, Inc.

The Trust also continued to explore alternative sources of Efficiency Maine Green Bank capital in FY2025, both to backfill the delay or potential loss of GGRF funding, and to supplement its investments if GGRF funds are fully deployed. Staff considered opportunities to leverage third-party capital through Maine's local lending community (e.g., community banks and credit unions), fostering valuable working relationships with a number of local contacts, orienting potential partners, and seeking feedback on program design options. The Trust also initiated the application process for funding through the U.S. Department of Agriculture's Rural Energy Savings Program.

In addition to planning for expansion during FY2025, the Trust continued to manage its existing finance initiatives. The full suite of Efficiency Maine Green Bank offerings and related FY2025 activity is described in the subsections below.

Home Energy Loans

The Trust leverages its Residential Revolving Loan Fund[61] to offer home energy loans that help homeowners pay for energy upgrades on favorable terms. The loan types include Property Assessed Clean Energy (PACE) loans, which are secured by a lien on a property, and unsecured Home Energy Loans. In early FY2023, as market interest rates rose, demand for these relatively low-interest loans began exceeding historical patterns and depleting the pool of available capital. In response, the Trust

[61] The Residential Revolving Loan Fund was originally capitalized with federal funds from the American Recovery and Reinvestment Act in 2010. It has since been supplemented with RGGI funds.

restricted availability of residential loans to income-eligible applicants at the half-way point of FY2023 and maintained this limitation throughout FY2024.

As the capital pool was replenished over time, the Trust reinstated its loan offerings for all income levels in December of FY2025. It limited all residential loans to heat pump and weatherization projects. Over the course of the year, the Trust loaned approximately $2.2 million to residential customers, facilitating 329 projects. Of this, the Trust loaned over $1.1 million to income-eligible customers, facilitating 243 projects in income-eligible homes. All loans were unsecured Home Energy Loans; the Trust did not issue any PACE loans in FY2025.

Small Business Energy Loans

In FY2025, the Trust used its Small Business Loan Fund to offer loans to businesses participating in the Small Business Initiative (SBI)—a targeted initiative of the C&I Prescriptive Initiatives. Consistent with SBI requirements, any business having a peak electrical demand of 50 kW or less was able to access this financing to help in upgrading to high-performance heat pumps and VRF systems. The Trust did not see any activity in this finance initiative in FY2025. Staff is actively exploring ways to increase participation in FY2026, including by expanding the types of eligible projects, and adjusting term lengths, interest rates, and maximum loan amounts.

Commercial Property Assessed Clean Energy

C-PACE is a financing model that enables a commercial property owner to place a special assessment on their property to finance energy efficiency upgrades and renewable energy installations. This assessment is collected through the municipal property tax bill. In 2021, the Legislature enacted LD 340, An Act To Allow for the Establishment of Commercial Property Assessed Clean Energy Programs, enabling municipalities in Maine to establish this type of offering in their jurisdictions through passage of a local ordinance.[62] The legislation authorizes the Trust to administer a C-PACE program. It allows a C-PACE loan to cover up to 100% of the cost of a qualifying energy-saving improvement, including audits, project development, and application fees.

The Trust launched the C-PACE program in FY2023 and worked with interested municipalities and capital providers to recruit their participation. The first municipalities to opt in to the program passed their ordinances in early FY2024. In FY2025, the Trust continued to meet with interested municipalities and local lenders to facilitate their understanding and adoption of the program. By the end of the year, the Trust had onboarded 3 participating municipalities, bringing the total to 14. It did not add any new registered capital providers; the total remains at three. To date, the program has approved three project applications representing over $8.6 million in financing.

Municipal Lease

A municipal lease, sometimes referred to as a tax-exempt lease purchase, is a contract that allows an entity to obtain the use of equipment without incurring debt. A municipal lease is an effective alternative to traditional debt financing (e.g., bonds, loans) because it allows a public organization to pay

[62] Public Law, Chapter 142, 130th Maine State Legislature, First Special Session, LD 340, An Act To Allow the Establishment of Commercial Property Assessed Clean Energy Programs.

for energy upgrades by using funds already set aside in its annual operating budget. This arrangement enables the government entity to use utility bill savings to help pay for the financing costs on the lease. This mechanism lowers the upfront cost of a project (typically to $0), spreads the costs of the project over several years, and leverages tax-exempt interest rates.

The Trust launched a municipal lease offering near the end of FY2023. Through this finance initiative, the Trust pairs eligible Efficiency Maine program participants with private, Maine-based lenders that provide this type of financing. Eligible participants include Maine municipalities or public PreK-12 schools (or school districts) under the Maine Department of Education. The Trust did not see any new activity in this initiative in FY2025.

Manufactured (Mobile) Home Initiative Loan

As described in the Low-Income Initiatives section, the Manufactured (Mobile) Home Initiative provides incentives for whole-home heat pump system retrofits in manufactured homes. In FY2024, the Trust provided a lease option for customers to cover their 20% share of upfront project costs. Under this original design, the participant had the option to purchase the equipment for $1 after the payment obligations have been completed. Additionally, the Trust fully warrantied the working operation of the heat pump during this lease period. In FY2025, the Trust transitioned this offering to a loan (instead of a lease), requiring that participating installers provide customers a full five-year warranty on parts and labor. The loan approach more clearly establishes customer ownership of and responsibility for the equipment from the beginning. Under this revised design, participants may borrow $2,500 at 0% interest for 50 months to pay for their share of the upfront project cost. In FY2025, 23 of the 32 participants in the Manufactured (Mobile) Home Initiative selected a financing option.

Targeted Initiative for Congregate Living Facilities

In FY2025, the Trust launched a targeted financing opportunity for congregate living facilities leveraging funds from the federal Energy Efficiency Revolving Loan Fund Capitalization Grant Program.[63] Congregate living (including supervised group living facilities, such as long-term care, group home, and supportive housing facilities) is a challenging market segment for energy efficiency. These facilities operate 24/7 and have significant and costly energy consumption. Additionally, many facilities are small businesses operating on tight margins, making investments in new energy efficient equipment challenging. Many facilities also lack the in-house capacity to identify and scope out energy efficiency investment priorities.

In its current iteration, this initiative is designed to facilitate beneficial electrification projects specifically in long-term care facilities with fossil fuel-fired HVAC systems. Eligible participants can access low-cost financing for their balance of project costs after an Efficiency Maine incentive through the C&I Prescriptive Initiatives or the C&I Custom Program. Per the federal program rules, participants must complete a comprehensive energy audit before accessing this financing. The Trust provides a loan for

[63] For additional detail, see the Finance and Administration – Funding Sources section.

this energy audit prerequisite, and a subsequent grant to pay it off in full if the participant implements a beneficial electrification project.

Non-Wires Alternatives

In 2019, the Legislature enacted LD 1181, An Act to Reduce Electricity Costs through Nonwires Alternatives, amending the process for planning and approving investments in the electric utilities' T&D systems.[64] The law established a formal, independent process for the consideration of non-wires alternatives (NWAs) by the Maine Public Utilities Commission, and an NWA coordinator (NWAC) position within the Office of the Public Advocate (OPA) to review annual plans and individual project proposals.[65] As part of the process, the Trust was assigned to develop and deliver all customer-sited NWA resources (such as energy efficiency or energy storage) that are determined to be more cost-effective than the proposed T&D system investments.

In FY2025's reviews, cost-effective NWAs were not available due to a combination of asset condition replacements, customer-funded interconnections, and the higher cost of non-wires alternatives. For all reviews, the NWAC works with the utility and Efficiency Maine to determine whether the needs that led to the proposed transmission, distribution, or substation project could be met cost-effectively using NWAs. The NWAC provides an objective electrical engineering overview of utility data underlying the need for each project.

The Trust did not identify any behind-the-meter solutions that were cost-effective in FY2025.

The NWA-related cases that were active in front of the PUC in FY2025 included:

- Docket No. 2024-00105 – Request for Approval Regarding Church Hill Solar Project Pursuant to 35-A Maine Revised Statutes Annotated (M.R.S.A.) 3132-A Pertaining to Central Maine Power;
- Docket No. 2024-00263 – Request for Approval Regarding Emery Meadow Solar Project Pursuant to 35-A M.R.S.A. 3132-A Pertaining to Central Maine Power Company;
- Docket No. 2024-00304 – Request for Approval Regarding Section 110 Rebuild Pursuant to 35-A M.R.S.A. 3132-A Pertaining to Central Maine Power Company;
- Docket No. 2024-00308 – Request for Approval Regarding Section 110 Rebuild Pursuant to 35-A M.R.S.A. 3132-A Pertaining to Central Maine Power Company - Bolt Hill Substation Project;
- Docket No. 2024-00321 – Commission Initiated Inquiry of Non-wires Alternative Information Repository; and
- Docket No. 2024-00371 – Request for Approval Regarding Warren Meadow and Knox Solar Interconnection Project Pursuant to 35-A M.R.S.A. 3132-A Pertaining to Central Maine Power Company; and

[64] Public Law, Chapter 298, 129th Maine State Legislature, First Regular Session, LD 1181, An Act to Reduce Electricity Costs through Nonwires Alternatives.
[65] 35-A MRS §3131-3134.

- Docket No. 2025-00166 – Request for Approval Regarding Detroit-Guilford and Carmel Area Upgrades Pursuant To 35-A M.R.S.A. 3132-A Pertaining to Central Maine Power

Renewables

For the past decade, the Trust administered the Renewable Energy Demonstration Grants program to support the promotion, research, design, and demonstration of emerging clean energy technologies. The initiative was funded by the Energy Efficiency and Renewable Resource Fund (EERRF), a revenue stream comprising voluntary contributions from electric ratepayers, as well as funds from electricity suppliers that elect to meet their renewable portfolio standard obligations through alternative compliance payments (ACPs).[66] Projects were selected through a competitive bidding process; grant awards were provided for applications of renewable energy technologies that demonstrate uses for renewable technologies and that support community facilities. Past projects have included solar photovoltaic installations, solar hot-air systems, biomass boilers, and district heating. The last request for proposals (RFP) was issued in FY2018; the Trust finalized one remaining project awarded under that RFP in FY2022.

In FY2023, the Legislature enacted LD 187, An Act to Eliminate the Energy Efficiency and Renewable Resource Fund and to Provide Needs-based Low-income Assistance.[67] This bill emerged in part from a legislative recommendation in the Trust's FY2022 Annual Report. There, the Trust noted that revenue from the fund had been so low and sporadic that for several years in a row it had insufficient funds to justify offering a competitive solicitation. The Trust also pointed out that Maine's policies to promote renewable energy had evolved to dwarf what the fund could offer. The Legislature agreed with this assessment; LD 187 discontinued the EERRF, eliminated the voluntary ratepayer contributions, and redirected future ACP revenues to the T&D utilities to provide financial assistance to low-income households.

With the passage of this bill, the Trust sought to invest the remaining EERRF fund balance for a constructive purpose consistent with the statutory provisions and the rules of the EERRF. To that end, the Trust decided to use EERRF funds to rebate the equipment costs associated with additional retrofits of heat pump/storage tank systems through the Innovation Program's Hydronic Heat Pump with Thermal Storage Pilot.[68]

Lead by Example Initiative

In FY2022, the Trust coordinated with the Bureau of General Services, GEO, and GOPIF to launch an initiative to promote the increased installation and use of clean, cost-effective energy measures at state

[66] See 35-A MRS §10121.
[67] Public Law, Chapter 306, 131st Maine State Legislature, LD 187, An Act to Eliminate the Energy Efficiency and Renewable Resource Fund and to Provide Needs-based Low-income Assistance.
[68] For more information on this pilot, see the Innovation section.

properties. The Trust refers to this as the "Lead by Example" Initiative.[69] Per a Memorandum of Understanding (MOU) between the Trust and the Office of the Attorney General for the State of Maine and the Commissioner of the Department of Administrative and Financial Services (DAFS), the Trust was initially authorized to use approximately $3.7 million in Volkswagen Settlement Funds to support this initiative. (This MOU was amended in FY2024 so that $1.8 million of these funds could go directly to DAFS to develop and fund clean energy projects.) The Trust's role under the initiative is to provide initial project screening, technical assistance, and enhanced financial incentives for energy upgrades at state properties. The Trust has focused its efforts on projects to convert Maine state buildings currently heated with oil or propane to heat pump-based systems as a means to lower operating costs and reduce greenhouse gas emissions.

The Trust committed its remaining Lead by Example funds in FY2025 with a $672,272 award to the Department of Marine Resources' West Boothbay Facility. The West Boothbay Facility project is notable because the design calls for water source heat pumps using ocean water as an energy source. The facility circulates ocean water continuously for the aquariums, and a heat exchanger will be installed to serve the planned heat pumps, which will heat and cool the building. The project also includes ventilation controls for the lab spaces and targeted weatherization measures.

The Trust also closed out one project in FY2025 that was awarded in a prior year. The Department of Education installed a multi-zone VRF system and electric hot water heaters at the Edmunds Consolidated School located in Dennysville, offsetting the use of fuel oil and propane used for space and water heating. The Trust expects to close out the two remaining awarded projects in FY2026.

Thermal Energy Investment Program

In 2021, the Legislature enacted LD 597, An Act to Establish the Thermal Energy Investment Program, requiring the Trust to establish a new program to provide incentives and loans to businesses, municipalities, educational institutions, and non-profit entities for the installation of new thermal energy-derived projects.[70] The goal of the legislation is to strengthen the state's forest products industry and lower energy costs by increasing the efficient use of thermal energy production. Thermal energy-derived projects are defined in the statute as projects that produce thermal energy and thermal renewable energy credits (TRECs) under Maine's renewable portfolio standard, such as wood-fueled combined heat and power or the conversion of fossil fuel-fired boilers to wood-fueled boilers or boilers using biofuels derived from wood. The statute does not stipulate any cost-effectiveness requirements for these projects. The new law provides that the Thermal Energy Investment Fund will be funded through ACPs from electricity suppliers that fail to secure their required quota of TRECs.[71]

[69] The Trust's effort focusing on energy in state buildings is one element of a broader initiative, of the same name, overseen by GOPIF and working to reduce carbon emissions across a wide range of activities in state government. See Organizational Initiatives and Collaborations – Lead by Example for more information.
[70] 35-A MRS §10128.
[71] 35-A MRS §3210(9)(C).

The Trust launched the Thermal Energy Investment Program in December of FY2023. The program provides an incentive of 35% of project costs, with an additional 10% incentive for projects that include the installation of advanced emission controls or energy meters. The program closed two projects (totaling $7,904 in incentives) and pre-approved five others (totaling $616,525 in incentives) during FY2025.

E-Bike Pilot

In 2023, the Legislature enacted LD 22, An Act to Add Electric Bicycles to the Electric Vehicle Rebate Program, directing the Trust to explore incentivizing e-bikes for low-income and moderate-income Mainers and for entities that serve those individuals.[72] In response, the Trust launched a competitive solicitation in FY2024 for e-bike projects from organizations serving low-income Mainers. Three applicants—Lewiston Housing Authority, Portland Housing Authority, and South Portland Housing Authority—were awarded grants. In FY2024, Portland Housing Authority purchased eight e-bikes for their employees to use for travel between their properties. In FY2025, Lewiston Housing Authority and South Portland Housing Authority purchased six and nine e-bikes, respectively, for shared use by their residents. The Trust will survey e-bike users in FY2026, and again in FY2027. The Trust will then review these findings to consider future e-bike initiatives.

School Decarbonization Program

Prior to 2021, the statute required the Trust to administer the School Energy Savings Program, providing incentives and technical support for energy audits, as well as incentives for energy-saving measures at PreK-12 schools in Maine. In 2021, the Legislature enacted LD 815, An Act to Support School Decarbonization, expanding the scope of this program to provide more comprehensive technical and financial support to help K-12 schools become carbon neutral.[73] The bill renamed the initiative the School Decarbonization Program and allowed the Trust to facilitate access to, and cost-share, a variety of "professional services" beyond energy audits, including technical support, financing, and legal services. Late in FY2022, the Trust launched a School Decarbonization Technical Assistance Program that provides a cost share for engineering studies and professional services to negotiate power purchase agreements on projects to electrify a school's heating system. The Trust also assigned a staff member to serve as the primary point of contact for schools; this person assesses each school's inquiry on a case-by-case basis, directing them to the Trust's existing program offerings where appropriate and facilitating access to professional services as requested. In FY2025, the point of contact connected a number of school representatives with the targeted opportunity for PreK-12 schools offered under the C&I Prescriptive Initiatives. The Trust also provided Maine School Administrative District (MSAD) 17 an

[72] Public Law, Chapter 140, 131st Maine State Legislature, First Special Session, LD 22, An Act to Add Electric Bicycles to the Electric Vehicle Rebate Program.
[73] Public Law, Chapter 152, 130th Maine State Legislature, First Special Session, LD 815, An Act To Support School Decarbonization.

incentive under the School Decarbonization Technical Assistance Program to support the development of a solar power purchase agreement.

Medium- and Heavy-Duty Vehicle Pilot

In 2024, the Legislature enacted LD 122, An Act to Update the Electric Vehicle Rebate Program and to Establish a Pilot Program to Support the Uptake of Medium Duty and Heavy Duty Zero-emission Vehicles.[74] As the name implies, part of this bill required that the Trust establish a pilot program to provide incentives for electric, commercial medium- and heavy-duty vehicles (MHDVs). The Trust launched an initial funding opportunity for MHDVs in July 2024 and a second funding opportunity in August 2025. Between the two funding opportunities, the Trust awarded grants to five Maine businesses in the solar, HVAC, and asbestos abatement industries. Altogether, these grant recipients purchased four Class 3 vehicles and three Class 4 vehicles. The Trust is working with the grant recipients to monitor vehicle performance and will submit a report on this pilot to the Legislature by December 31, 2026.

Fuel Tank Removal

The Maine DEP funds a program to remove fuel tanks. As described in the Low-Income Initiatives section, the Manufactured (Mobile) Home Initiative provides incentives to low-income residents retrofitting existing fossil fuel furnaces with central heat pump systems that leverage the home's existing ductwork. In FY2025, at the request of the DEP, the Trust began administering the DEP-funded $800 incentive for fuel tank removal, with half of the incentive going to the contractor and the other half to the customer. This new offering helped address what, for some, is a barrier to participation—the cost and inconvenience associated with removing and disposing of an old fuel tank. Overall, 11 of the year's 32 participants opted for the DEP fuel tank removal incentive.

[74] Public Law, Chapter 535, 131st Maine State Legislature, Second Regular Session, LD 122, An Act to Update the Electric Vehicle Rebate Program and to Establish a Pilot Program to Support the Uptake of Medium Duty and Heavy Duty Zero-emission Vehicles.

Strategic Initiatives

Evaluation, Measurement, and Verification

The Trust's evaluation, measurement, and verification (EM&V) activities provide research and data-driven analysis to inform program design and delivery strategies, verify program results, and facilitate continuous program and organizational improvement. The Trust carries out these activities using a combination of in-house initiatives and subcontracted, independent third-party reviews performed by firms that specialize in the evaluation of energy efficiency programs.

FY2025 Activities

Following are some EM&V activity highlights for FY2025:

- *Triennial Plan Drafts and Proceedings*: Staff prepared materials for the Trust's filings at the PUC related to the strategic plan currently in effect (Triennial Plan V), including the FY2025 Annual Update. Staff also drafted and presented the new Triennial Plan VI draft and supporting studies to stakeholders and the Board of Trustees, and subsequently to the PUC. The PUC approved Triennial Plan VI as part of Docket 2024-00310 in April 2025.
- *Technical Reference Manual (TRM) Updates*: The Trust's TRMs memorialize the methods and assumptions used to calculate energy savings and demand savings. The Trust made updates to the TRM assumptions as new information became available in order to improve the accuracy of claimed savings.
- *Forward Capacity Market Measurement and Verification (M&V) Compliance Review*: The Trust completed its annual FCM M&V Compliance Review. The review found that the Trust's methods and assumptions for calculating peak summer demand savings at the portfolio level were estimated at ±2.4% relative precision with 80% confidence, exceeding the requirement of the Independent System Operator for New England (ISO-NE). Winter demand savings were calculated at ±6.98% relative precision. The ISO-NE standard is that the relative precision of the portfolio not exceed ±10% with 80% confidence. The review team also found that the metering equipment used by the Trust to measure distributed generation assets was FCM compliant.
- *Program Evaluations*:
    - Finalized the C&I Custom Program Evaluation. The study showed that the program was very accurate at estimating the impact of measures. The only notable discrepancy related to efficient snowmaking equipment projects, where the program did not fully capture (underestimated) the winter demand savings. The evaluation also found very low levels of free ridership and spillover, generating a net-to-gross ratio of 94.42%.
    - Launched the Impact Evaluation of Heat Pump Water Heater and Electronically Commutated Motor Circulator Pump Measures.
    - Launched the Impact Evaluation of Weatherization Programs.
    - Launched the Impact Evaluation of Electric Vehicle Measures.
- *Studies*: Launched the Whole-Home Heat Pump Metering study. This project will assess the usage of whole-home heat pumps and any supplemental heating sources in homes, as well as calibrate heat impact modeling that uses utility interval data.

- *effRT 3.0*: The Trust continued to invest in improvements to effRT, the multiprogram database that supports the Trust's reporting and project activity tracking, to improve data accuracy and application processing. The Trust engaged the services of SaaS E Solutions to migrate the effRT 2.0 database to Microsoft Azure, a cloud-based, secure hosting solution. The migration to effRT 3.0 was completed in early 2025 with little disruption to rebate processing.

FY2026 Plans

- Conclude and publish the Impact Evaluation of Heat Pump Water Heater and Electronically Commutated Motor Circulator Pump Measures.
- Conclude and publish the Impact Evaluation of Weatherization Programs.
- Complete the annual, independent FCM M&V Compliance Review.
- Continue to monitor the Impact Evaluation of Electric Vehicle Measures (expected to conclude in FY2027).
- Conclude and publish the Whole-Home Heat Pump Metering study.
- Launch study of heat pump system usage in schools.
- Publish periodic updates to the TRMs as new information becomes available.
- Roll out real-time, ongoing customer surveys on programs.
- Continue to invest in improvements to the effRT database to streamline processes and improve data quality.
- Seek opportunities to continue expanding the use of modern analytics and interval data from electric utilities in the performance of the Trust's EM&V activities.

Innovation

The Trust's Innovation Program provides funding to conduct pilot projects that demonstrate new types of energy efficiency, demand management, or alternative energy measures, and new strategies for promoting such measures. The program focuses on measures that show significant potential to be cost-effective and to provide energy savings or greenhouse gas savings but are not yet well understood or established in the Maine marketplace. The measures piloted may or may not prove to be cost-effective or popular. One purpose of the Innovation Program is to use smaller projects to generate findings about cost-effectiveness and market demand before making larger commitments of resources that a full-scale program entails.

FY2025 Activities

Following are some Innovation Program activity highlights for FY2025:

- Completed recruitment for the expanded Whole-Home Heat Pump Solutions Pilot and conducted testing and metering analysis throughout the winter heating months.
- Added two new test sites for the Hydronic Heat Pump with Thermal Storage Pilot, monitoring a total of five test sites over the course of the year.
- Launched a Program Opportunity Notice (PON) for a Device Aggregator Pilot.

FY2025 Results

The Trust did not finalize any Innovation pilots during FY2025. Preliminary findings for ongoing pilot projects are described below in the FY2025 Analysis section.

FY2025 Analysis

The Trust continued the Whole-Home Heat Pump Solutions Pilot in FY2025. This pilot aims to identify and test whole-home heat pump solutions that can directly replace an existing home heating system. By the end of FY2023, the pilot had installed whole-home heat pump systems and was monitoring their performance in more than 30 manufactured homes and 10 stick-built homes. The Trust saw heat pumps in ducted, manufactured home installations work at all temperatures observed in Maine's three warmer climate zones, including temperatures lower than -15°F.

Based on these results, in FY2024 the Trust transitioned the manufactured home initiative from a pilot to a standing program offering under Low-Income Initiatives for homes located in the three warmer climate zones. That program (now referred to as the Manufactured [Mobile] Home Initiative) limits eligibility to single-wide manufactured homes in Maine's three warmer climate zones. The Trust simultaneously expanded the Innovation pilot in FY2024, and continued this expansion in FY2025, installing systems at additional sites facing more challenging conditions, such as in double-wide manufactured homes and manufactured homes located in the colder climate zone north of Bangor. It also expanded the pilot to test an alternative configuration of heat pumps that requires an outdoor heat pump unit but utilizes the blower of the existing furnace. In FY2025, the team began reviewing performance of these systems and conducting a metering analysis in 19 pilot homes.

Also in FY2025, the Trust continued its Hydronic Heat Pump with Thermal Storage Pilot to identify and test retrofitting one or more types of hydronic heat pumps with thermal storage to fully heat homes that use existing hydronic distribution systems (i.e., "forced hot water" radiators). The heat pump systems must be designed to supply 100% of the heat load of an existing structure currently heated by a boiler combusting a delivered fuel, such as heating oil, and distributing the heat through the existing hydronic system. The heating systems deployed through the pilot include an air-to-water heat pump, multiple thermal storage tanks, and can support an electric boost element. The components are connected to a supervisory control and data acquisition (SCADA) system that maintains resident comfort and would be capable of responding to a variety of hypothetical grid conditions. By the end of FY2025, the pilot had enrolled a total of five test homes — each an average-size home in Millinocket. This pilot will allow for proof of concept for several improvements to heating homes in Maine. The most obvious potential improvement is the simple benefit of distributing heat from a heat pump throughout all parts of a home by re-using the home's existing radiators. This approach can reduce the total project cost of switching to heat pumps and improve comfort in the home. A second improvement relates to using thermal storage to maintain the indoor temperature even when the outdoor temperature sinks to extreme lows. A third improvement is that the system can also maintain indoor temperature even when the heat pump is turned off to reduce peak demand and take advantage of lower Time of Use rates for electricity *distribution*. A fourth potential benefit is that, when located in a geographic area where significant amounts of wind power are driving negative real-time electricity prices in the winter months, the homeowner could theoretically, in the future, benefit from heating with lower Time of Use rates for electricity *supply*.

In FY2025, temperatures in Millinocket dropped below zero degrees without any issues in operation or comfort inside the pilot homes. Additionally, the team successfully tested the ability of the system to react to price forecasts and demonstrate future optimization potential.

The Trust opened a PON in FY2025 for the Device Aggregator Pilot. This pilot, run through the Trust's Innovation program, sought applications from aggregators for demand response allocations to test the effectiveness of device-level aggregators to shift load away from high-cost periods as defined by the Trust. The Post Road Foundation applied to the pilot and was pre-approved as one such aggregator. In this role, they support a specific effort known as the Maine Transactive Energy Pilot (MTEP). MTEP is a project that is supported in part by a grant from the U.S. Department of Energy-sponsored project called Evaluating Transactive Energy for Rural America. The goal of their effort is to create an enhanced "prices-from-devices" transactive energy software platform in Maine, called the Transactive Energy Service System.

FY2026 Plans

- Continue to expand the Whole-Home Heat Pump Solutions Pilot, completing additional installations in double-wide manufactured homes and manufactured homes located farther north in colder parts of the state, and testing an alternative configuration of heat pumps that requires an outdoor heat pump unit but utilizes the blower of the existing furnace. Also, conduct additional tests and design improvements as necessary and analyze and report on results across all phases of the pilot.

- Expand the Hydronic Heat Pump with Thermal Storage Pilot by enrolling additional test sites. Explore design improvements to streamline process and reduce costs. Consider testing pilot model with a consumer-owned utility or municipal utility.
- Complete the Device Aggregator Pilot and begin to evaluate pilot results.
- Identify ideas for new innovation or expanded pilots, with a particular focus on investing the innovation budget under Maine's federal Climate Pollution Reduction Grant award. Issue solicitations, as appropriate.

Public Information and Outreach

The Trust engages in a range of marketing and outreach activities across all its programs to reach a wide variety of customers across the State of Maine. Through efforts such as the Trust's website, media relations, social media, events, targeted mailings, and more, the Trust provides Maine residents and businesses with information about its rebates and programs, as well as general energy information and education. These marketing efforts help to increase awareness among Maine residents and businesses of the benefits of cost-effective efficient technologies, energy resources, and operating practices. The Trust provides guidance on how to access its rebates and programs, as well as promotes workforce development and professional training relevant to energy efficiency. Additionally, as Maine's energy efficiency program administrator, the Trust is frequently called upon to participate in energy-related events and to provide input on energy policy discussions.

FY2025 Activities

Following are some program activity highlights for FY2025, in addition to those described earlier within the individual program sections:

Events

- Presented at more than 85 events, including events for Maine businesses and residents, such as energy industry forums, and state, regional, and national conferences on heat pumps, electric vehicles, and beneficial electrification.
- Hosted Efficiency Maine's Annual Event celebrating the Trust's trade allies and hosting more than 160 electricians, plumbers, heating system installers, insulation technicians, distributors, retailers, manufacturers, business owners, electric vehicle dealers, and other stakeholders.

Web Resources

- Enhanced informational web resources (available on the Efficiency Maine website—efficiencymaine.com) about electric vehicles (EVs); the Efficiency Maine Green Bank; the Commercial and Industrial Custom Program; and, more generally, residential, commercial, and industrial solutions. The homepage now features a "feed" at the very bottom of the page that highlights press releases, blog posts, and case studies. The website also features helpful online energy calculator tools for heating, water heating, and energy efficiency. Over the course of FY2025, the website averaged 132,000 visits per month.

Trainings

Expanded and continued to offer educational and training resources online and in person by:

- Continuing to offer online training for Residential Registered Vendors and Qualified Partners;
- Continuing to offer training for dealerships participating in EV Initiatives; and
- Regularly supporting courses for heat pump installers at Maine community colleges, distributors, and professional associations.

Media Outreach and Advertising

- Participated in media interviews on beneficial electrification, energy efficiency, Efficiency Maine programs, and federal funding, including TV and radio news segments, and articles in more than 95 state and national media outlets.
- Enhanced media outreach, social media activity, and media events to publicize the benefits of existing programs and to amplify positive media coverage.
- Leveraged digital advertising and social media platforms to advertise rebates, drive potential participants to the website, answer customer questions, and promote word-of-mouth information exchange among program participants and vendors.

Call Center

- Answered customer inquiries related to the Trust's programs through the Trust's call center staffed by customer service agents. In FY2025, the call center averaged more than 2,600 calls per month and answered 96% of them within 20 seconds. The call center also received an average of 500 letters and 1,200 emails per month.
- Scheduled quality assurance inspections, conducted website testing, fulfilled requests for print materials, and handled business reply mail inquiries for income-eligible initiatives.

Heat Pump Information Kits

- Shared heat pump tips and informational kits with heat pump rebate recipients. Over the course of FY2025, more than 11,056 kits were shipped to residential and commercial rebate recipients. The Trust also mailed and emailed seasonal heat pump tips to all heat pump rebate recipients.

FY2026 Plans

- Support beneficial electrification as an ongoing priority through outreach, press, and events.
- Support the communications and information needs of the Trust's expanding initiatives, including the Efficiency Maine Green Bank, the Demand Management Program, and EV Initiatives.
- Support the communications needs of the Trust's federally funded initiatives.
- Develop and provide educational resources on key solutions and technologies. This will include supporting new initiatives to promote off-peak EV charging; continuing to distribute heat pump kits to heat pump rebate recipients; and providing educational resources for heat pump installers, commercial HVAC contractors, and participating EV dealers.
- Continue to respond to media inquiries from news outlets interested in learning more about Efficiency Maine's programs or seeking commentary on energy topics.
- Participate in symposiums, conferences, and industry forums to share program information and Efficiency Maine's data analysis with efficiency professionals, government officials, and potential customers.

Finance and Administration

Funding Sources

The Trust planned for, received, and expended funds in FY2025 from a variety of sources. Below are brief descriptions of the Trust's funding sources and how they are invested through Efficiency Maine's major programs and other initiatives.

Electric Efficiency Procurement

Electric Efficiency Procurement funds come from payments that electric utilities make directly to the Trust for the procurement of (1) electrical energy efficiency measures that are cost-effective, and (2) beneficial electrification measures that are both cost-effective and that reliably reduce electricity rates over the life of the measure.[75] The amount of funding the Trust receives is determined by the budget needed to capture the maximum achievable cost-effective (MACE) energy efficiency and beneficial electrification potential approved by the Maine PUC. The dollar value of the total procurement cannot exceed 4% of total retail electricity transmission and distribution sales in Maine (as determined by the PUC). Where available and appropriate, the Trust allocates a portion of other funding sources to offset some of the utility procurement necessary to capture MACE potential.

Maine's electricity customers who take service at the transmission and sub-transmission level do not contribute to and are ineligible for funding from the Electric Efficiency Procurement, but they do contribute to, and are generally eligible for, other funds at the Trust.

Natural Gas Efficiency Procurement

Natural Gas Efficiency Procurement funds come from natural gas distribution utilities. Similar to the standard used to establish the appropriate level of funding for electric efficiency, the amount of the procurement set for natural gas efficiency programs is based on the amount needed to capture the MACE natural gas savings through energy efficiency and conservation.

Maine's very large manufacturers and very large agricultural and aquaculture businesses, whose usage exceeds 1 million centum cubic feet (CCF) of natural gas annually, are limited to paying the assessment for the Natural Gas Efficiency Procurement on their first 1 million CCF of usage. This limitation does not impact their eligibility for the Trust's natural gas efficiency programs.

Regional Greenhouse Gas Initiative

RGGI is a multistate initiative to limit carbon emissions from electricity generators. Maine joined RGGI in 2009 when it was established. Under RGGI, large generators are required to purchase "carbon allowances" in an amount equal to their annual carbon emissions. Allowances are sold at quarterly auctions for this purpose.

Maine law requires that 100% of the annual emissions allowances for carbon dioxide be allocated for public benefit to produce funds for carbon reduction and energy conservation, and that the revenue

[75] Beneficial electrification measures were added in FY2025 after the passage of the Beneficial Electrification Policy Act. (See, Public Law, Chapter 328, 131st Maine State Legislature, First Special Session, LD 1724, An Act to Enact the Beneficial Electrification Policy Act.)

resulting from the sale of allowances must be deposited in the Regional Greenhouse Gas Initiative Trust Fund managed by the Trust.[76]

The Trust must use RGGI funds for:

- Measures, investments, loans, technical assistance, and arrangements that reduce electricity consumption, increase energy efficiency or reduce greenhouse gas emissions, and lower energy costs at commercial or industrial facilities; and
- Investment in measures that lower residential heating energy demand and reduce greenhouse gas emissions.

Forward Capacity Market

FCM funds are proceeds from the Trust's capacity resources, which are bid into the ISO-NE markets. The compensation that the Trust receives from the FCM is for the reduction of demand delivered through qualifying efficiency projects that are tracked and reported by the Trust.

In late FY2019, the Maine Legislature enacted LD 1766, An Act to Transform Maine's Heat Pump Market to Advance Economic Security and Climate Objectives.[77] The new law directed the Trust to allocate five years of new FCM revenue to promoting high-efficiency heat pumps and required that these funds be used to "supplement but not supplant" the existing incentives funded by the Electric Efficiency Procurement. This statutory directive sunset during FY2025.

In FY2025, the Maine Legislature enacted LD 585, An Act to Use Certain Regional Transmission Organization Payments for Beneficial Electrification to Reduce Electricity Rates, authorizing the Trust to use FCM revenues to supplement funding for beneficial electrification measures including heat pumps and EVs.[78] The Trust will implement this change in FY2026.

Federal Funds

American Recovery and Reinvestment Act (ARRA)

The Trust received federal funds through ARRA in 2009 and 2010. These funds were disbursed through grants and through a revolving loan fund. The Residential Revolving Loan Fund continued to operate in FY2025.

American Rescue Plan Act (ARPA)/Maine Jobs and Recovery Plan (MJRP) Funds

In FY2022, the Trust was named a recipient of $50 million of ARPA funds as part of the MJRP. The MJRP allocated these funds to Efficiency Maine to accelerate weatherization upgrades for low- and moderate-income residents, and to expand energy efficiency investment among local governments, schools, community organizations, businesses, and manufacturers. The MJRP also allocated $8 million to the

[76] 38 MRS §580-B(7).
[77] Public Law, Chapter 308, 129th Maine State Legislature, LD 1766, An Act To Transform Maine's Heat Pump Market To Advance Economic Security and Climate Objectives.
[78] Public Law, Chapter 45, 132nd Maine State Legislature, LD 585, An Act to Use Certain Regional Transmission Organization Payments for Beneficial Electrification to Reduce Electricity Rates.

Maine Department of Transportation (MaineDOT) to expand state, municipal, and other publicly accessible EV charging stations and related infrastructure in partnership with Efficiency Maine.

National Electric Vehicle Infrastructure (NEVI) Program Funds

In FY2023, Maine was awarded approximately $19 million of NEVI program funds [enabled through the 2021 Infrastructure Investment and Jobs Act (IIJA)—also known as the Bipartisan Infrastructure Law (BIL)]. The Trust was contracted by MaineDOT and the Governor's Energy Office (GEO) to administer the State's NEVI funds.

Charging and Fueling Infrastructure (CFI) Grant Program Funds

In FY2024, Maine was awarded a $15 million competitive grant under the CFI Discretionary Grant program, which was also established via an appropriation of the BIL. This grant complements the NEVI program, focusing on community-based charging, disadvantaged communities, and rural service centers. As with the NEVI program, the Trust administers the CFI program on behalf of the State.

Energy Improvements in Rural or Remote Areas (ERA) Grant

In FY2024, the Trust was awarded a $10 million competitive grant through the U.S. Department of Energy's (DOE's) BIL-funded ERA Program to support the installation of whole-home heat pumps in manufactured/mobile homes. The Trust collaborated with GEO and MaineHousing in applying for this grant funding.

Energy Efficiency Revolving Loan Fund (EERLF) Capitalization Grant Program

The BIL established the EERLF Capitalization Grant Program within DOE's State Energy Program. This opportunity provided capitalization grants to states to establish a revolving fund for loans and grants for energy efficiency audits and retrofits to increase energy efficiency of buildings. Maine's formula share of the funds totaled $863,110. Working with GEO, the Trust designed a targeted initiative to facilitate beneficial electrification projects in congregate living facilities that use fossil fuel-fired HVAC systems. GEO passes the funds through to the Trust to administer through its Efficiency Maine Green Bank.

Inflation Reduction Act (IRA) Home Energy Rebates Funding

The IRA, enacted by Congress in August 2023, allocated funding to DOE that DOE in turn provides to states for the administration of rebate programs to support residential efficiency upgrades. Approximately $72 million in formula funds was allocated to Maine under two programs: Home Efficiency Rebates (HER) ($35.9 million), and Home Electrification and Appliance Rebates (HEAR) ($35.7 million). The Trust's role is to implement these programs in Maine. In FY2025, the HEAR funds started to be made available under a signed agreement with DOE, while the HER funds were not yet available.

Maine's HEAR program deploys these funds toward installation of efficient heat pump and variable refrigerant flow (VRF) systems in two categories of buildings occupied by low-income households: (1) new construction of multifamily buildings and (2) single-family manufactured/mobile homes being retrofitted with whole-home heat pump systems.

Should HER funds become available, the plan in Maine is to invest them in retrofits of multifamily buildings. The program will target buildings with space heating systems suitable for replacement with efficient heat pumps or VRF systems.

Inflation Reduction Act (IRA) Climate Pollution Reduction Grant (CPRG)

The IRA also authorized EPA to implement the CPRG, providing $5 billion in competitive grants to states, local governments, tribes, and territories to develop and implement plans for reducing greenhouse gas emissions and other harmful air pollution. The Trust was party to a successful grant proposal awarded in July 2024.

The Trust collaborated with state agencies across New England, including Governor Mills' administration, as well as the Northeast Energy Efficiency Partnerships to develop a regional proposal to deliver more financial incentives for home electrification through measures such as heat pump water heaters and heat pumps. The State of Connecticut is the fiscal agent. During the Triennial Plan VI period, the Trust will administer a budget of approximately $48 million from the grant to provide incentives for eligible projects in Maine with the potential for additional funding.

New England Clean Energy Connect Settlement Funds

In 2019, the PUC approved Central Maine Power's request to build the NECEC—a 1,200 MW transmission line traversing Maine from the Quebec border to Lewiston.[79] As part of the settlement agreement approving the project, the project sponsors agreed to establish multiple funds to deliver benefits to Maine through programs administered by the Trust. The Trust has used NECEC funds to support EVs; EV chargers; VRF systems for schools; and weatherization, heat pumps, and heat pump water heaters for low- and moderate-income households. From late 2021 to 2023, the NECEC project was on hold pending a referendum and judicial review, during which time the quarterly payments of settlement funds to the Trust were suspended. Settlement payments resumed during FY2024. In FY2025, the Trust leveraged the funds to support heat pump incentives in Low-Income Initiatives and Commercial and Industrial Prescriptive Initiatives.

Volkswagen Settlement Funds

In 2016 and 2017, VW agreed to settle allegations that it violated the federal Clean Air Act by installing "defeat devices" on certain diesel vehicles. Maine (through MaineDOT) received settlement funds from VW under consent decrees reflecting one settlement agreement. Through an MOU, MaineDOT contracted with the Trust to administer approximately $3.15 million of these funds to promote EV charging infrastructure with the goal of reducing greenhouse gas emissions and improving the energy efficiency of transportation in the state. Separately, VW settlement funds were also awarded to the Office of the Attorney General for the State of Maine. Of these funds, $5.1 million was transferred to the Trust for running a program to reduce carbon and nitrogen oxides emissions through the promotion and increased use of EVs. Another approximately $3.7 million in funds was transferred to the Trust to help state government facilities reduce their carbon footprint through energy efficiency improvements as

[79] Maine PUC, Orders Approving Transmission Line, Dkt. No. 2017-00232 as supplemented by Dkt. No. 2019-00179, May 3, 2019, and October 20, 2020, respectively.

part of the Governor's "Lead by Example" initiative.[80] The Trust expended the remaining allocation for EVs in FY2024 and expended the remaining Lead by Example allocation in FY2025.[81]

Energy Efficiency and Renewable Resource Fund

The EERRF was composed of voluntary contributions from ratepayers, as well as alternative compliance payments (ACPs) from entities that do not meet Maine's renewable portfolio standard requirement. Maine law stipulated that 35% of these revenues be directed to the Maine Technology Institute to help promote research on and development of renewables. The statute authorized the Trust to use the remainder of these revenues to fund demonstration projects or to provide rebates for customer-sited, commercialized renewable energy equipment, as funds allow.

In FY2023, the Legislature enacted LD 187, An Act to Eliminate the Energy Efficiency and Renewable Resource Fund and to Provide Needs-based Low-income Assistance.[82] The bill discontinued the EERRF, eliminated the voluntary ratepayer contributions, and redirected future ACP revenues to the electric utilities to provide financial assistance to low-income households. With the passage of this bill, the Trust sought to invest the remaining EERRF fund balance for a constructive purpose consistent with the statutory provisions and the rules of the EERRF. To that end, the Trust elected to use EERRF funds to support the Innovation Program's Hydronic Heat Pump with Thermal Storage Pilot.[83] The Trust continued to use remaining EERRF funds for this purpose in FY2025.

Thermal Energy Investment Fund

In 2021, the Legislature enacted LD 597, An Act to Establish the Thermal Energy Investment Program, requiring the Trust to establish a new program to provide incentives and loans to businesses, municipalities, educational institutions, and non-profit entities for the installation of new thermal energy-derived projects.[84,85] The new law established the Thermal Energy Investment Fund to support this program. The fund receives ACPs from electricity suppliers that fail to secure their required quota of thermal renewable energy credits (TRECs).[86]

State General Fund

In 2022, the Legislature enacted LD 1554, An Act to Provide Climate Change Transition Assistance for Maine's Energy-intensive Businesses. This legislation required the Trust to establish an "Industrial Climate Transition Initiative" to develop and support climate change mitigation strategies designed to reduce greenhouse gas emissions at industrial facilities in the state. The bill appropriated one-time

[80] Maine Executive Order No. 13, FY 19/20, An Order for State Agencies to Lead by Example Through Energy Efficiency, Renewable Energy and Sustainability Measures, November 26, 2019.
[81] For more information, see Other Initiatives – Lead by Example.
[82] Public Law, Chapter 306, 131st Maine State Legislature, First Special Session, LD 187, An Act to Eliminate the Energy Efficiency and Renewable Resource Fund and to Provide Needs-based Low-income Assistance.
[83] For more information on this legislative change and the FY2025 investment, see Other Initiatives – Renewables.
[84] Public Law, Chapter 199, 130th Maine State Legislature, First Special Session, LD 597, An Act to Establish the Thermal Energy Investment Program.
[85] For more information on this program, see Other Initiatives – Thermal Energy Investment Program.
[86] 35-A MRS §3210(9)(C).

funding of $500,000 from the State General Fund to support this initiative.[87,88] The Trust allocated these funds to the C&I Custom Program to support cost-effective energy efficiency projects at industrial facilities.

Also in 2022, the Trust received $3.5 million in one-time funding through the State's supplemental budget to support EV rebates.[89]

Table 23 provides a summary of the Trust's revenues received from all sources during FY2025.

Table 23: FY2025 Revenues

Funding Source	Amount
Electric Efficiency Procurement	$60,350,358
Natural Gas Efficiency Procurement[90]	-
Regional Greenhouse Gas Initiative	$47,568,567
Forward Capacity Market	$5,651,711
Federal Funds	$18,591,217
Energy Efficiency and Renewable Resource Fund	8,101
NECEC Settlement	3,500,000
Thermal Energy Investment Fund	2,181,859
Other Income[91]	$160,000
Interest Income[92]	$946,342
Total	**$138,958,154**

Expenditures

The Trust invested more than $135 million in FY2025 to fund the activities described throughout this Annual Report, including Major Programs, Other Initiatives, and Strategic Initiatives. Table 24 provides a summary of the Trust's expenditures during FY2025.

[87] Public Law, Chapter 716, 130th Maine State Legislature, LD 1554, An Act To Provide Climate Change Transition Assistance for Maine's Energy-intensive Businesses.
[88] Per the statute, the Industrial Climate Transition Initiative funds flow through the RGGI Fund.
[89] Public Law, Chapter 635, 130th Maine State Legislature, LD 1995, An Act To Make Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds and To Change Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2022 and June 30, 2023.
[90] The PUC approved the Trust's request in its 2024 Annual Update to Triennial Plan V to suspend natural gas programs until such time that there was sufficient cost-effective opportunity to warrant restarting the programs.
[91] Includes $150,000 in DEP funds for fuel tank removal incentives in the Manufactured (Mobile) Home Initiative and $10,000 in Efficiency Maine Green Bank loan origination fees.
[92] Includes investment (bank) interest income and interest income from the Trust's revolving loan funds. The Trust uses bank interest income to offset administration expenses. Loan interest income gets recycled back into the revolving loan funds.

Table 24: FY2025 Expenditures[93]

Use of Funds	Amount
Major Programs	
Commercial and Industrial Custom Program	$6,916,966
Commercial and Industrial Prescriptive Initiatives	$18,944,395[94]
Distributor Initiatives	$9,115,762
Retail Initiatives	$7,732,600
Home Energy Savings Program	$29,200,682
Low-Income Initiatives	$46,403,029
Electric Vehicle Initiatives – EV Rebates	$3,011,074
Demand Management Program	$798,606
Other Initiatives[95]	
Efficiency Maine Green Bank[96]	$731,308
Lead by Example Initiative[97]	$971,181
Thermal Energy Investment Program	$7,904
Electric Vehicle Initiatives – EV Supply Equipment[98]	$1,596,137
School Decarbonization Program	$1,400
E-Bike Pilot	$34,339
Medium- and Heavy-Duty Vehicle Pilot	$105,581
Fuel Tank Removal	$8,800
Strategic Initiatives and Administration	
Strategic Initiatives	$1,934,118
Administration	$5,722,872
Other Payments[99]	$1,840,982
Total Use of Funds	**$135,077,735**

[93] Reporting on metrics for Major Programs and Other Initiatives elsewhere in this Annual Report (Table 5, Table 6, and Table 7, throughout the Major Programs sections, and in Appendix B) is based on project completion dates, while Table 24 reflects accrual-basis accounting. This results in some variance due to timing differences.

[94] This figure includes an additional $216,932 that was not reflected in the Trust's FY2025 Audit. This is attributable to a third milestone payment made in FY2026 for a project that was completed in FY2025.

[95] This table only lists those Other Initiatives that expended funds in FY2025 (i.e., those with no expenditures are not listed.)

[96] Reflects loan servicing support expenditures only (i.e., not the loans themselves). For detail on FY2025 loan activity, see the Other Initiatives – Efficiency Maine Green Bank section.

[97] Includes $672,272 in incentives advanced to the Bureau of General Services to support the project at the Department of Marine Resources' West Boothbay facility. The project was not completed in FY2025, and is therefore not captured in the Lead By Example results elsewhere in this report.

[98] As elsewhere in this report, the Trust includes EV Initiatives' EVSE expenditures with Other Initiatives and EV Initiatives' rebate metrics with Major Programs. The reason is that, while EV chargers are critical infrastructure for promoting the increased use of EVs, unlike all other Major Programs, chargers do not, by themselves, save any energy. Nevertheless, because EVSE is such an integral element of the Trust's EV Initiatives, descriptions of the associated FY2025 activity are included in the Major Programs - EV Initiatives section.

Statutory Budget Allocation Requirements

The Efficiency Maine Trust Act requires the Trust to allocate budgets and deploy strategies for the Electric Efficiency and Conservation Fund and the Natural Gas Conservation Fund in a manner that gives all customers a "reasonable opportunity to participate" in its programs.[100,101] The statute expressly directs the programs paid for through these funds to satisfy specific budget allocations for two customer groups: *low-income residential customers* and *small business customers*. This section provides an overview of the statutory budget allocation requirements for these customer groups and how the Trust met these targets in FY2025.[102]

For the Electric Efficiency and Conservation Fund, the statute states that the Trust must target at least 10% of funds or $2.6 million, whichever is greater, to low-income residential consumers and small business consumers, respectively.[103]

As described in Triennial Plan V,[104] the Electric Efficiency and Conservation Fund target for low-income customers is 10% of the Fund's total program budget. The plan set out to achieve this target by combining funding from three programs, as follows: (1) 100% of the Electric Efficiency Procurement budget for Low-Income Initiatives; (2) the portion of program spending in Distributor Initiatives that is attributable to purchases by low-income customers; and (3) the portion of program spending in Retail Initiatives that is attributable to purchases by low-income customers. Table 25 shows the Trust's expenditures in each of these categories in FY2025, for a total investment of $13,398,501. This represents 24% of the Electric Efficiency and Conservation Fund's total program budget, exceeding the 10% target by 14 percentage points (or $7,819,455) this year. It is worth noting that low-income customers also benefited from clothes washers incentivized through Retail Initiatives, but because the precise proportion has not been quantified, the Trust did not attribute any portion of the budget for those measures to meet the low-income allocation.

[99] Includes payments to DEP for its RGGI-related administration costs, payments for administration costs to RGGI Inc. (the non-profit entity that manages RGGI), and the return of the FY2024 Natural Gas Efficiency Procurement fund balance as ordered by the PUC.
[100] 35-A MRS §10110(2)(B) and 35-A MRS §10111(1)(B).
[101] The Electric Efficiency and Conservation Fund and the Natural Gas Conservation Fund are the fund names provided in statute (35-A MRS §10110 and §10111). The principal revenue sources for these funds are the Electric Efficiency Procurement and the Natural Gas Efficiency Procurement, respectively. The Trust therefore uses the latter terms elsewhere in the report when describing the relevant funding sources.
[102] Chapters 3 and 4 of the Trust's rules provide additional detail on these requirements, as well as specific definitions of "low-income residential consumer" and "small business consumer." See 95-648 Code of Maine Rules ch. 3-4.
[103] 35-A MRS §10110(2)(B).
[104] Efficiency Maine Trust, Appendix H: Statutory Budget Allocation Requirements, in *Triennial Plan for Fiscal Years 2023-2025*, 2022.

Table 25: FY2025 Low-Income Electric Efficiency Procurement Expenditures

Program	Expenditures
Low-Income Initiatives	$11,024,265
Portion of Distributor Initiatives	$1,276,207
Portion of Retail Initiatives	$1,098,029
Total	**$13,398,501**
10% Target	**$5,579,046**
Variance	**$7,819,455**

As also described in Triennial Plan V, the Electric Efficiency and Conservation Fund target for small business customers is 10% of the Fund's total program budget. The plan set out to achieve this target by combining funding from three programs, as follows: (1) 100% of electric spending in the Small Business Initiative (SBI is a discrete initiative within the C&I Prescriptive Initiatives); (2) a portion of the spending from the Fund for all other C&I Prescriptive Initiatives attributable to projects completed at small businesses; and, (3) a portion of the spending from the Fund for Retail Initiatives attributable to projects completed at small businesses. Table 26 shows that the Trust fell short of the target for spending on small businesses from the Electric Efficiency and Conservation Fund through the activities of these three programs in FY2025. The primary reason for this shortfall is that in FY2025, a large portion of projects in the C&I Prescriptive Initiatives that would otherwise have been funded with Electric Efficiency Procurement funds used other funding streams instead. In FY2025, the primary alternative funding source that was used for electrification projects at small businesses was the federal ARPA. NECEC and RGGI funds were also used to pay for electric and electrification projects at small businesses. The portion of these investments attributable to small businesses is therefore not reflected in Table 23. If it were included, the Trust estimates that it would have met the target. Regardless, the Trust is making it a priority to expand small business participation in FY2026 by boosting marketing and outreach. It has also modified eligibility for the Small Business Initiative beyond just the very smallest operations with less than 50kW of demand. The new eligibility includes businesses between 50-100kW in demand. The Trust is also considering increasing incentives and launching a more targeted small business loan product to complement the incentives.

Table 26: FY2025 Small Business Electric Efficiency Procurement Expenditures

Program	Expenditures
C&I Prescriptive Initiatives	
Small Business Initiative	$3,155,338
Portion of C&I Prescriptive Initiatives Other	$965,989
Portion of Retail Initiatives	$154,613
Total	**$4,275,940**
10% Target	**$5,579,046**
Variance	**($1,303,106)**

For the Natural Gas Conservation Fund, the statute states that Trust must apportion funds such that a "reasonable" percentage of the available funds is directed to programs for low-income residential consumers and small business consumers.[105]

As described in Triennial Plan V, the Trust determined that low-income households represented significantly less than 1.0% of total natural gas load, and therefore applied 1.0% of the total program budget for the Natural Gas Conservation Fund to the Low-Income Initiatives. The Trust ended up suspending the use of Natural Gas Conservation Funds for natural gas measures (weatherization) in the Low-Income Initiatives in FY2024 upon determining that weatherization projects in natural gas homes were not cost-effective. Low-income natural gas customers were still able to participate in weatherization incentives funded with MJRP funds throughout FY2024 and FY2025.[106] So, while the Trust did not spend any Natural Gas Conservation Funds in this sector (and therefore did not meet its 1% target) it did invest a total of $258,379 in MJRP funds for this same purpose. Generally, the relatively low budget amount and limited universe of cost-effective measures provides few opportunities to expend the available funds.

The Trust's natural gas programs define a small business consumer as a commercial customer of a gas distribution utility that has an annual usage of 40,000 centum cubic feet (CCF) or less. In a 2021 study, the Trust found that 28% of participants in the C&I Prescriptive Initiatives' natural gas offerings were small businesses, a significant fraction of participation and a reasonable share of the overall budget for natural gas programs. For FY2025, however, natural gas spending in the C&I Prescriptive Initiatives was $0, as there were no cost-effective measures available. There is therefore no "reasonable percentage" to attribute in this fiscal year.

Though the Trust's statutory requirements for budget allocation are specific to procurement funds (i.e., the Electric Efficiency and Conservation Fund and the Natural Gas Conservation Fund), the Trust also allocated additional funding streams to programs to support low-income and small business customers in Triennial Plan V. The full suite of funds invested in low-income customers in FY2025 is summarized in Table 27. The approximately $30.8 million invested represents more than 24% of the Trust's overall program spending.

Table 27: FY2025 Low-Income Expenditures (All Funding Streams)

Program	Expenditures
Portion of Low-Income Initiatives[107]	$26,108,139
Portion of Distributor Initiatives	$1,276,207
Portion of Retail Initiatives	$1,098,029
Portion of EV Initiatives	$2,198,889
Innovation Manufactured (Mobile) Home Heat Pump Pilot	$152,000
Total	**$30,833,264**

[105] 35-A MRS §10111(1)(B).

[106] For the same reasons, the Trust leveraged RGGI funds for all-income weatherization incentives in natural gas homes in the Home Energy Savings Program.

[107] Excludes the portion of Low-Income Initiatives spending that was dedicated to moderate-income households and reflects spending on low-income households only.

Audit Results

The independent certified public accountant firm of Runyon, Kersteen, Ouellette, Inc. (RKO), issued an audit report on the Trust's activities for the year ended June 30, 2025. The report covered the Trust's internal control over financial reporting and compliance with government accounting standards and financial statements. The report was unanimously accepted by the Board of Trustees on October 1, 2025.

The report of the audit of the Trust's financial statements delivered an "unmodified opinion" and found "no material weaknesses" related to the Trust's internal controls. The auditors wrote:

> In our opinion, the financial statements … present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Efficiency Maine Trust, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.[108]

As reported in the audit, the Trust's FY2025 revenues and expenditures are $138,958,155 and $134,182,985, respectively, plus another $1,840,982 sent to or ordered by state agencies or utilities, resulting in an increase to fund balance of $3,880,417. The Trust's governmental fund balance as of June 30, 2025, is $103,170,151 of which $75,965,017 is restricted for operations and programs and $27,206,065 is restricted for grant and revolving loan activity.

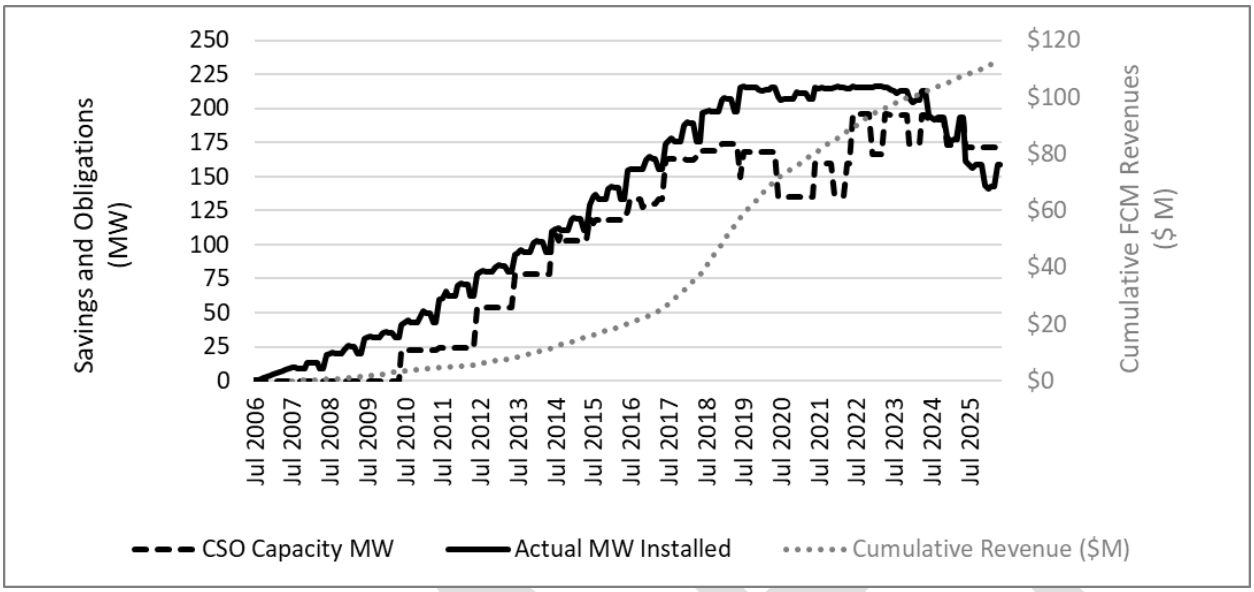
ISO-New England

In FY2025, there were no Forward Capacity Auctions (FCAs). The Trust maintained its existing resources totaling 193 MW of summer peak demand savings, for which it will be paid a price of $2.531 per kW per month. The Trust is also closely monitoring the wide-sweeping changes in design for the 19th FCA, which is currently planned to be held in May 2028 for delivery in June 2028.

By the end of FY2025, the Trust's programs had delivered a total of 161 MW of summer peak demand savings. This decline from past years is due in large part to the fact that another 32 MW of measures installed in prior years reached the end of their expected life and expired. Figure 1 summarizes the Trust's delivered savings and near-term future obligations.

[108] Efficiency Maine Trust, "Annual Financial Report for the Year Ended June 30, 2025," prepared by Runyon, Kersteen, Ouellette, Inc., October 1, 2025, p.1.

Figure 1: Summary of the Trust's FCA Actions



CSO = Capacity Supply Obligation.

Regional Greenhouse Gas Initiative

Each year, the Trust must report out on its RGGI expenditures and associated program results to both RGGI Inc. (the non-profit corporation created to support development and implementation of RGGI) and the Legislature.

The RGGI Annual Report to the Legislature covers all items related to the implementation of RGGI, and is collaboratively prepared by DEP, the PUC[109], and the Trust. The report is submitted to two legislative committees: the Joint Standing Committee on Environment and Natural Resources and the Joint Standing Committee on Energy, Utilities and Technology. In the most recent report, the Trust described how it invested over $30.5 million of RGGI funds in FY2024. The RGGI funds expended in that year are projected to result in annual savings of approximately 16,530 tons of carbon dioxide.

Administration

The Board of Trustees elected the following officers in FY2025:

- Glenn Poole, Chair
- Mark Isaacson, Vice-Chair
- Kenneth Colburn, Treasurer
- Joan Welsh, Secretary

[109] DOER will replace the PUC in this role in FY2026.

The Board of Trustees approved one change to the Trust's administrative policies in FY2025. The Trust has long operated under procurement guidance outlined in Agency Rule, *Chapter 1: Contracting Process for Service Providers and Grant Recipients*, and the Trust's *Procurement Policy* (2018). The RKO Auditing team indicated in their FY2024 audit that the Trust should also adopt a standalone Federal Procurement Policy to cover the investment of federal funds. In the audit, RKO indicated that the Trust had been following federal procurement guidelines through contractual flow-down requirements and the Trust's existing policies, but that the Trust would benefit from establishing a standalone written policy to expressly cover uses of federal funds. The Board voted to adopt the Trust's Federal Funds Procurement Policy on December 18, 2024.

Another administrative highlight in FY2025 was a change in the Trust's satellite office location; the Trust moved from its office space at the Dana Warp Mill in Westbrook to a new space at 701 Forest Avenue in Portland. Additionally, the Trust issued a competitive solicitation for information technology services and ultimately selected the incumbent provider, Burgess Technology Services.

Legislative Recommendations

The Trust's authorizing statute provides that the Annual Report should include "[a]ny recommendations for changes to the laws relating to energy conservation."[110] The Trust does not have any such recommendations at this time.

[110] 35-A MRS §10104(4).

Organizational Initiatives and Collaborations

In FY2025, the Trust engaged in various state, regional, and national forums that advance its mission. Within Maine, the Trust monitors and participates in state initiatives and proceedings with an eye to supporting policies and programs that will promote cost-effective energy conservation or greenhouse gas reductions, consistent with the purposes given to the Trust in the Efficiency Maine Trust Act. Additionally, the Efficiency Maine Trust Act provides that: "The trust shall monitor conservation planning and program development activities in the region and around the country…" and also that "The trust may coordinate its efforts under this section with similar efforts in other states in the northeast region…" Accordingly, the Trust engages with a number of regional and national initiatives. A brief description of the relevant organizational initiatives and collaborations follows.

Legislature

In FY2025, the Trust participated in public hearings and work sessions of the Maine Legislature to fulfill its duty as "a champion for funding cost-effective energy and energy efficiency programs."[111] The Trust staff provided information, analysis, and testimony on matters directly relating to the Trust's programs and issues of energy conservation, customer-sited alternative energy systems, or greenhouse gas emissions reductions. A sampling of the bills that the Trust monitored or participated in discussing includes:

- LD 585, An Act to Use Certain Regional Transmission Organization Payments for Beneficial Electrification to Reduce Electricity Rates;
- LD 946, Resolve, to Increase Access to Energy Efficiency Programs by Low-income and Moderate-income Residents;
- LD 1212, Resolve, to Study Opportunities for the Efficiency Maine Trust to Support the Promotion and Use of Modern Wood Heating;
- LD 1258, An Act to Include Qualified Out-of-state Electric Vehicle Providers and Clarify Provisions Regarding Electric Bicycles Under the Electric Vehicle Fund;
- LD 1619, Resolve, to Direct the Governor's Energy Office to Solicit Information Regarding the Creation of a Thermal Energy Networks Program in Maine;
- LD 1700, An Act to Create a Direct Investment Pilot Project Under the Maine Clean Energy and Sustainability Accelerator; and
- LD 1967, Resolve, to Design a Maine Home Energy Navigator and Coaching Pilot Program.

[111] 35-A MRS §10104(2)(B).

Public Utilities Commission

The Trust staff was active in proceedings at the PUC in FY2025. The Trust staff filed and presented necessary testimony, evidence, comments, briefs, and exceptions related to the development, review, and approval of the Trust's Sixth Triennial Plan, Annual Update (to the Fifth Triennial Plan), and related dockets. A selection of the relevant dockets that were active in FY2025 included:

- Docket No. 2021-00380 – Request for Approval of Fifth Triennial Plan for Fiscal Years 2023-2025 Pertaining to Efficiency Maine Trust;
- Docket No. 2024-00310 – Request for Approval of the Triennial Plan for Fiscal Years 2026-2028 Pertaining to Efficiency Maine Trust;
- Docket No. 2025-00079 Maine Public Utilities Commission Determination of Efficiency Maine Trust Electric Procurement Funding Cap for the Sixth Triennial Plan FY2026-2028; and
- Docket No. 2025-00139 – Public Utilities Commission Procurement of Electric Resources and Assessment for Natural Gas Resources for Sixth Triennial Plan FY2026-2028.

In addition to the Triennial Plan dockets, the Trust staff also engaged in other proceedings at the PUC that have a direct or indirect impact on the Trust's programs. Other cases that the Trust engaged with in FY2025 included:

- Docket No. 2023-00336 – Request for Approval of Distribution Rate Change Pursuant to 35-A MRS §307 (3/31/25) Pertaining to Versant Power;
- Docket No. 2024-00137 – Commission Initiated Investigation Follow-On Proceeding to Further Investigate Stranded Cost Rate Design;
- Docket No. 2024-00149 – Maine Public Utilities Commission Investigation into Allocation of Benefits of Distributed Generation under Net Energy Billing;
- Docket No. 2025-00107 – Commission Initiated Inquiry into Performance-Based Regulation of Investor-Owned Transmission and Distribution Utilities;
- Docket No. 2024-00191 – Commission Initiated Inquiry Regarding Improving Resiliency and Addressing Escalating Storm Costs;
- Docket No. 2024-00231 – Commission Initiated Inquiry of Time of Use Rates for Delivery and Standard Offer;
- Docket No. 2025-00145 – Maine Public Utilities Commission Inquiry Regarding Future of Natural Gas; and
- Docket No. 2025-00176 – Commission Initiated Investigation of Time of Use Rates for Delivery and Standard Offer Service for Investor-Owned Transmission and Distribution Utilities.

For more on the dockets related to Non-Wires Alternatives, please see the Non-Wires Alternatives section.

Governor's Energy Office and Governor's Office of Policy Innovation and the Future

The Trust worked with GEO to report energy data and program results to DOE, Maine's federal delegation, the Independent System Operator for New England (ISO-NE), the American Council for an Energy-Efficient Economy, and other non-profit and academic initiatives seeking energy data from Maine. The Trust conferred with GEO on legislation pending at the Legislature and certain dockets pending at the Public Utilities Commission. It also participated in GEO's development of the Maine Energy Plan: Pathway to 2040, as well as in GEO's discussions around the launch of the feasibility study on the establishment of a "Distribution System Operator" in Maine. Finally, the Trust and GEO collaborated on various application and implementation deliverables for federal grants, including the IRA Home Energy Rebates program, the Energy Efficiency Revolving Loan Fund Capitalization Grant Program, and the Climate Pollution Reduction Grant.

The Trust also collaborated with both GEO and GOPIF on a variety of issues and initiatives, including activities related to the Maine Climate Council, the Maine Climate Council's Industrial Innovation Task Force, Maine's Plan for EV Infrastructure Deployment, and the Lead by Example Initiative to spur energy upgrades at state properties. In some cases, these collaborations are described in the sections below in further detail.

In July 2025, the Legislature enacted LD 1270, An Act to Establish the Department of Energy Resources, elevating GEO to a cabinet-level state agency.[112] This change will go into effect in FY2026.

MaineHousing

The Trust conferred with the Maine State Housing Authority (MaineHousing) on developing updates to MaineHousing's annual plan for the DOE Weatherization Assistance Program and the HEAP Weatherization and Central Heating Improvement Program initiatives. As it does every year, in FY2025 MaineHousing briefed the Trust's Board, at a public meeting, on the elements of the coming year's weatherization plans. This briefing gave the Trust the opportunity to ask questions and provide input regarding lessons learned, best practices, and ways to ensure that similar initiatives at the Trust are complementary and not duplicative.

The Trust also continued to coordinate with MaineHousing on heat pump programs in FY2025. In recent years, MaineHousing has allocated a portion of its federal HEAP funds for heat pump installations in support of the state's heat pump goals. It has also received other federal grant funds to pursue heat pump installations in low-income homes. MaineHousing bases the portions of its heat pump program design elements on the Trust's existing equipment criteria, installation requirements, and inspection

[112] Public Law, Chapter 476, 132nd Maine State Legislature, First Special Session, LD 1270, An Act to Establish the Department of Energy Resources.

training protocols. As with weatherization initiatives, the two organizations worked to develop programs that are complementary and not duplicative.

MaineHousing was also part of the planning group developing Maine's IRA Home Energy Rebates program in coordination with the Trust and GEO.

The Trust's authorizing statute requires that it include in the Annual Report:

> Total funds received and expended by the State on energy efficiency and weatherization pursuant to the Weatherization Assistance for Low-income Persons Program of the United States Department of Energy and the Low-income Home Energy Assistance Program of the United States Department of Health and Human Services.[113]

The budgets and expenses of these and other energy-efficiency-related initiatives are summarized in Table 28, which was prepared by MaineHousing.

[Remainder of this page purposely left blank.]

[113] 35-A MRS §10104(5)(B)(4).

Table 28: MaineHousing Energy Efficiency and Weatherization Initiatives

MaineHousing
MAINE STATE HOUSING AUTHORITY

Weatherization Readiness - Funding provided by DOE Annual funds as well as State Housing Opportunities for Maine (HOME) funding through the Home Accessibility Repair Program. This program component was first offered in 2022, and households must meet eligibility criteria for weatherization.

	Calendar Year	Households Assisted	Production Expense
Services include: repair or replacement of items which would not allow a household to receive weatherization services. Weatherization services must be completed within 6 months.	*2025*	*11*	*$ 73,739.40*
	2024	53	$ 393,690.84
	2023	44	$ 385,152.00
	2022	2	$ 15,920.00

Weatherization - Funding provided by DOE Annual, DOE Bipartisan Infrastructure :aw (BIL) funds and HEAP grant. Eligible households must be at or below 200% of federal poverty or HEAP elibible and have an energy audit completed for assessment of services.

	Calendar Year	Households Assisted	Production Expense
Services include: air sealing, installation of insulation, health & safety measures as well as replacement of an appliance and water heater (upon available funding).	*2025*	*120*	*$ 2,547,629.37*
	2024	361	$ 6,692,324.57
	2023	261	$ 5,002,930.00
	2022	316	$ 3,206,175.00
	2021	303	$ 2,795,934.00
	2020	359	$ 2,885,403.00

Central Heating Improvement - Funding provided by HEAP grant as well as State HOME funding. This program will provide services for centrally installed heating systems including oil tanks and chimney services. Eligible households must meet HEAP eligibility criteria.

	Calendar Year	Households Assisted	Production Expense
Heating System Replacement	*2025*	*56*	*$ 498,486.50*
Heating System Repair		*36*	*$ 60,008.72*
Heating System Replacement	2024	246	$ 1,804,584.00
Heating System Repair		509	$ 567,324.85
Heating System Replacement	2023	491	$ 2,353,486.00
Heating System Repair		841	$ 319,645.00
Heating System Replacement	2022	960	$ 4,624,718.71
Heating System Repair		1546	$ 662,588.57
Heating System Replacement	2021	813	$ 3,455,802.97
Heating System Repair		1300	$ 268,020.64
Heating System Replacement	2020	811	$ 3,307,952.32
Heating System Repair		1341	$ 515,276.39

Heat Pump - Funding provided by HEAP grant as well as the Sustainable Energy for Residential Consumers (SERC) grant from DOE. Eligible households must be at or below 200% of federal poverty.

	Calendar Year	Households Assisted	Production Expense
Services include: installation of a heat pump in a household to reduce the overall energy burden as well as electrical panel upgrade if necessary.	*2025*	*86*	*$ 415,915.63*
	2024	647	$ 2,725,566.00
	2023	687	$ 2,793,445.00
	2022	1697	$ 6,355,729.82
	2021	901	$ 2,911,527.85
	2020	304	$ 878,835.60

Prepared by MaineHousing 8.23.2025; 2025 data reflects activity from January to July only, not the full calendar year.

Department of Environmental Protection

In FY2025, the Trust worked with DEP on multiple issues. DEP is Maine's administrative liaison to RGGI Inc., the non-profit entity that manages RGGI. In FY2025, the Trust and DEP, together with the PUC, continued their practice of preparing an annual report for the Legislature on RGGI activities and results in Maine. The Trust's executive director and the DEP commissioner also served as co-chairs of the Maine Climate Council's Industrial Innovation Task Force. (See the Maine Climate Council section for more detail.) Additionally, the Trust worked with DEP to offer their fuel tank removal incentives to participants in the Manufactured (Mobile) Home Initiative.[114]

Department of Transportation

The Trust works closely with MaineDOT on a number of issues and initiatives related to EV charging infrastructure. In FY2025, the Trust continued to administer MaineDOT's $8 million MJRP allocation to expand publicly accessible EV charging stations, conferring with the department on plans and strategies and providing regular updates on performance metrics required for federal reporting. The Trust also administered the state's National EV Infrastructure Program funds and the Charging and Fueling Infrastructure grant, collaborating with MaineDOT to review bids and select grant awardees.

Department of Health and Human Services

DHHS provides health and social services to approximately a third of the state's population, including children; families; older Mainers; and individuals with disabilities, mental illness, and substance use disorders. It operates a number of state and federal programs for which low income and/or limited assets are criteria for eligibility (e.g., SNAP for food assistance, TANF for cash assistance, and MaineCare for medical insurance coverage). The Trust works closely with DHHS to verify which individuals are participating in these income-eligible programs, while maintaining confidentiality, in order to determine that these individuals are eligible for the Trust's initiatives aimed at helping low-income Mainers.

Office of the Public Advocate

In its role representing the interests of Maine utility consumers, OPA provides valuable insight into the Trust's programs. The Trust actively collaborates with OPA on the Arrearage Management Program and on the NWA assessment process. In FY2025, the NWA team worked jointly to review the utilities' investment plans for their T&D systems. For more detail, see the Non-Wires Alternatives section.

[114] For additional detail, see the Low-Income Initiatives and Other Initiatives – Fuel Tank Removal sections.

Maine Climate Council

In 2019, the Legislature passed a bill establishing the Maine Climate Council to develop a climate action plan every four years to put Maine on a trajectory to reduce emissions by 45% by 2030 and at least 80% by 2050.[115] The Council and its six Working Groups are composed of scientists, business leaders, environmental advocates, local and state officials, and engaged citizens. The Trust was named as an ex-officio member of the Council and was asked to serve as co-chair for the Working Group on Buildings, Infrastructure, and Housing. The Trust was also an active member of the Energy Working Group and the Transportation Working Group. Each Working Group was charged with developing, analyzing, and recommending strategies to inform the Council's plan to mitigate emissions and support resilience in Maine's various sectors. The Council presented its first four-year climate action plan to the Governor and Legislature on December 1, 2020.

In FY2025, the Trust participated in quarterly meetings of the Maine Climate Council, presenting updated recommendations on behalf of the Working Group on Buildings, Infrastructure, and Housing. Staff also participated in the advisory group developing scenarios from which to model the carbon impacts and progress toward the carbon reduction targets. The updated four-year climate action plan was released in November 2024.

One strategy identified in the climate action plan was for Maine to create an Industrial Innovation Task Force through which industry and stakeholders could collaborate to study and pilot innovations and incentives to reduce carbon emissions from Maine's industrial processes. The Trust worked with GEO and DEP to launch the Industrial Innovation Task Force in FY2021 and has convened periodic meetings since that time. The Trust's executive director and DEP's commissioner serve as co-chairs of this group. Though there were no meetings in FY2025, the group plans to continue meeting and discussing potential technology applications and grant opportunities in FY2026.

Lead by Example

The Governor's Executive Order 13, FY 19/20, An Order for State Agencies to Lead by Example through Energy Efficiency, Renewable Energy and Sustainability Measures, directs state agencies to meet or exceed the state's renewable energy and greenhouse gas reduction targets.[116] The Order names the Trust as a member of the Sustainability Leadership Committee, working with sustainability coordinators from GEO, GOPIF, DEP, the Department of Administrative and Financial Services, and MaineDOT to lead

[115] Public Law, Chapter 476, 129th Maine State Legislature, LD 1679, An Act To Promote Clean Energy Jobs and To Establish the Maine Climate Council.
[116] Maine Executive Order No. 13, FY 19/20, An Order for State Agencies to Lead by Example Through Energy Efficiency, Renewable Energy and Sustainability Measures, November 26, 2019.

development and implementation of plans, seek consistency and cost efficiencies where appropriate, and track progress.[117]

Electric Ratepayer Advisory Council

In April 2022, the Legislature enacted LD 1913, An Act To Create the Electric Ratepayer Advisory Council.[118] The stated goal of the council is to evaluate measures to make electricity more affordable in Maine and to advise the Public Advocate on these potential measures. The statute placed the Trust's executive director (or their designee) as one of five non-voting ex-officio members of the 18-member council. The council convened several meetings in FY2025.

Equity

The Trust's work, and Triennial Plan V (FY2023-2025), reflect the priority of enhancing fairness and promoting equity. Fairness in the Trust's programs is advanced in part by ensuring that statutory minimum funding levels are allocated to low-income customers and to small business customers.[119] Equity and cost considerations factor into all of the Trust's budget allocations and program designs, but particularly those targeted at low- to moderate-income households and small businesses. For these customers, the barriers to accessing energy efficiency and clean energy upgrades tend to be greater, and they commonly need more support to participate in the Trust's programs.

In FY2025, the Trust increased investments in low- and moderate-income households through many of the initiatives and programs described above, including through the Manufactured (Mobile) Home Initiative, other low-income initiatives, and the EV rebate program. The Trust also participated in significant planning efforts for the equity goals for the New England Heat Pump Accelerator. In addition, the Trust maintains a strong focus on geographic equity in its programs. In FY2025, that geographic focus included a special effort to develop heat pump projects with tribal communities, and install EV charging projects in small, rural, and/or disadvantaged communities.[120]

The Trust also relies on its Low-Income Advisory Group and others to help consider income-related equity issues in its program designs and implementation. In FY2026, the Trust will continue to engage in equity initiatives, in particular investments in heat pump innovation projects in low-income households or communities through the New England Heat Pump Accelerator.

[117] For more information on the Trust's programmatic LBE activities, see Other Initiatives – Lead by Example Initiative.
[118] Public Law, Chapter 623, LD 1913, 130th Maine State Legislature, An Act To Create the Electric Ratepayer Advisory Council.
[119] For additional detail, see the Finance and Administration – Statutory Budget Allocation Requirements section.
[120] The priority communities targeted through the Trust's MJRP initiatives include economically disadvantaged communities; rural areas and small towns; and small businesses. For additional detail on these initiatives and their equity metrics, see Appendix F: Maine Jobs and Recovery Plan Initiatives.

Workforce Development

The Trust monitors workforce capacity and skillsets as part of its planning and implementation of efficiency programs. Where the Trust identifies educational topics related to designing, installing, and maintaining high-efficiency equipment, it may support targeted training and other means of promoting quality assurance. During FY2025, the Trust sponsored trainings for heat pump installers and provided scholarships for heat pump and Building Performance Institute training. It hosted webinars for contractors to learn about the latest program and technology developments. It also supported GEO in its work leading the Maine Clean Energy Partnership and its efforts to develop the clean energy workforce in Maine.

Codes and Standards

State and local building codes and equipment standards are occasionally the subject of policy change. When this happens, it can impact energy efficiency programs in various ways. For example, in 2019 the Maine Legislature reformed Maine's regulatory framework for building codes. The reforms included establishing a requirement that the Maine Uniform Building and Energy Code (MUBEC) be updated and made effective in every municipality across the state. The statute named the Trust's executive director as an ex-officio member of the MUBEC Technical Board and mandated that the Board establish a "stretch code" that municipalities may elect to adopt.

In 2025, the Division of Building Codes and Standards was transferred from the State Fire Marshal's Office to the Maine Office of Community Affairs, a new one-stop shop that provides planning, technical assistance, and financial support to towns, cities, tribal governments, and regional entities.

The MUBEC was updated on April 7, 2025, to include the 2021 International Energy Conservation Code, which features enhanced insulation and energy-efficiency standards. With the adoption of these new rules, Maine is following its statutory requirement. To get the word out about the new codes, the State Fire Marshal's Office and partner organizations held more than 40 trainings throughout the state for code enforcement officers, builders, design professionals, and members of the public. Training locations included Waterville, Presque Isle, Brewer, Greenville, Gorham, Machias, and Portland. Additionally, the State Fire Marshal's Office, in partnership with GEO and other state agencies, published new online resources about the updated codes to ensure that homeowners, code enforcement officers, builders, architects, design professionals, and others are aware of the changes.

Other Related Initiatives

The Trust typically engages in initiatives and forums to discuss policies or advance programs relevant to the Trust's purpose and activities. As described in the Public Information and Outreach section, the Trust was invited to present its work at several regional and national conferences and workshops. The Trust's

executive director was also appointed to serve as an author for the Mitigation chapter of the Sixth National Climate Assessment (NCA6) under the auspices of the U.S. Global Change Research Program.

Appendices

Appendix A: Energy Savings

Tables A-1, A-2, A-3, and A-4 illustrate the total energy savings and lifetime avoided energy supply costs associated with Major Programs and Other Initiatives that the Trust administered in FY2025. Positive savings represent a decrease in electricity or fuel use (in MWh or MMBtu, respectively). Negative savings represent an increase in electricity or fuel use. Primary and secondary energy impacts (positive and negative) are reported for each program. For example, a project that installs an efficient clothes washer will report positive electricity savings from the more efficient installed equipment and will also report fuel savings due to lower hot water use to capture fuel savings from fuel-fired water heating equipment. In the case of fuel switching, positive savings occur for the replaced energy source, and negative savings (increased use) occur for the replacement energy source. As an example, a combined heat and power unit offsets electricity (resulting in savings) while consuming fuel. Another example of fuel switching is replacing an oil-fired water heater with a heat pump water heater that results in an increase in electricity and a decrease in oil use. The reported savings values are "adjusted gross savings" unless otherwise indicated. Adjusted gross savings reflect the change in energy consumption and demand that results directly from program-related actions taken by participants in an Efficiency Maine program, regardless of why they participated, adjusted by factors developed through program evaluations.[121]

[121] Periodically, the Trust enlists independent third-party contractors to evaluate the savings impacts of major programs. The evaluations help the Trust develop factors to improve the accuracy of gross savings calculations based on installation rates and actual, site-verified savings rates. The evaluations are also used to analyze program attribution, including identifying program participants who would have installed the same or equivalent efficiency measures on their own even if the program had not been offered ("free ridership" [FR]) and the percentage of efficient equipment installed due to program influences even though no incentive or TA was received ("spillover" [SO]). Factoring in free ridership and spillover delivers "net savings," which quantifies the savings directly (adjusted gross minus FR) and indirectly (SO) attributable to the program. The Trust publishes the FR and SO factors in the Technical Reference Manuals (TRMs).

Table A-1: FY2025 Energy Savings – Major Electric Efficiency Programs

Program	Summer Peak Reduction (MW)	Annual Electric Savings (MWh)	Annual Non-Electric Savings (MMBtu)	Lifetime Electric Savings (MWh)	Lifetime Non-Electric Savings (MMBtu)	Annual GHG Savings (tons CO_2)
C&I Custom Program – Electric Measures	1.677	13,993	-2,189	149,827	-50,530	5,230
C&I Prescriptive Initiatives – Electric Measures	2.823	16,891	-7,692	241,814	-109,385	5,901
Distributor Initiatives – Electric Measures	0.393	5,170	28,865	77,925	375,240	4,351
Retail Initiatives – Electric Measures	0.472	4,076	27,633	51,263	354,267	3,828
Low-Income Initiatives – Electric Measures	0.081	782	-	9,274	-	302
Demand Management Program	13.504	-	-	-	-	-
Total	**18.950**	**40,912**	**46,616**	**530,102**	**569,593**	**19,613**

Table A-2: FY2025 Energy Savings – Major Electrification Programs

Program	Summer Peak Reduction (MW)	Annual Electric Savings (MWh)	Annual Non-Electric Savings (MMBtu)	Lifetime Electric Savings (MWh)	Lifetime Non-Electric Savings (MMBtu)	Annual GHG Savings (tons CO_2)
C&I Prescriptive Initiatives – Electrification Measures	0.285	-3,168	89,218	-62,114	1,659,068	6,049
Home Energy Savings Program – Electrification Measures	-0.308	-46,107	519,593	-829,920	9,352,666	24,540
Low Income Initiatives – Electrification Measures	-0.258	-39,170	425,323	-704,303	7,635,130	19,535
Electric Vehicle Initiatives – EV Rebates[122]	-0.657	-3,394	60,356	-47,513	844,988	3,361
Total	**-0.938**	**-91,839**	**1,094,490**	**-1,643,849**	**19,491,852**	**53,485**

Table A-3: FY2025 Energy Savings – Major Thermal Efficiency Programs

Program	Summer Peak Reduction (MW)	Annual Electric Savings (MWh)	Annual Non-Electric Savings (MMBtu)	Lifetime Electric Savings (MWh)	Lifetime Non-Electric Savings (MMBtu)	Annual GHG Savings (tons CO_2)
C&I Custom Program – Unregulated Fuels Measures	-0.204	-1,714	132,663	-34,497	2,376,016	10,153
C&I Prescriptive Initiatives – Unregulated Fuels Measures	0.002	16	501	392	12,514	47
Home Energy Savings Program – Unregulated Fuels Measures	0.114	2,266	30,910	47,830	668,406	3,396
Low-Income Initiatives – Unregulated Fuels Measures	0.059	629	18,677	13,086	402,844	1,766
Total	**-0.029**	**1,196**	**182,751**	**26,812**	**3,459,780**	**15,361**

[122] For the Electric Vehicles Initiatives – EV Rebates, lifetime energy savings reflect gasoline savings associated with rebated EVs, net of the increased electricity use associated with charging those EVs (converted to MMBtu). Monetized impacts of gasoline savings and estimated avoided maintenance costs for EV ownership are included in the benefits. Participant Costs reflect those associated with EV rebates; they reflect both the customers' share of the incremental costs to purchase the vehicle and new electricity costs associated with charging those EVs.

Table A-4: FY2024 Energy Savings – Other Initiatives[123]

Initiative	Summer Peak Reduction (MW)	Annual Electric Savings (MWh)	Annual Non-Electric Savings (MMBtu)	Lifetime Electric Savings (MWh)	Lifetime Non-Electric Savings (MMBtu)	Annual GHG Savings (tons CO_2)
Lead By Example Initiative	-	-23	663	-462	13,260	45
Total	**-**	**-23**	**663**	**-462**	**13,260**	**45**

Legend: GHG = Greenhouse Gas; CO_2 = Carbon Dioxide.

[123] This table only lists those Other Initiatives that generated energy savings in FY2025 (i.e., those with no energy savings are not listed.)

Appendix B: Benefit-to-Cost Ratios

Two different cost tests are used to assess a program's cost-effectiveness: the Primary Benefit-Cost test, from the perspective of all utility customers (participants and non-participants), and the Program Administrator Cost Test (PACT), from the perspective of the program administrator (utility, government agency, or third-party implementer). The criteria for the two cost tests are as follows:

Primary test: The Primary test compares combined program administrator and customer costs to utility resource savings. The Primary test measures the benefits of the energy efficiency program for the region. Costs included in the Primary test are those used to purchase and install energy efficiency measures, including the costs incurred by program participants, costs incurred due to increased energy use, and costs of running the energy efficiency program. The benefits included are the avoided energy supply cost; avoided cost of water; and, when quantifiable, avoided operation and maintenance costs.

PACT: The PACT compares program administrator costs to supply-side resource savings. A positive PACT (>1) indicates that an energy efficiency program is a lower-cost approach to meeting load growth than a wholesale energy purchase and new generation resources (including delivery and system costs). The PACT includes only costs incurred by the program administrator and not customer contributions.

Table B-1: Benefit-to-Cost Ratios – Major Electric Efficiency Programs

Program	Adjusted Gross Benefit-to-Cost Ratio		Last Evaluation	Net-to-Gross Ratio	Net Benefit-to-Cost Ratio	
	Primary	PACT			Primary	PACT
C&I Custom Program – Electric Measures	4.43	16.41	2024	94%	4.41	15.93
C&I Prescriptive Initiatives – Electric Measures	2.79	5.90	2023	69%	2.43	4.87
Distributor Initiatives – Electric Measures	2.56	2.82	Note 2	77%	2.34	2.56
Retail Initiatives – Electric Measures	2.22	2.80	Note 2	84%	2.01	2.49
Low-Income Initiatives – Electric Measures	1.78	1.78	Note 2	100%	1.78	1.78
Demand Management Program – Electric Measures	8.06	8.06	Note 1	75%	6.99	6.99

Table B-2: Benefit-to-Cost Ratios – Major Electrification Programs

Program	Adjusted Gross Benefit-to-Cost Ratio		Last Evaluation	Net-to-Gross Ratio	Net Benefit-to-Cost Ratio	
	Primary	PACT			Primary	PACT
C&I Prescriptive Initiatives – Electrification Measures	1.88	4.60	2023	68%	1.79	4.00
Home Energy Savings Program – Electrification Measures	1.30	12.81	2024	85%	1.30	12.50
Low Income Initiatives – Electrification Measures	1.22	5.94	2024	92%	1.22	5.84
Electric Vehicle Initiatives	1.36	9.32	Note 2	75%	1.35	8.74

Table B-4: Benefit-to-Cost Ratios – Major Thermal Efficiency Programs

Program	Adjusted Gross Benefit-to-Cost Ratio		Last Evaluation	Net-to-Gross Ratio	Net Benefit-to-Cost Ratio	
	Primary	PACT			Primary	PACT
C&I Custom Program – Unregulated Fuels Measures	3.81	11.92	2024	93%	3.78	11.63
C&I Prescriptive Initiatives – Unregulated Fuels Measures	0.80	1.53	2023	100%	0.80	1.53
Home Energy Savings Program – Unregulated Fuels Measures	1.22	4.20	Note 2	73%	1.19	3.88
Low-Income Initiatives – Unregulated Fuels Measures	1.16	1.76	Note 2	100%	1.16	1.76

Note 1 New program, not yet evaluated.

Note 2 Currently being evaluated.

Appendix C: Program Expenditures

Table C-1: Expenditures – Major Electric Programs

Program	Incentive	Delivery	Total
C&I Custom Program – Electric Measures	$769,795	$750,726	$1,520,521
C&I Prescriptive Initiatives – Electric Measures	$5,653,601	$1,169,498	$6,823,099
Distributor Initiatives – Electric Measures	$7,947,230	$1,168,532	$9,115,762
Retail Initiatives – Electric Measures	$4,738,550	$2,992,100	$7,730,650
Low-Income Initiatives – Electric Measures	$900,841	$91,538	$992,379
Demand Management Program	$564,361	$285,119	$849,480
Strategic Initiatives – Electric	$-	$318,841	$318,841
Administration – Electric	$-	$1,883,908	$1,883,908
Total	**$20,574,379**	**$8,660,262**	**$29,234,640**

Table C-2: Expenditures – Major Electrification Programs

Program	Incentive	Delivery	Total
C&I Prescriptive Initiatives – Electrification Measures	$10,692,270	$1,418,899	$12,111,170
Home Energy Savings Program – Electrification Measures	$19,834,199	$2,428,016	$22,262,214
Low Income Initiatives – Electrification Measures	$34,783,515	$3,301,472	$38,084,987
Electric Vehicle Initiatives	$2,532,850	$476,249	$3,009,099
Strategic Initiatives - Electrification	$-	$1,361,681	$1,361,681
Administration - Electrification	$-	$2,858,229	$2,858,229
Total	**$67,842,834**	**$11,844,547**	**$79,687,381**

Table C-3: Expenditures – Major Thermal Programs

Program	Incentive	Delivery	Total
C&I Custom Program – Unregulated Fuels	$2,399,037	$736,603	$3,135,639
C&I Prescriptive Initiatives – Unregulated Fuels	$185,715	$41,522	$227,238
Home Energy Savings Program – Unregulated Fuels	$6,103,602	$834,866	$6,938,468
Low-Income Initiatives – Unregulated Fuels	$6,086,160	$1,239,676	$7,325,835
Strategic Initiatives – Thermal	$-	$253,595	$253,595
Administration – Thermal	$-	$932,310	$932,310
Total	**$14,774,514**	**$4,038,572**	**$18,813,086**

Table C-4: Expenditures – Other Initiatives[124]

Initiative	Incentive	Delivery	Total
Efficiency Maine Green Bank[125]	$-	$731,308	$731,308
Lead By Example Initiative	$191,652	$107,257	$298,909
Thermal Energy Investment Program	$7,904	$-	$7,904
Electric Vehicle Initiatives – EV Supply Equipment	$1,596,137	$2,475	$1,598,612
School Decarbonization Program	$1,400	$-	$1,400
E-Bike Pilot	$34,339	$-	$34,339
Medium- and Heavy-Duty Vehicle Pilot	$105,581	$-	$105,581
Fuel Tank Removal	$8,800	$-	$8,800
Administration – Other	$-	$48,425	$48,425
Total	**$1,945,813**	**$889,464**	**$2,835,278**

[124] This table only lists those Other Initiatives that expended funds in FY2025 (i.e., those with no expenditures are not listed).

[125] Reflects loan servicing support expenditures only (i.e., not the loans themselves). For detail on FY2025 loan activity, see the Other Initiatives – Efficiency Maine Green Bank section.

Appendix D: FY2026 Budget

Table D-1: FY2026 Budget as Approved by the Board of Trustees 10/1/2025

	EMT ADMIN FUND	REGIONAL GREENHOUSE GAS INITIATIVE	ELECTRIC EFFICIENCY PROCUREMENT	FCM HEAT PUMP INITIATIVE	NATURAL GAS EFFICIENCY PROCUREMENT	ENERGY EFFICIENCY & RENEWABLE RESOURCE FUND	AGRICULTURAL FAIRS	THERMAL ENERGY INVESTMENT FUND	VW SETTLEMENT FUNDS	NECEC SETTLEMENT FUNDS	AMERICAN RESUCE PLAN FUNDS	INFLATION REDUCTION ACT FUNDS	OFFICE OF CLEAN ENERGY DEMONSTRATIONS FUNDS	NEVI FUNDS	CHARGING & FUEUING INFRASTRUCTURE FUNDS	CLIMATE POLLUTION REDUCTION GRANT	LD 1955 FUNDS	REVOLVING LOAN FUNDS	FY 2021 TOTAL BUDGET
TOTAL REVENUES AND USE OF FUND BALANCE	6,474,924	53,859,577	97,032,318	5,188,937	1,004,371	132,547	27,200	5,137,038	204,068	10,284,040	17,447,262	13,791,497	2,222,222	20,594,121	14,312,318	13,400,000	545,495	3,042,500	264,700,435
C&I CUSTOM PROGRAM	-	10,678,889	7,658,365	-	46,760	-	-	-	-	-	236,000	-	-	-	-	-	-	-	18,620,014
C&I PRESCRIPTIVE PROGRAM	-	12,458,393	17,150,455	-	-	-	-	-	-	1,675,297	1,283,299	11,328,331	-	-	-	-	-	50,000	43,945,775
DEMAND MANAGEMENT	-	-	4,274,048	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,274,048
INDUSTRIAL CLIMATE INITIATIVE	-	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500,000
THERMAL ENERGY INVESTMENT PROGRAM	-	-	-	-	-	-	-	5,137,039	-	-	-	-	-	-	-	-	-	-	5,137,039
RETAIL & DISTRIBUTOR INITIATIVES	-	9,474,557	5,124,648	-	-	-	-	-	-	-	-	-	-	-	-	13,400,000	-	-	27,999,205
HOME ENERGY SAVINGS PROGRAM	-	8,676,132	14,192,644	3,037,166	600,000	-	-	-	-	-	-	-	2,222,222	-	-	-	-	-	28,728,164
LOW-INCOME INITIATIVES	-	8,849,275	35,750,049	730,370	250,000	-	-	-	-	1,266,667	4,913,000	2,006,776	-	-	-	-	-	-	53,766,137
EFFICIENCY MAINE GREENBANK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,217,000	1,217,000
AGRICULTURAL FAIR INITIATIVES	-	-	-	-	-	-	27,200	-	-	-	-	-	-	-	-	-	-	-	27,200
RENEWABLES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ELECTRIC VEHICLE SUPPLY EQUIPMENT	-	-	-	-	-	-	-	-	-	7,032,076	10,897,262	-	-	20,594,121	14,312,318	-	-	-	52,835,777
ELECTRIC VEHICLE ACCELERATOR PROGRAM	-	-	2,390,066	1,200,000	-	-	-	-	-	210,000	-	-	-	-	-	-	545,495	-	4,345,561
LEAD BY EXAMPLE INITIATIVE	-	-	-	-	-	-	-	-	204,068	-	-	-	-	-	-	-	-	-	204,068
INNOVATION	-	840,000	1,152,076	52,263	8,968	120,396	-	-	-	-	-	-	-	-	-	-	-	-	2,173,703
PUBLIC INFORMATION	-	342,331	404,255	-	4,484	-	-	-	-	-	-	-	-	-	-	-	-	-	751,070
EM&V	-	1,000,000	2,480,769	120,813	22,419	-	-	-	-	-	-	222,650	-	-	-	-	-	-	3,846,651
ADMINISTRATION	6,059,115	800,000	5,800,000	-	62,773	12,151	-	-	-	100,000	117,701	233,740	-	-	-	-	-	393,000	13,578,480
INTER-AGENCY TRANSFERS	10,000	240,000	778,509	48,325	8,967	-	-	-	-	-	-	-	-	-	-	-	-	-	1,085,801
Public Utilities Commission	-	85,000	778,509	48,325	8,967	-	-	-	-	-	-	-	-	-	-	-	-	-	920,801
RGGI Rate Relief	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RGGI Inc Operating Costs	-	70,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,000
Department of Environmental Protection	-	85,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85,000
Governor's Energy Office	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,000
DECD (Maine Technology Institute)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	6,069,115	53,859,577	97,155,884	5,188,937	1,004,371	132,547	27,200	5,137,039	204,068	10,284,040	17,447,262	13,791,497	2,222,222	20,594,121	14,312,318	13,400,000	545,495	1,660,000	263,035,693
RESERVED FUND BALANCE	1,048,185	13,462,351	2,327,418	620,562	-	-	-	-	-	-	-	-	-	-	-	-	-	27,506,109	44,964,625

Appendix E: Public Utilities Commission Assessments and Revenue Collections

Table E-1: Public Utilities Commission Assessments and Revenue Collections

PUC Assessments and Revenue Collections - FY 2025					
Electric Efficiency Procurement					
Procurement Quarter:	**Jul-Sep 2024**	**Oct-Dec 2024**	**Jan-Mar 2025**	**Apr-Jun 2025**	**Total - FY 2025**
Billing Date:	**1-Jul-24**	**31-Oct-24**	**1-Jan-25**	**1-Apr-25**	
Name					
Central Maine Power Co	$ 11,848,833	$ 11,848,833	$ 11,848,833	$ 11,848,833	$ 47,395,333
Eastern Maine Electric Coop	157,654	157,654	157,654	157,654	630,615
Versant (formerly Emera)	2,729,600	2,729,600	2,729,600	2,729,600	10,918,401
Fox Island Electric Coop	16,353	16,353	16,353	16,353	65,413
Houlton Water Co	113,145	113,145	113,145	113,145	452,580
Kennebunk Light & Power	152,563	152,563	152,563	152,563	610,253
Madison Electric Works	46,645	46,645	46,645	46,645	186,581
Van Buren Light & Power Co	22,795	22,795	22,795	22,795	91,182
Totals	**$ 15,087,589**	**$ 15,087,589**	**$ 15,087,589**	**$ 15,087,589**	**$ 60,350,358**

Revenue Forecast	**FY 2026**
Central Maine Power Co	$ 61,442,861
Eastern Maine Electric Coop	816,664.61
Versant (formerly Emera)	13,829,871.29
Fox Island Electric Coop	84,183.58
Houlton Water Co	579,816.48
Kennebunk Light & Power	798,295.17
Madison Electric Works	269,799.36
Van Buren Light & Power Co	121,997.68
Total	**$ 77,943,489**

Natural Gas Efficiency Procurement		
	Total - FY 2025	**Revenue Forecast - FY 2026**
Name		
Northern Utilities - Unitil	$ -	$ 583,260
Bangor Natural Gas	-	270,741
Maine Natural Gas	-	138,282
Summit Natural Gas	-	12,088
Totals	**$ -**	**$ 1,004,371**

Alternative Compliance Mechanism (ACM)		
Assessment Timeframe:	**Jul '24 - June '25**	**Total - FY 2025**
Billing Date:	**N/A**	
Name		**Total - FY 2025**
Class I & Class IA	$ -	$ -
Thermal	2,181,859	2,181,859
Totals	**$ 2,181,859**	**$ 2,181,859**

As Ordered by the PUC on 5/31/2024 in Docket 2022-00039 – Procurement of Electric Resources and Assessment for Natural Gas Resources for Fifth Triennial Plan FY2023-2025. Note: these revenue forecasts reflect the use of FY2024 carryforward funding to reduce the need for assessments and the suspension of natural gas programs for FY25.

Appendix F: Maine Jobs and Recovery Plan Initiatives

In January 2021, the U.S. Congress enacted the American Rescue Plan Act (ARPA), a federal stimulus bill to aid, among other things, economic recovery from the COVID-19 pandemic. The plan included funding for state governments through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF). Approximately $1 billion of the SLFRF was allocated to the State of Maine to respond to the pandemic and support economic recovery.

In May 2021, Governor Mills put forth a proposal—the Maine Jobs and Recovery Plan (MJRP)—outlining her administration's priorities for using these funds. The Maine Legislature approved the plan in July 2021, enacting LD 1733, An Act To Provide Allocations for the Distribution of State Fiscal Recovery Funds.[126]

The MJRP allocated $50 million to the Trust to accelerate weatherization upgrades for low- and moderate-income residents, and to expand energy efficiency investment among local governments, schools, community organizations, and businesses. The MJRP also allocated $8 million to MaineDOT to expand state, municipal, and other publicly accessible EV charging stations and related infrastructure in partnership with Efficiency Maine.

In collaboration with other agencies and offices of state government, the Trust prepared a series of five initiatives that incorporate both the goals of the MJRP and the federal guidelines for uses of the SLFRF. These initiatives were designed to assist different customer segments of the Maine economy that experienced a disproportionately negative economic impact related to the COVID-19 pandemic. Each is described below, along with a summary of FY2025 activity and performance metrics, and a summary of total activity and performance metrics to date.[127] The performance metrics provided are those required for compliance with federal reporting requirements.

To date, all of the Trust's MJRP initiatives have made significant progress in committing and expending their budgets. However, the Trust has observed over the past two to three years that some non-residential projects experience relatively long sales and construction cycles. These projects regularly require more than 12 months to complete after receiving necessary approvals, and in some instances take more than 18 months to be commissioned. Any ARPA funds that are not expended by December 31, 2026, must be returned to the federal government. To mitigate the risk of committing funds over the coming 12 months to projects that could, hypothetically, experience delays and cause it to miss the December 2026 deadline, the Trust reallocated approximately $3.6 million in uncommitted funding from the nonresidential initiatives (#2, #3, and #4 below) to the residential low- and moderate-income initiative (#1 below) in early FY2026. Because the residential initiative has been progressing rapidly and

[126] Public Law, Chapter 483, 130th Maine State Legislature, First Special Session, LD 1733, An Act To Provide Allocations for the Distribution of State Fiscal Recovery Funds.

[127] The FY2025 performance metrics reflected in the tables are as reported to the Department of Financial and Administrative Services in July 2025, with some minor adjustments after the fiscal year reconciliation. They reflect results associated with projects that were completed and paid in FY2025. There are several additional projects underway or in the pipeline that will be captured in future fiscal years.

has relatively short project timelines, the Trust forecasts that it will fully expend these additional funds by June 2026. All the non-residential initiatives were closed to new applicants at the end of FY2025, but will continue to make payments on any ongoing projects through at least the end of FY2026.

1. Low- and Moderate-Income Weatherization Initiative

This $25 million[128] initiative provides financial incentives to accelerate weatherization (air sealing and insulation) and whole-home heat pumps in low- and moderate-income residential dwellings, as well as supplemental heat pump projects in low-income dwellings. The Trust runs this effort through its standard Low-Income Initiatives, offering market-based rebates for the associated projects. The influx of federal funds has been instrumental in driving record weatherization activity in the program since FY2023, as described in the Low-Income Initiatives section. While heat pump rebates for all other sectors shifted to a "whole-home/whole-building" approach in FY2024, the Trust decided to preserve (and increase) rebates for supplemental heat pumps in low-income households using MJRP funds in acknowledgement of the fact that these customers are less likely to have a tax liability that allows them to take advantage of the new federal tax credit for heat pumps.

Table F-1: Low-and Moderate-Income Weatherization Initiative – Performance Metrics

Performance Metric	FY2025 Results	Total Results since Inception
Funds invested	$8,457,142	$22,765,214
Participants	1,369	3,381
Equity – number of participants in economically disadvantaged communities[129]	784	1,972
Equity – participant household income[130]	9% -- less than $15,000 28% -- $15,000 to $34,999 17% -- $35,000 to $49,999 25% -- $50,000 to $74,999 10% -- $75,000 to $99,999 3% -- over $100,000 9% -- preferred not to indicate	8% -- less than $15,000 26% -- $15,000 to $34,999 19% -- $35,000 to $49,999 24% -- $50,000 to $74,999 10% -- $75,000 to $99,999 3% -- over $100,000 10% -- preferred not to indicate
Lifetime cost savings[131]	$2,785,229	$13,823,692
Lifetime carbon reductions	40,843 tons of CO_2	104,948 tons of CO_2
Number of participating contractors	130	163

[128] With the FY2026 funding shift, this budget increased to $28,613,000.
[129] For its MJRP initiatives, the Trust defines "economically disadvantaged community" as a municipality with a median income level below the state's median income level.
[130] This data was collected through a voluntary participant survey.
[131] Lifetime cost savings is equal to the lifetime benefits minus the total costs paid by the participant and Efficiency Maine. Lifetime benefits and lifetime cost of increase energy are assessed using the avoided cost of energy supply.

2. Hospitality Retrofit Initiative

This $4 million[132] initiative provides financial incentives and technical assistance to support energy efficiency upgrades for businesses in Maine's travel, tourism, and hospitality sector. It prioritizes small businesses[133] and HVAC beneficial electrification projects.

In FY2023, the Trust managed a Funding Opportunity Notice (FON) for Hospitality Retrofits through the C&I Prescriptive Initiatives. The FON targeted small restaurants, hotels, motels, inns, and bed and breakfasts, providing enhanced incentives for HVAC and refrigeration projects. The Trust leveraged ARPA funds for the HVAC electrification measures using heat pump technology. The Trust issued a second round of this FON in FY2024, targeting the same subset of eligible participants but limiting project incentives to HVAC electrification measures using heat pump technology. This second-round FON accepted applications through the end of FY2025.

Table F-2: Hospitality Retrofit Initiative – Performance Metrics

Performance Metric	FY2025 Results	Total Results since Inception
Funds invested	$211,753	$2,962,802
Participants	10	74
Equity – number of participants with minority-owned, women-owned and veteran-owned business status	4 minority-owned, veteran-owned, and women-owned businesses	23 minority-owned, veteran-owned, and women-owned businesses
Equity – number of participating small businesses	8	69
Equity – number of participants in rural areas and small towns	10 in rural areas 8 in small towns	73 in rural areas 38 in small towns
Lifetime cost savings	$408,457	$5,829,536
Lifetime carbon reductions	1,901 tons of CO_2	23,370 tons of CO_2

3. Energy Efficiency Initiative for Local Government, Public Schools, and Congregate Housing

This $15 million[134] initiative provides financial incentives and technical assistance to support energy efficiency upgrades at buildings owned or leased by local governments (including municipal, county, or tribal governments), public schools, and community organizations providing congregate housing (e.g., long-term care, group home, and supportive housing facilities). It prioritizes entities (1) serving small population sizes,[135] (2) located in rural areas,[136] and (3) serving economically disadvantaged communities. It also prioritizes HVAC beneficial electrification projects.

[132] With the FY2026 funding shift, this budget decreased to $3.22 million.
[133] For its MJRP initiatives, the Trust defines "small business" as a customer of a transmission and distribution (T&D) utility that is designated in the utility's distribution rates to receive general service through the customer class reserved for small non-residential users, including where applicable the small general service and the medium general service customer classes.
[134] With the FY2026 funding shift, this budget decreased to $13,181,000.
[135] For its MJRP initiatives, the Trust defines "small town" as a municipality with a population of 5,000 or less.
[136] For its MJRP initiatives, the Trust defines "rural area" as any municipality deemed "rural" by the U.S. Department of Agriculture for multifamily housing; this translates to any municipality in Maine except Portland, South Portland, Westbrook, Lewiston, Auburn, and Bangor.

In FY2023, the Trust operated the initiative using three FONs through the C&I Prescriptive Initiatives. The FON for School Retrofits targeted PreK-12 public schools in smaller towns and districts; the FON for Small Municipality Retrofits targeted municipalities with fewer than 5,000 residents and tribal governments; and the FON for Long-Term Care Facility Retrofits targeted assisted-living program facilities, continuing care communities, nursing homes, memory care facilities, and hospice facilities. All three FONs provided enhanced incentives for HVAC, lighting, and refrigeration projects, leveraging ARPA funds specifically for the HVAC electrification measures using heat pump technology.

In FY2024, the Trust continued to manage many of the FONs initiated in FY2023. It also launched second rounds of two FONs that closed, each with slightly different eligibility criteria. The FON for Municipal Electrification Retrofits built upon the previous FON for Small Municipality Retrofits, targeting slightly larger municipalities (between 5,000 and 10,000 residents) and limiting eligibility to whole-building/-zone HVAC equipment using heat pump technology. The second-round FON for School Retrofits expanded beyond PreK-12 schools in smaller towns and districts to include schools statewide, provided that they currently heat with oil or propane fuel. It also limited eligibility to whole-building/-zone HVAC equipment using heat pump technology. Finally, the Trust launched an entirely new FON for Assisted Housing Retrofits, targeting beneficial electrification HVAC and water heating upgrades in certain facilities that provide independent housing with services, assisted living centers, residential care facilities, and private non-medical institutions.

The Trust continued to run the second-round municipal FON through the fall of FY2025. It then issued a third-round municipal FON (targeting all municipalities under 10,000 residents), which accepted applications through the end of FY2025. The Trust continued the second-round FON for schools, which also ran through the end of the fiscal year. The FON for Assisted Housing Retrofits closed in the fall of FY2025. The Trust then launched a new FON for Long-Term Care Retrofits in March, targeting beneficial electrification HVAC projects serving the whole building.[137] These incentives were limited to facilities currently heated with oil, propane, or electric-resistance systems. The Trust leveraged ARPA funds for any projects approved under this FON through the end of FY2025. The FON will remain open in FY2026, but will be supported with RGGI funds instead of MJRP funds.[138]

[137] The Trust simultaneously launched a targeted financing opportunity for long-term care facilities using federal Energy Efficiency Revolving Loan Fund Capitalization Grant Program funds. For more detail, see the Other Initiatives – Efficiency Maine Green Bank section.

[138] As described in the Appendix F introduction, the Trust shifted all uncommitted ARPA funds from its non-residential MJRP initiatives to the residential MJRP initiative in early FY2026 to ensure all funds are expended by the December 2026 deadline.

Table F-3: Energy Efficiency Initiative for Local Government, Public Schools, and Congregate Housing – Performance Metrics

Performance Metric	FY2025 Results	Total Results since Inception
Funds invested	$4,934,889	$7,666,749
Participants	43	166
Equity – number of participants in economically disadvantaged communities	26	106
Equity – number of participants in rural areas and small towns	43 in rural areas 24 in small towns	166 in rural areas 133 in small towns
Lifetime cost savings	$5,482,318	$12,703,852
Lifetime carbon reductions	25,251 tons of CO_2	53,606 tons of CO_2

4. Energy Efficiency Initiative for Manufacturers

This $6 million[139] initiative provides financial incentives to support high-efficiency, clean energy upgrades for businesses in Maine's manufacturing sector. It prioritizes measures that receive significant reductions in energy costs, carbon emissions, or both.

In FY2025, the Trust continued to advance the initiative with the Program Opportunity Notice (PON) for Manufacturer Thermal Efficiency Projects through the C&I Custom Program. This PON provided enhanced incentives for projects that reduce the use of natural gas, oil, biomass, and other fuels, granting bonus incentives for beneficial electrification and heat recovery projects. As with most custom projects, the project development process can take several months. The Trust completed its first projects under this initiative in FY2025 (four total) and continued to monitor six others. It also awarded four additional projects in FY2025.

Table F-4: Energy Efficiency Initiative for Manufacturers – Performance Metrics

Performance Metric	FY2025 Results	Total Results to Date
Funds invested	$2,446,073	$3,091,228
Participants	3	3
Equity – number of participants in rural areas and small towns	2 in rural areas 2 in small towns	2 in rural areas 2 in small towns
Lifetime cost savings	$8,712,535	$8,712,535
Lifetime carbon reductions	30,884 tons of CO_2	30,884 tons of CO_2

5. EV Charging Infrastructure Initiative

This $8 million initiative provides financial incentives to support the continued expansion of Maine's public EV charging network. It prioritizes less populous, more remote routes, towns, and destinations that are not able to be funded by the federal Bipartisan Infrastructure Law funds (especially in areas not served by existing charging infrastructure). It also prioritizes charger installations in disadvantaged

[139] With the FY2026 funding shift, this budget decreased to $4,986,000.

communities[140] and charging opportunities for apartment dwellers who cannot install a charger at home.

In FY2023, the Trust managed two rounds of FONs for Rural Level 2 EV Charging to support this initiative. The first targeted rural installations in Maine's 14 northern counties (i.e., all counties except Cumberland and York), and the second targeted rural installations in Cumberland County and York County. The Trust also ran two rounds of an RFP ("Phase 4") for DC fast-charging stations, awarding funds for public fast chargers along state priority corridors. (The second round was not awarded until FY2024.) Both rounds targeted installations in Aroostook and Washington Counties, connecting southern and central Maine communities with the Crown of Maine and the Eastern border with New Brunswick.

In FY2024, the Trust completed and paid out a number of projects awarded in FY2023 under the aforementioned solicitations. It also launched a new RFP for Electric Vehicle DC Fast Chargers at Maine Destinations, awarding funds for public fast chargers in Rangeley, Greenville/Moosehead, Millinocket, Gorham/Standish, and Orono.

In FY2025, the Trust continued to complete and pay out projects awarded in prior years. It also launched a third round of the "Phase 4" solicitation, focusing on rural EV chargers (both DC fast-chargers and Level 2 chargers) in Presque Isle, Fort Kent, Medway, Baileyville or within 15 miles thereof, Howland, Sherman, Turner, Hermon, Blue Hill or within 15 miles thereof, Milbridge, Caribou, and along Route 11 from Portage Lake to Masardis. The Trust made eight awards under this solicitation in July of FY2026.

Table F-5: EV Charging Infrastructure Initiative – Performance Metrics

Performance Metric	FY2025 Results	Total Results to Date
Funds invested	$90,490	$1,202,473
Total number and size of EV charger plugs (ports) installed and total number of sites added to the state's network of public chargers	24 Level 2 plugs between 7 sites 0 Level 3 plugs at 0 sites	170 Level 2 plugs between 62 sites 3 Level 3 plugs at 1 site
Equity – number and power levels (kW) of plugs installed in disadvantaged communities (DACs); investment in DACs as a percentage of total investment	4 Level 2 plugs at 1 site in a DAC 0 Level 3 plugs at 0 sites in a DAC 18% of incentives were paid in DACs	56 Level 2 plugs at 21 sites in a DAC 3 Level 3 plugs at 1 site in a DAC 49% of incentives were paid in DACs
EV charger investments per capita (by town)	See Table F-6	See Table F-6
Charging station usage (for networked Level 3 chargers only)	Van Buren station – 3.148 MWh across 138 sessions, averaging 23 kWh/session. Peak power averages 70-90 kW.	Van Buren station – 3.898 MWh across 174 sessions, averaging 22 kWh/session. Peak power averages 60-90 kW.

[140] For this MJRP initiative, the Trust uses a definition of "disadvantaged community" consistent with the federal Justice40 definition, as reflected in the Argonne National Laboratory's EV Charging Justice40 Map.

Table F-6: EV Charging Infrastructure Initiative – Investments Per Capita (by Town)

Town	FY2025 Investment	Total Investment to Date
Van Buren	$ --	$ 142.71
Rockport	$ --	$ 5.49
East Central Washington	$ --	$ 4.02
Orono	$ --	$ 1.76
Lovell	$ --	$ 11.66
Wayne	$ --	$ 8.86
Carrabassett Valley	$ --	$ 20.68
Bath	$ --	$ 5.48
Waldoboro	$ --	$ 1.94
St. George	$ --	$ 4.84
Rockland	$ --	$ 2.02
Limestone	$ --	$ 12.58
Unity	$ --	$ 5.23
Hallowell	$ --	$ 3.25
Rumford	$ --	$ 2.39
Woodstock	$ --	$ 8.99
Blue Hill	$ --	$ 3.58
Old Town	$ --	$ 6.15
Damariscotta	$ --	$ 8.71
Bar Harbor	$ --	$ 0.28
Monson	$ --	$ 22.99
Hampden	$ --	$ 1.02
Bucksport	$ --	$ 1.88
Norway	$ --	$ 7.57
Paris	$ --	$ 3.28
Winter Harbor	$ --	$ 8.68
Topsham	$ --	$ 1.46
Newry	$ --	$ 26.99
Madawaska	$ --	$ 3.53
Millinocket	$ --	$ 11.09
Palmyra	$ --	$ 10.40
Litchfield	$ --	$ 5.58
Presque Isle	$ --	$ 2.27
Brunswick	$ 1.47	$ 3.29
Wells	$ 8.08	$ 9.83
Sanford	$ --	$ 0.78
Harpswell	$ 1.64	$ 2.83
Scarborough	$ --	$ 0.90
Biddeford	$ --	$ 0.15
Ogunquit	$ --	$ 20.29
Bridgton	$ --	$ 2.87
Gray	$ --	$ 3.87
Yarmouth	$ 5.17	$ 5.17

Appendix G: Energy Efficiency in Manufactured Housing

In 2023, the Legislature enacted LD 815, An Act To Provide Energy Efficiency Program Outreach and Assistance to Manufactured Housing Residents, requiring the Trust to provide an education and outreach program to low- and moderate-income residents of manufactured housing to increase awareness of energy efficiency programs.[141] The law also requires the Trust to report on the activities and results of this program in FY2024, FY2025, and FY2026. This Appendix serves to satisfy the FY2025 reporting requirement.

Efficiency Maine Program Offerings for Manufactured Homes

Residents of manufactured homes in Maine are eligible for, and generally participate in, the Trust's standard residential program offerings, including those that provide rebates for heat pumps, weatherization, electric vehicles, and demand management.[142] Many of these programs provide enhanced incentives for qualifying low- and moderate-income customers.

Over the last few years, the Trust has also managed a targeted initiative through its Innovation program testing whole-home heat pump retrofits in manufactured homes. Based on favorable results in single-wide homes in and south of Bangor, the Trust transitioned to a broader program offering in FY2024: the Manufactured (Mobile) Home Initiative.

In FY2024, the Trust received national attention for its Manufactured (Mobile) Home Initiative and secured two significant federal grants to support its expansion over the next few years. First, Maine was awarded a $10 million competitive grant through DOE's Bipartisan Infrastructure Law (BIL)-funded Energy Improvements in Rural or Remote Areas program to support the installation of whole-home heat pumps in manufactured (mobile) homes. Second, Maine's DOE-approved plan for the use of its funds from the Inflation Reduction Act (IRA) Home Energy Rebates program includes allocating approximately $15 million to the Manufactured (Mobile) Home Initiative. In FY2025, the Trust started investing these two new federal funding streams, kicking off a sustained period of significant investment in electrification of manufactured homes. The Trust expects that these funds will support whole-home heat pump retrofits in more than 1,000 manufactured homes over the next five to seven years.

The Trust simultaneously continued to expand the Innovation pilot scope in FY2025, testing additional sites with a slightly different baseline—double-wide manufactured homes and manufactured homes located north of Bangor—and assessing alternative equipment configurations.[143] In FY2025, all activity in this initiative (both the broader program offering and the pilot projects) was limited to low-income homeowners.

As described in the Efficiency Maine Green Bank section, the Trust provides financing opportunities for homeowners, targeting income-eligible customers and participants in the Manufactured (Mobile) Home

[141] Public Law, Chapter 194, 131st Maine State Legislature, First Special Session, LD 815, An Act To Provide Energy Efficiency Program Outreach and Assistance to Manufactured Housing Residents.
[142] Though residents of manufactured homes are technically also eligible for rebates through Retail Initiatives and Distributor Initiatives, the current measure offerings through those programs are not applicable to manufactured homes. Heat pump water heaters generally require unfinished basements, and ECM circulator pumps are for boilers; manufactured homes do not have basements and generally use furnaces.
[143] For additional detail, see the Innovation section.

Initiative specifically. For its standard residential programs, the Trust provides unsecured Home Energy Loans without borrower fees and with relatively low interest rates. The Manufactured (Mobile) Home Initiative provides a targeted financing opportunity where participants borrow $2,500 ($2,000 to cover their 20% share of project costs, plus a $500 origination fee) for 50 months at 0% interest. The Trust requires that installers provide customers a full five-year parts and labor warranty. Over the course of the year, 23 of the 32 participants in the Manufactured (Mobile) Home Initiative selected this loan option.

Table G-1 provides a summary of the Trust's FY2025 investment in manufactured housing by major incentive program. Where applicable, it indicates whether the activity applied specifically to low- and moderate-income residents, or whether it was a standard rebate available to all income levels.

Table G-1: Investment in Manufactured Housing[144]

Major Program	Subcategory	Number of Participants	FY2025 Investment[145]
Low-Income Initiatives	Manufactured (Mobile) Home Initiative (low-income)	32	$465,362
Low-Income Initiatives	Low- and moderate-income heat pump rebates	42	$240,240
Low-Income Initiatives	Low- and moderate-income weatherization rebates	60	$358,126
Low-Income Initiatives	Arrearage Management Program	22	$599
Low-Income Initiatives	Heat pump water heaters and DIY kits	85	$10,159
Innovation	Manufactured (Mobile) Home Innovation pilot	9	$96,437
EV Initiatives	Low- and moderate-income EV rebates	9	$21,500
Demand Management Program	Load Shifting Initiative (EV charging and batteries)	4	$662
Retail Initiatives and Distributor Initiatives	Clothes washers, heat pump water heaters	207	$112,850
Home Energy Savings Program	Standard (any-income) heat pump rebates	91	$237,955
Home Energy Savings Program	Standard (any-income) weatherization rebates	24	$69,086
Total		**585**	**$1,612,975**

[144] The Manufactured (Mobile) Home Initiative and Manufactured (Mobile) Home Innovation pilot program only serve manufactured homes. All other program participation is based on address matching to tax assessment data. There is uncertainty in the data presented, with a higher chance that the manufactured home participant rates are underestimated rather than overestimated.

[145] Figures in this column reflect the Trust's incentives only (i.e., no administrative or "program delivery" costs).

Education and Outreach to Manufactured Homes

The Trust conducts education and outreach to residents of manufactured housing through both its standard program marketing, as well as more directly through the Manufactured (Mobile) Home Initiative.

Standard program outreach channels include the Trust's website, Google Ads, Facebook posts and ads, radio spots, direct mail campaigns, email campaigns, and print advertising. The Trust also collaborates with various non-profit organizations, municipalities, trade associations, and landlords, leveraging their communications channels and often participating in outreach events. Additionally, it draws upon the networks of the members of the Efficiency Maine Low-Income Advisory Group, which comprises staff responsible for programs serving low-income households at community organizations, municipalities, Maine Equal Justice, multiple utilities, the Office of the Public Advocate, and the Public Utilities Commission, among others.

With the launch of the Manufactured (Mobile) Home Initiative in FY2024, the Trust initiated a more targeted education and outreach effort directed specifically at manufactured homes. In FY2025, the Trust sent out a postcard mailer to more than 20,000 eligible homeowners across the state. The Trust complemented these mailers with direct outreach at several manufactured home parks, including the Caincrest Mobile Home Park (York) and Surry Village Homes (Surry). It also distributed flyers to park managers at two additional parks in Brunswick and Rockland, as well as at each town's municipal office. The Trust's staff also offered several presentations and local libraries and other community meeting places, providing overviews of the Manufactured (Mobile) Home Initiative and other Efficiency Maine rebate programs.

The Trust's education and outreach efforts also extend beyond the initial customer acquisition phase. For example, homeowners who move ahead with a whole-home heat pump retrofit through the Manufactured (Mobile) Home initiative are provided with information about other Efficiency Maine program rebates and MaineHousing programs that might help supplement their new upgrade. Staff also assists those participants that receive a HEAP benefit in switching that benefit to apply to their electric bill (instead of their fuel bill), helping make the necessary connections with the relevant Community Action Agency.

Appendix H: Beneficial Electrification Policy Act

In 2023, the Maine Legislature enacted LD 1724, An Act to Enact the Beneficial Electrification Policy Act (BEPA).[146] BEPA introduced several amendments to the statute governing the Trust's activities, clarifying the Trust's obligations for planning and implementing programs to advance Maine's policy on beneficial electrification.[147]

BEPA requires that, when developing budgets for the Trust's Triennial Plan (and updates to that plan), determinations of maximum achievable cost-effective (MACE) electric efficiency opportunity shall: "Include all beneficial electrification measures that are cost-effective and reliably reduce electricity rates over the life of the measures."[148] The practical impact of this change is that the Trust can now leverage electric ratepayer funds for fuel-switching measures in certain limited circumstances (i.e., where those measures are cost-effective and would, over the life of the measures, reliably reduce electric utility rates.)

BEPA also directs the Trust to develop a three-year beneficial electrification plan for end uses of energy as part of the Trust's triennial plan, and provide annual updates to the plan.[149] As part of the Trust's 2024 Annual Update to Triennial Plan V, it requested a significant change to the approved budgets to reflect the costs and deliverables of an "Interim Beneficial Electrification Plan" (Interim Plan) for FY2025—the final year of Triennial Plan V. This significant change to Triennial Plan V was approved by the Trust Board in February 2024 and by the PUC in May 2024.[150]

As previously noted, BEPA requires that the determination of MACE electric efficiency opportunity include only those beneficial electrification measures that are cost-effective and that reliably reduce electricity rates over the life of the measure. To assess whether a measure reliably reduces rates over the life of the measure, the Trust relied upon the analytical approach established in Chapter 3 of the Trust's rules.[151] This analysis considers the net present value of only those revenues and costs collected through the utilities' transmission and distribution (T&D) rates that are attributable to the measure.

[146] Public Law, Chapter 328, 131st Maine State Legislature, First Special Session, LD 1724, An Act to Enact the Beneficial Electrification Policy Act.
[147] Maine law defines beneficial electrification as follows: "'Beneficial electrification' means electrification of a technology or process that results in reduction in the use of a fossil fuel, including electrification of a technology or process that would otherwise require energy from a fossil fuel, and that provides a benefit to a utility, a ratepayer or the environment, without causing harm to utilities, ratepayers or the environment, by improving the efficiency of the electricity grid or reducing consumer costs or emissions, including carbon emissions" (35-A M.R.S.A. §10102(3-A)).
[148] 35-A MRS §10110(4-A)(D).
[149] 35-A MRS §10110(4-A)(D).
[150] Maine Public Utilities Commission Order on Request for Significant Changes and Ratepayer Funding, Efficiency Maine Trust Request for Approval of the Triennial Plan for Fiscal Years 2023-2025, May 29, 2024, Docket No. 2021-00380.
[151] 95-648 CMR ch. 3.

The Trust found that the following beneficial electrification measures meet the criteria for funding through the Electric Efficiency Procurement and therefore constitute the components of the Interim Plan for FY2025:

- Whole-home heat pumps installed in single family homes, duplexes, and condominiums (condos);
- Whole-building or whole-zone heat pumps, including rooftop-unit heat pumps, installed in commercial buildings and in multifamily buildings of three or more dwelling units;
- Heat pump water heaters, individually vetted for cost-effectiveness, that replace fossil-fueled water heaters installed in commercial or multifamily buildings; and
- Light duty BEVs and PHEVs.

Table H-1 shows the lifetime impact of these measures on suppressing electricity delivery rates.

Table H-1: Rate Suppression Impacts

Program	Total Investment[152]	Ratepayer Investment (Electric Procurement)	Gross Lifetime Rate Suppression[153]	Net Lifetime Rate Suppression[154]	Rate Suppression per Ratepayer Dollar Invested
Home Energy Savings Program Electrification Measures	$22,260,806	$7,998,561	$77,272,524	$69,273,963	$9.66
Low Income Initiatives Electrification Measures	$34,914,719	$18,601,875	$64,368,416	$45,766,541	$3.46
Electric Vehicle Initiatives	$2,675,634	$697,419	$1,535,510	$838,091	$2.20
C&I Prescriptive Initiatives Electrification Measures	$3,095,826	$1,305,098	$3,701,382	$2,396,284	$2.84
Total	**$62,946,986**	**$28,602,952**	**$146,877,832**	**$118,274,879**	**$5.14**

[152] In FY2025, funds invested in measures that reliably reduce rates included the Electric Efficiency Procurement, RGGI, FCM, and ARPA.
[153] Gross impacts included changes in utility revenue from electricity sales attributable to the measure; and changes in utility costs resulting from the marginal effect of the measure on T&D system costs.
[154] Gross Lifetime Rate Suppression, less Ratepayer Investment.

Appendix I: Glossary

Adjusted Gross Savings: The change in energy consumption and/or demand that results directly from program-related actions taken by participants in an Efficiency Maine program, regardless of why they participated, adjusted for installation rates and savings rates verified through program evaluations.

Arrearage: Unpaid debt or overdue payments.

Avoided Energy Supply Costs: Costs that would have been incurred had a utility and/or energy supplier otherwise been required to supply the power that was avoided through the installation of an energy efficiency or distributed generation project. The avoided costs include the wholesale cost of energy and capacity, the costs of complying with renewable energy and climate policies, plus the marginal costs of adding future T&D (but not the retail cost of T&D).

Benefit-to-Cost Ratio: The ratio of the net present value of the quantifiable financial benefits to the costs of an efficiency measure. The benefits and costs included in the calculation are dependent on the test used. See glossary entries of Primary Benefit-Cost Test and Program Administrator Cost Test.

Community Action Agencies: Non-profit private and public organizations established under the U.S. Economic Opportunity Act of 1964 to reduce poverty. Community Action Agencies deliver emergency services, education, training, housing, weatherization services, and more.

Free Rider: A program participant who, as determined through surveys and market analysis, would have installed equivalent efficiency measures independent of the Trust's program or its incentives.

Lifetime Benefit: The net present value of the avoided energy supply cost of energy and demand savings, and avoided operation and maintenance costs, over the measure life.

Maximum Achievable Cost-Effective (MACE): An energy efficiency industry term that refers to the full universe of potential cost-effective energy efficiency projects that could realistically be installed given technical and economic constraints and assumed adoption rates based on offered incentives.

Measure Life: The length of time that a measure is expected to be functional. Measure life is a function of: (1) *equipment life*, the number of years that a measure is installed and operates until failure, and (2) *measure persistence*, which takes into account business turnover, early retirement of installed equipment, and other reasons that measures might be removed or discontinued. Measure life is sometimes referred to as expected useful life.

Midstream: Incentive programs for energy-efficient products are characterized as midstream, upstream, or downstream depending on who receives the incentives. Upstream programs provide incentives for manufacturers to make more efficient products, and downstream programs provide rebates for consumers, encouraging them to purchase more efficient products. A midstream program provides incentives at the retailer or distributor level, encouraging them to stock and sell more high-efficiency equipment models.

Net Savings: An estimate of the amount of adjusted gross savings that can be directly and indirectly attributed to a program based on program participants' motivation. Participants who, in the determination of the evaluators, would have installed equivalent efficiency measures independent of the program and its incentives are considered "free riders." To calculate net savings, the impacts of savings attributed to free riders are excluded. By contrast, savings realized by program participants through the installation of *additional* efficiency measures due to program influences, even though no incentive or technical assistance (TA) was received (called "spillover"), are added.

Net-to-Gross (NTG) Ratio: The ratio of net savings to adjusted gross savings. The NTG ratio is defined as 1 minus the free ridership (FR) rate plus the spillover (SO) rate (NTG ratio = 1 − FR + SO).

Primary Benefit-Cost Test: This cost-effectiveness test captures the perspective of all utility customers—both participants and non-participants. The Primary test compares combined program administrator and customer costs to utility resource savings. The Primary test measures the benefits of the energy efficiency program for the region. Costs included in the Primary test are those used to purchase and install the energy efficiency measure, such as the costs incurred by program participants, costs incurred due to increased energy use, and costs of running the energy efficiency program. The benefits included are the avoided energy supply cost; avoided cost of water; and when quantifiable, avoided operation and maintenance costs.

Program Administrator Cost Test: This cost-effectiveness test compares Efficiency Maine's costs to supply-side resource savings. A positive PACT (>1) indicates that an energy efficiency program is a lower-cost approach to meeting load growth than a wholesale energy purchase and new generation resources (including delivery and system costs). The PACT includes only costs incurred by the program administrator and not customer contributions.

Qualified Partner: A term used to describe the network of contractors and vendors working with Efficiency Maine's Commercial & Industrial Prescriptive Initiatives.

Residential Registered Vendor: A term used to describe the network of contractors and vendors working with Efficiency Maine's residential programs.

Spillover: Savings realized by program participants through the installation of *additional* efficiency measures due to program influences, even though no incentive or TA was received.