



FY 2025 Mid-Year Program Update

EMT Board Meeting

January 22, 2024

Program Budgets – Year to date

Program	Budget (\$)	YTD Expended (\$)	YTD Committed Pipeline (\$)	YTD Expended + Committed as % of Budget
C&I Custom	21.1 million	3.2 million	10 million	63%
C&I Prescriptive	50.3 million	8.9 million	15.7 million	49%
Home Energy Savings Program	27.7 million	14.9 million	N/A	54%
Retail Initiatives	11.6 million	3.6 million	N/A	31%
Distributor Initiatives	10.1 million	3.9 million	N/A	38%
Low Income Initiatives	54.4 million	25.4 million	2.2 million	51%
Electric Vehicles (Rebates)*	3.8 million	2.2 million	0.81 million	79%
Electric Vehicles (Charging)	39.6 million	0.39 million	21 million	54%
Demand Management	2.1 million	0.07 million	1.8 million	89%

*The reported budget for EV rebates reflects available funds for rebates to consumers of any type and any income bracket, free from managed charging prerequisites related to the use of electric procurement for beneficial electrification. Additional budget is expected to be available at a later date, but eligibility will be limited to select customer segments where the use of managed charging will reliably reduce rates.

C&I Custom Program

Highlights

- Good progress in investing remaining ARPA funds
- Uptick in Technical Assistance program activity

Challenges

- Slow uptake of electric procurement budget (forecasting 34% expended or committed by end of year, T&ST not eligible)
- Major projects currently underway with Maine's largest facilities (multiple customers focusing on completing ongoing projects, slowed interest in developing *new* projects)

Plans

- Spur project investment with enhanced incentives
- Launch compressed air leak detection offering

C&I Prescriptive Initiatives

Highlights

- Supply chain appears to be keeping up with a very engaged QP network
- Launched IRA Initiative for Electrification in New Affordable Multifamily Housing

Challenges

- Slower-than-anticipated RGGI budget investment (forecasting 84% expended or committed by end of year)
- Designing retrofit whole-building heat pump systems (challenges with adequate air distribution, ventilation system competing with heat pump system, need for locked thermostat to avoid jointly running heat pumps and back-up system)

Plans

- Broaden HVAC solutions to include Dedicated Outside Air Systems (DOAS)
- Convene HVAC advisory group to address electrification retrofit challenges

Home Energy Savings Program

Highlights

- Fine-tuned program design to emphasize that heat pumps must be used as primary system
- Continued and expanded opportunities for RRV feedback
- Budget for weatherization and heat pumps on track (forecasting 99% expended)

Challenges

- Increase use of heat pumps as primary system to maximize savings

Plans

- Assess project costs and trends

Retail Initiatives

Highlights

- Maine continues to see the lowest retail HPWH prices in the country
- Program promotions driving record number of purchases (75% growth vs. Q1/Q2 FY2024)
- HPWH share of top-selling water heaters grew from 38% in Q1/Q2 FY2024 to 55% in Q1/Q2 FY2025 (U.S. average is 3%)

Challenges

- Inadequate store inventory during promotions
- HPWH-skeptical plumbers
- Slower-than-anticipated electric procurement budget investment (forecasting 78% expended by end of year/\$2.3 M carryforward)

Plans

- Run two additional promotions with hands-on support to help retailers prepare
- Continue to sort vendors on the locator based on rebate volume

Distributor Initiatives

Highlights

- HPWH share of top-selling water heaters grew from 65% in Q1/Q2 FY2024 to 71% in Q1/Q2 FY2025 (U.S. average is 3%)
- New manufacturers are entering the HPWH market more than ever, and focusing on Maine
- Forecasting 94% expended by the end of the year

Challenges

- Some plumbers and distributor employees remain unconvinced about HPWH
- Threat of price cuts to electric resistance water heaters and non-ECM circulator pumps
- As homes shift to heat pumps for space heating, homeowners might install electric resistance water heaters to avoid running their boilers

Plans

- Expand marketing to include heat pump installers tapping into the opportunity to bundle installation of heat pumps with HPWHs

Low-Income Initiatives

Highlights

- Heat pump program participation is high (1,415 LI homes + 1,932 MI homes YTD)
- Weatherization activity continues at high pace experienced in FY2023 and FY2024
- Relaunched Manufactured (Mobile) Home Initiative [update on next slide]

Challenges

- Income-eligibility verification gaps (certain retirees who do not file taxes, certain veterans)

Plans

- Consider new tool for instant eligibility verification through new lending platform

Manufactured (Mobile) Home Initiative

Highlights

- Relaunched with two new federal funding sources (IRA – HEAR, OCED)
- Instituted new screening pathway for income eligibility based on <80% county AMI

Challenges

- Incorporating federal reporting/compliance requirements into the program design
- Managing customer and participating installer relationships
- Finding installers with a working knowledge of ducted heat pump systems in Midcoast/Downeast Maine

Plans

- Incorporate optional oil tank removal program through DEP

Electric Vehicle Initiatives – Rebates

Highlights

- Paid 1,006 rebates in first half of FY2025 (program record)
- Suspended all but low-income rebates on November 16
- Awarded first medium/heavy-duty (MHD) grant

Challenges

- Future funding sources beyond Electric Procurement
- Uncertain future of federal EV tax credits
- Limited choices for MHD vehicles

Plans

- Launch new EV rebate measure by July 1
- Review third round of MHD applications

Electric Vehicle Initiatives – Public Charging

Highlights

- Continued to manage rounds of RFPs, invest various funding streams on schedule
- Helped apply for additional \$35 million in federal Charging and Fueling Infrastructure (CFI) funds

Challenges

- Recruiting / implementing project bids in rural / low-traffic areas
- Bidder fatigue

Plans

- Rebid sites that were previously awarded but not commissioned with updated specifications and incentive structure based on feedback from previous RFPs
- Space out RFPs to give bidders more time to put applications together
- Outsource some compliance and monitoring to help with federal compliance tasks

Demand Management Program

Highlights

- Procured a program delivery team (contract awarded to CLEAResult)
- Demand Response Initiative (DRI) achieved record load curtailment
- Launched the open-access Small Battery measure for Summer 2024

Challenges

- Complex program design, enrollment process

Plans

- Implement new Triennial Plan VI program design (focus on smart EV chargers)
- Streamline DRI enrollment, verification, and payment process

Efficiency Maine Green Bank (EMGB)

Highlights

- Launched new online lending platform
- Reinstated Home Energy Loans for all-income bracket
- Finalized agreements with primary awardee (Coalition for Green Capital) for the receipt of federal Greenhouse Gas Reduction Fund (GGRF) dollars

Challenges

- Managing significant flow-down/compliance requirements associated with federal GGRF funds
- Committing \$15M in GGRF grant funds by December 2025

Plans

- Launch robust marketing campaign for Home Energy Loans targeting trade allies and customers
- Roll out new, additional finance initiatives as necessary to rapidly invest GGRF funds

ARPA/MRJP Investment

Initiative	Budget	Invested + Committed	Remaining	Notes
Low- and Moderate-Income	\$25 M	\$20.3 M	\$4.7 M (19%)	On track to fully invest by Q1 FY2026.
Hospitality	\$4 M	\$3.1 M	\$0.9 M (23%)	Active FON with applications due 3/31/2025
Local Government, Public Schools, Congregate Housing	\$15 M	\$9.2 M	\$5.8 M (38%)	<ol style="list-style-type: none"> Two active FONs (Schools, Local Government) with applications due 3/31/2025 Launching Long-Term Care FON January, alongside new federal loan offering
Manufacturers	\$6 M	\$5.1 M	\$0.9 M (15%)	One project in pipeline that is likely to commit remaining funds.
EV Charging	\$8 M	\$4.2 M	\$3.8 M (48%)	Several projects awarded under previous RFPs cancelled. Plan to issue final RFP to commit remaining funds in FY2025.