



Memorandum

May 27, 2026

To: Board of Trustees

From: Greg Leclair, Director of Finance and Administration
Peter Eglinton, Deputy Director

Re: Proposed Adjustments to the **FY2028** Budget

Proposed Motion

Move to adjust the FY2028 source of funding and expenditure budgets as described in this memorandum and as shown in the tables below, resulting in an amended total FY2028 source of funding budget and expenditure budget of \$140,755,416 and \$140,108,808, respectively.

Background and Recommendations

On March 4, 2026, the Board authorized Staff to seek approval from the Maine Public Utilities Commission (PUC) of the 2026 Annual Update with proposed significant changes to FY 2027 and FY 2028 of Triennial Plan VI, and to approve the non-significant changes in the Annual Update. Details of all the changes are described in the memorandum that supported the motion. These details describe the significant reduction in market activity experienced in FY2026 year-to-date which is being driven by a variety of forces, including the discontinuation of many federal tax credits, tariffs on imported products, changes in the regulations of refrigerants, rising interest rates and falling consumer confidence, rising electricity prices, and (inaccurate) rumors that the EMT incentive programs would be stopped when the federal tax credits expired. The declining market activity in FY2026 has resulted in EMT revising its forecasts for market activity levels in FY2027 and FY2028, which in turn has resulted in lowered expectations for the amount of budget that will be necessary to support EMT's programs. Now that the PUC has approved the Annual Update, Staff proposes to incorporate the changes in the FY2028 operating budget.

See the tables below for details on the proposed budget adjustments (Exhibit A) and on the FY 2027 budgets with the proposed amendments incorporated (Exhibit B).

EXHIBIT A: Proposed Amendments to the FY 2028 Budgets

Proposed Amendment to the FY2026 Revenue/Source of Funding

| Funding Source | 2015 | 2030 | 2036 | 3037 | Total |
|-------------------------------|---------------------|---------------------------|-------------|-----------------------|------------------------|
| | EMT Admin Fund | Electric Procurement Fund | FCM Fund | CPRG Fund | |
| RGGI Proceeds | - | - | - | - | - |
| Electric Procurement | - | (60,594,814) | - | - | (60,594,814) |
| Natural Gas Assessments | - | - | - | - | - |
| State of Maine Revenues | - | - | - | - | - |
| Federal Revenues - ARPA | - | - | - | - | - |
| Federal Revenues - BIL | - | - | - | - | - |
| Federal Revenues - NEVI | - | - | - | - | - |
| Federal Revenues - IRA | - | - | - | - | - |
| Federal Revenues - OCED | - | - | - | - | - |
| Federal Revenues - CFI | - | - | - | - | - |
| Federal Revenues - CPRG | - | - | - | (3,299,426) | (3,299,426) |
| NECEC Settlement Proceeds | - | - | - | - | - |
| Interfund Transfers - In | (573,304) | - | - | - | (573,304) |
| Interest Income | 150,000 | - | - | - | 150,000 |
| Use of Fund Balance | - | - | - | - | - |
| Total - Funding Source | \$ (423,304) | \$ (60,594,814) | \$ - | \$ (3,299,426) | \$ (64,317,544) |

Proposed Amendment to the FY2026 Expenditure Budget

| Program Budgets | 2015 | 2030 | 2036 | 3037 | Total |
|---|--------------------|---------------------------|-------------|-----------------------|------------------------|
| | EMT Admin Fund | Electric Procurement Fund | FCM Fund | CPRG Fund | |
| Income-Eligible Home Programs | - | (28,573,480) | - | - | (28,573,480) |
| Retail & Distributor Initiatives | - | 666,637 | - | (3,299,426) | (2,632,789) |
| Home Energy Savings Program | - | (11,656,995) | (1,507,438) | - | (13,164,433) |
| C&I Prescriptive Program | - | (9,844,852) | - | - | (9,844,852) |
| C&I Custom Program | - | - | - | - | - |
| Distributor Program | - | - | - | - | - |
| Demand Management | - | (3,188,686) | - | - | (3,188,686) |
| Thermal Energy Investment Program | - | - | - | - | - |
| Efficiency Maine Green Bank | - | - | - | - | - |
| Electric Vehicle Supply Equipment | - | - | - | - | - |
| Electric Vehicle Rebates | - | (3,881,002) | 1,106,277 | - | (2,774,725) |
| Agricultural Fairs Initiative | - | - | - | - | - |
| Lead By Example | - | - | - | - | - |
| Renewables | - | - | - | - | - |
| Innovation | - | (564,783) | (4,012) | - | (568,795) |
| Evaluation, Measurement, & Verification | - | (1,711,960) | (10,030) | - | (1,721,990) |
| Public Information & Outreach | - | (282,392) | - | - | (282,392) |
| Administrative | (48,304) | (992,519) | 419,215 | - | (621,608) |
| Payments to Other State Agencies | - | (564,782) | (4,012) | - | (568,794) |
| Return to Utilities | - | - | - | - | - |
| Total- Program Budgets | \$ (48,304) | \$ (60,594,814) | \$ - | \$ (3,299,426) | \$ (63,942,544) |

EXHIBIT B: FY 2028 Budgets Incorporating Proposed Amendments

EFFICIENCY MAINE TRUST
SUMMARY OF REVENUES FROM ALL FUNDING SOURCES
PROPOSED AMENDED FISCAL YEAR 2028 BUDGET
AS OF MAY 27, 2026

| | TOTAL | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED |
|---|--------------------------------------|-------------------|-------------------|-------------------------|--------------------------------|--------------------------------------|---|--------------------------------|-------------------------------------|--|--------------------------------------|---|---------|
| | REVENUES (ALL FUNDING SOURCES) | EMT ADMIN FUND | RGGI FUND | ELECTRIC PROCUREMENT | FCM HEAT PUMP INITIATIVE | CONSOLIDATED NATURAL GAS FUNDS | THERMAL ENERGY INVESTMENT FUND | CONSOLIDATED NECEC FUNDS | INFLATION REDUCTION ACT FUNDS | OFFICE OF CLEAN ENERGY DEMONSTRATIONS FUNDS | CLIMATE POLLUTION REDUCTION GRANT | CONSOLIDATED REVOLVING LOAN FUNDS | |
| MAINE & REGIONAL REVENUES | 106,149,127 | - | 26,000,000 | 72,294,756 | 4,800,000 | 1,004,371 | 50,000 | 2,000,000 | - | - | - | - | |
| RGGI Auction Revenues | 26,000,000 | - | 26,000,000 | - | - | - | - | - | - | - | - | - | |
| Electric Procurement Revenues | 72,294,756 | - | - | 72,294,756 | - | - | - | - | - | - | - | - | |
| Forward Capacity Market Revenues | 4,800,000 | - | - | - | 4,800,000 | - | - | - | - | - | - | - | |
| Natural Gas Procurement Revenues | 1,004,371 | - | - | - | - | 1,004,371 | - | - | - | - | - | - | |
| NECEC Settlement Proceeds | 2,000,000 | - | - | - | - | - | - | 2,000,000 | - | - | - | - | |
| State of Maine Revenues | - | - | - | - | - | - | - | - | - | - | - | - | |
| Alternative Compliance Mechanism Revenues | 50,000 | - | - | - | - | - | 50,000 | - | - | - | - | - | |
| Voluntary Renewable Resource Fund Revenues | - | - | - | - | - | - | - | - | - | - | - | - | |
| OTHER REVENUES | 1,242,500 | 150,000 | - | - | - | - | - | - | - | - | - | 1,092,500 | |
| Revolving Loan Fund Interest | 1,092,500 | - | - | - | - | - | - | - | - | - | - | 1,092,500 | |
| Deposit Interest | 150,000 | 150,000 | - | - | - | - | - | - | - | - | - | - | |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | |
| FEDERAL REVENUES | 26,274,320 | - | - | - | - | - | - | - | 8,010,487 | 3,259,259 | 15,004,574 | - | |
| American Rescue Plan Act (ARPA) | - | - | - | - | - | - | - | - | - | - | - | - | |
| National Electric Vehicle Infrastructure (NEVI) | - | - | - | - | - | - | - | - | - | - | - | - | |
| Inflation Reduction Act (IRA) | 8,010,487 | - | - | - | - | - | - | - | 8,010,487 | - | - | - | |
| Office of Clean Energy Demonstrations (OCED) | 3,259,259 | - | - | - | - | - | - | - | - | 3,259,259 | - | - | |
| Bipartisan Infrastructure Law (BIL) | - | - | - | - | - | - | - | - | - | - | - | - | |
| Greenhouse Gas Reduction Fund (GGRF) | - | - | - | - | - | - | - | - | - | - | - | - | |
| Charging & Fueling Infrastructure Grant (CFI) | - | - | - | - | - | - | - | - | - | - | - | - | |
| Climate Pollution Reduction Grant (CPRG) | 15,004,574 | - | - | - | - | - | - | - | - | - | 15,004,574 | - | |
| INTERFUND TRANSFERS TO EMT ADMIN FUND | 7,089,469 | 7,089,469 | - | - | - | - | - | - | - | - | - | - | |
| Transfer in from RGGI | 800,000 | 800,000 | - | - | - | - | - | - | - | - | - | - | |
| Transfer in from Electric Procurement | 5,707,481 | 5,707,481 | - | - | - | - | - | - | - | - | - | - | |
| Transfer in from Natural Gas Procurement | 62,773 | 62,773 | - | - | - | - | - | - | - | - | - | - | |
| Transfer in from SS10119 | 419,215 | 419,215 | - | - | - | - | - | - | - | - | - | - | |
| Transfer in from NECEC | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - | |
| Transfer in from ARPA Fund | - | - | - | - | - | - | - | - | - | - | - | - | |
| USE OF FUND BALANCE | - | - | - | - | - | - | - | - | - | - | - | - | |
| Use of Fund Balance | - | - | - | - | - | - | - | - | - | - | - | - | |
| TOTAL REVENUES & USE OF FUND BALANCE | 140,755,416 | 7,239,469 | 26,000,000 | 72,294,756 | 4,800,000 | 1,004,371 | 50,000 | 2,000,000 | 8,010,487 | 3,259,259 | 15,004,574 | 1,092,500 | |

EFFICIENCY MAINE TRUST
SUMMARY OF EXPENDITURES FROM ALL FUNDING SOURCES
PROPOSED AMENDED FISCAL YEAR 2028 BUDGET
AS OF MAY 27, 2026

| | TOTAL | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED |
|-----------------------------------|-------------|---------|-----------|-------------|------------|--------------|------------|--------------|---------------|-----------------|------------------|----------------|
| | AMENDED | ADMIN | RGGI | ELECTRIC | FCM | CONSOLIDATED | THERMAL | CONSOLIDATED | INFLATION | OFFICE OF CLEAN | CLIMATE POLUTION | CONSOLIDATED |
| | EXPENDITURE | FUND | FUND | PROCUREMENT | HEAT PUMP | NATURAL GAS | ENERGY | NECEC | REDUCTION ACT | ENERGY | REDUCTION GRANT | REVOLVING LOAN |
| | BUDGET | | | | INITIATIVE | FUNDS | INVESTMENT | FUNDS | FUNDS | DEMONSTRATIONS | | FUNDS |
| | | | | | | | PROGRAM | | | FUNDS | | FUNDS |
| INCOME ELIGIBLE HOME INITIATIVES | 44,778,638 | - | 9,319,535 | 27,816,569 | 828,000 | 250,000 | - | 1,266,667 | 2,038,608 | 3,259,259 | - | - |
| RETAIL & DISTRIBUTOR INITIATIVES | 17,866,411 | - | - | 2,861,837 | - | - | - | - | - | - | 15,004,574 | - |
| HOME ENERGY SAVINGS PROGRAM | 24,633,879 | - | 7,788,312 | 13,987,704 | 2,257,863 | 600,000 | - | - | - | - | - | - |
| C&I PRESCRIPTIVE PROGRAM | 19,150,133 | - | 3,565,265 | 9,469,976 | - | - | - | 633,333 | 5,481,559 | - | - | - |
| C&I CUSTOM PROGRAM | 6,071,648 | - | 3,326,888 | 2,698,000 | - | 46,760 | - | - | - | - | - | - |
| INDUSTRIAL CLIMATE INTIATIVE | - | - | - | - | - | - | - | - | - | - | - | - |
| THERMAL ENERGY INVESTMENT PROGRAM | 50,000 | - | - | - | - | - | 50,000 | - | - | - | - | - |
| DEMAND MANAGEMENT | 6,582,366 | - | - | 6,582,366 | - | - | - | - | - | - | - | - |
| EFFICIENCY MAINE GREENBANK | 922,500 | - | - | - | - | - | - | - | - | - | - | 922,500 |
| AGRICULTURAL FAIRS INITIATIVE | - | - | - | - | - | - | - | - | - | - | - | - |
| RENEWABLES | - | - | - | - | - | - | - | - | - | - | - | - |
| ELECTRIC VEHICLE SUPPLY EQUIPMENT | - | - | - | - | - | - | - | - | - | - | - | - |
| ELECTRIC VEHICLE REBATES | 1,106,277 | - | - | - | 1,106,277 | - | - | - | - | - | - | - |
| Incentives | 1,106,277 | - | - | - | 1,106,277 | - | - | - | - | - | - | - |
| Delivery | - | - | - | - | - | - | - | - | - | - | - | - |
| Marketing | - | - | - | - | - | - | - | - | - | - | - | - |
| LEAD BY EXAMPLE | - | - | - | - | - | - | - | - | - | - | - | - |
| INNOVATION | 925,054 | - | 240,000 | 634,165 | 41,921 | 8,968 | - | - | - | - | - | - |
| PUBLIC INFORMATION | 441,566 | - | 120,000 | 317,082 | - | 4,484 | - | - | - | - | - | - |
| EM&V | 2,235,283 | - | 600,000 | 1,285,411 | 104,803 | 22,419 | - | - | 222,650 | - | - | - |

EFFICIENCY MAINE TRUST
SUMMARY OF EXPENDITURES FROM ALL FUNDING SOURCES
PROPOSED AMENDED FISCAL YEAR 2028 BUDGET
AS OF MAY 27, 2026

| | TOTAL | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED | AMENDED |
|--|----------------------------|------------------|-------------------|----------------------|--------------------------|--------------------------------|-----------------------------------|--------------------------|-------------------------------|---|----------------------------------|-----------------------------------|
| | AMENDED EXPENDITURE BUDGET | ADMIN FUND | RGGI FUND | ELECTRIC PROCUREMENT | FCM HEAT PUMP INITIATIVE | CONSOLIDATED NATURAL GAS FUNDS | THERMAL ENERGY INVESTMENT PROGRAM | CONSOLIDATED NECEC FUNDS | INFLATION REDUCTION ACT FUNDS | OFFICE OF CLEAN ENERGY DEMONSTRATIONS FUNDS | CLIMATE POLUTION REDUCTION GRANT | CONSOLIDATED REVOLVING LOAN FUNDS |
| ADMINISTRATION | 14,410,000 | 6,717,861 | 800,000 | 6,007,481 | 419,215 | 62,773 | - | 100,000 | 267,670 | - | - | 35,000 |
| Personnel & staff support | 5,255,535 | 4,987,865 | - | - | - | - | - | - | 267,670 | - | - | - |
| Office Operations | 1,298,496 | 1,263,496 | - | - | - | - | - | - | - | - | - | 35,000 |
| Corp Dues | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| Sponsorship | 40,000 | 40,000 | - | - | - | - | - | - | - | - | - | - |
| Corp Advertising | 3,000 | 3,000 | - | - | - | - | - | - | - | - | - | - |
| Travel | 22,500 | 22,500 | - | - | - | - | - | - | - | - | - | - |
| Meals | 3,500 | 3,500 | - | - | - | - | - | - | - | - | - | - |
| Board Meeting Expenditures | 12,500 | 12,500 | - | - | - | - | - | - | - | - | - | - |
| Call Center Services | 300,000 | 300,000 | - | - | - | - | - | - | - | - | - | - |
| EffRT Database | 300,000 | - | - | 300,000 | - | - | - | - | - | - | - | - |
| FCM Contractor Services | 75,000 | 75,000 | - | - | - | - | - | - | - | - | - | - |
| Interfund Transfers | 7,089,469 | - | 800,000 | 5,707,481 | 419,215 | 62,773 | - | 100,000 | - | - | - | - |
| INTER-AGENCY TRANSFERS | 935,053 | 10,000 | 240,000 | 634,165 | 41,921 | 8,967 | - | - | - | - | - | - |
| Public Utilities Commission | 770,053 | - | 85,000 | 634,165 | 41,921 | 8,967 | - | - | - | - | - | - |
| RGGI Inc Operating Costs | 70,000 | - | 70,000 | - | - | - | - | - | - | - | - | - |
| Department of Environmental Protection | 85,000 | - | 85,000 | - | - | - | - | - | - | - | - | - |
| Governor's Energy Office | 10,000 | 10,000 | - | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURES | 140,108,808 | 6,727,861 | 26,000,000 | 72,294,756 | 4,800,000 | 1,004,371 | 50,000 | 2,000,000 | 8,010,487 | 3,259,259 | 15,004,574 | 957,500 |