



Lead by Example Initiative

Program Debrief

Board Meeting

May 27, 2026

Background

- November 2019 – Governor Mills signs **Executive Order 13** for state agencies to “Lead by Example” in reducing GHG emissions and operating costs through energy efficiency and renewable energy
- December 2020 – EMT executes **Memorandum of Understanding (MOU)** with Department of Administrative and Financial Services (DAFS) and Office of the Attorney General (AG) for **\$3.7M in VW Settlement funds** to support a Lead by Example (LBE) Initiative providing technical and financial support to promote installation of clean, cost-effective energy measures at State properties
- 2021 – EMT collaborates with DAFS Bureau of General Services (BGS) to **develop a LBE Initiative** tailored to State procurement process
- June 2022 – EMT launches **LBE Program Opportunity Notice** (administered through C&I Custom Program)

LBE Initiative: Summary of Offerings

- **Technical Support** - Site visits & analysis of economics, feasibility, and design
- **Incentives** - 60% of project costs up to \$1,000,000
- **Technical Assistance (TA) Study Funding** - 50% cost share up to \$20,000 for development of bid solicitation documents by architectural or engineering firms
- **Other Incentive Opportunities** - Assistance in identifying additional incentive opportunities through C&I Prescriptive Initiatives or C&I Custom Program (e.g., LED lighting, insulation)



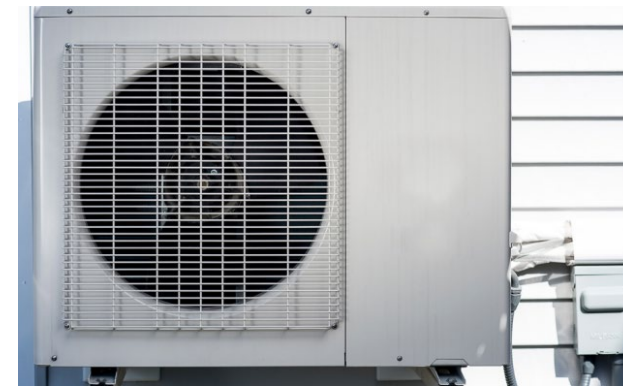
LBE Initiative: Targeted Measures

Primary Priority – Beneficial Electrification

- Mini- and multi-split heat pumps
- VRF systems (with or without heat recovery)
- Heat pump rooftop units

Secondary Priorities – ERV, HVAC controls and weatherization

- Energy recovery ventilation
- HVAC controls including night-time setbacks or demand control ventilation
- Weatherization including air sealing and insulation



LBE Initiative: Eligibility

- Must be a state-owned building or long-term lease arrangement
- Building must currently use oil or propane heating system
- Installed heat pump system must be the primary heat source
- Project can include additional cost-effective measures such as energy recovery ventilation
- Project must achieve a savings to investment ratio (SIR) > 1.0*

$$SIR = \frac{\text{Lifetime NPV of Energy Cost Savings}}{\text{Capital costs}}$$

**per terms of the MOU*

Activity

- EMT engaged with 13 different state agencies across 36+ buildings
- Based on preliminary SIR screening, invited 8 agencies to apply to LBE PON
- Oct 2022 – EMT issued RFP to hire an energy consultant to build a database of energy use in state buildings and provide additional consulting to BGS
- Feb 2024 – amended MOU, transferring \$1.8M to DAFS to support other projects in State properties where SIR is below 1.0
- By fall 2025, 6 TA studies completed and 6 projects implemented



Sample of Completed Projects



Department of Marine Resources

West Boothbay Facility

Maine State Aquarium's make-up air handler was at the end of its useful life. Project involved replacing it with a new unit equipped with coils to heat primarily from water-to-water heat pump.

Project scope:

- Seawater source heat pump serving 1 of 2 primary make-up air handlers
- Targeted air sealing and insulation in attic
- HVAC controls for lab spaces

Incentive award: \$672,272

Anticipated energy impacts:

- 1,673 MMBtu oil savings, 9,604 kWh electric penalty
- Est. annual energy cost savings of \$45,000



Education in Unorganized Territories

Edmunds Consolidated School, Dennysville

School needed heating system upgrades and building envelope repairs.

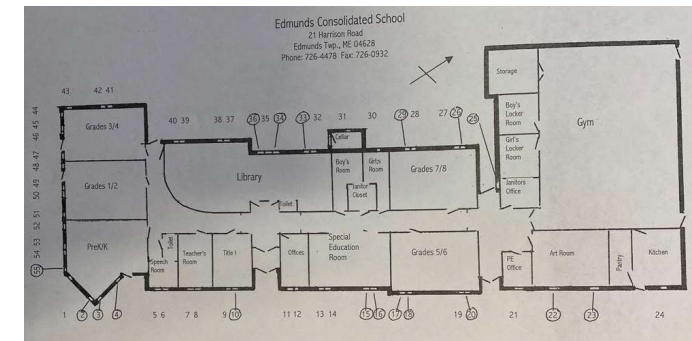
Project scope:

- 3 outdoor VRF units serving 24 indoor head units
- Controls to prioritize heat pumps

Incentive award: \$191,652

Anticipated energy impacts:

- 663 MMBtu oil savings, 23,068 kWh electric penalty
- Est. annual energy cost savings of \$14,000



Maine Forest Service

Southern Regional HQ, Augusta

Staff was seeking to reduce fuel usage and eliminate load from end-of-life boiler.

Project scope:

- 2 outdoor VRF units serving 12 indoor head units
- Controls to prioritize heat pumps

Incentive award: \$70,930

Anticipated energy impacts:

- 404 MMBtu oil savings, 22,306 kWh electric penalty
- Est. annual energy cost savings of \$8,000



Maine Department of Transportation

Ferry Terminals, Lincolnville and Vinalhaven

Heat pump retrofits replacing oil-fired heating systems.

Project scope:

- Installed two multi-zone ductless air source heat pump systems with one outdoor condensing unit and four indoor wall-mounted heads at each location
- Existing fuel oil-fired heating systems decommissioned and removed at each location
- *Lincolnville only*: installed electric water heater to replace the boiler's water heating capacity

Incentive: \$27,150

Anticipated energy impacts for both locations:

- 160 MMBtus fuel oil, 9,590 kWh of increase electric load
- Est. annual cost savings of \$2,400



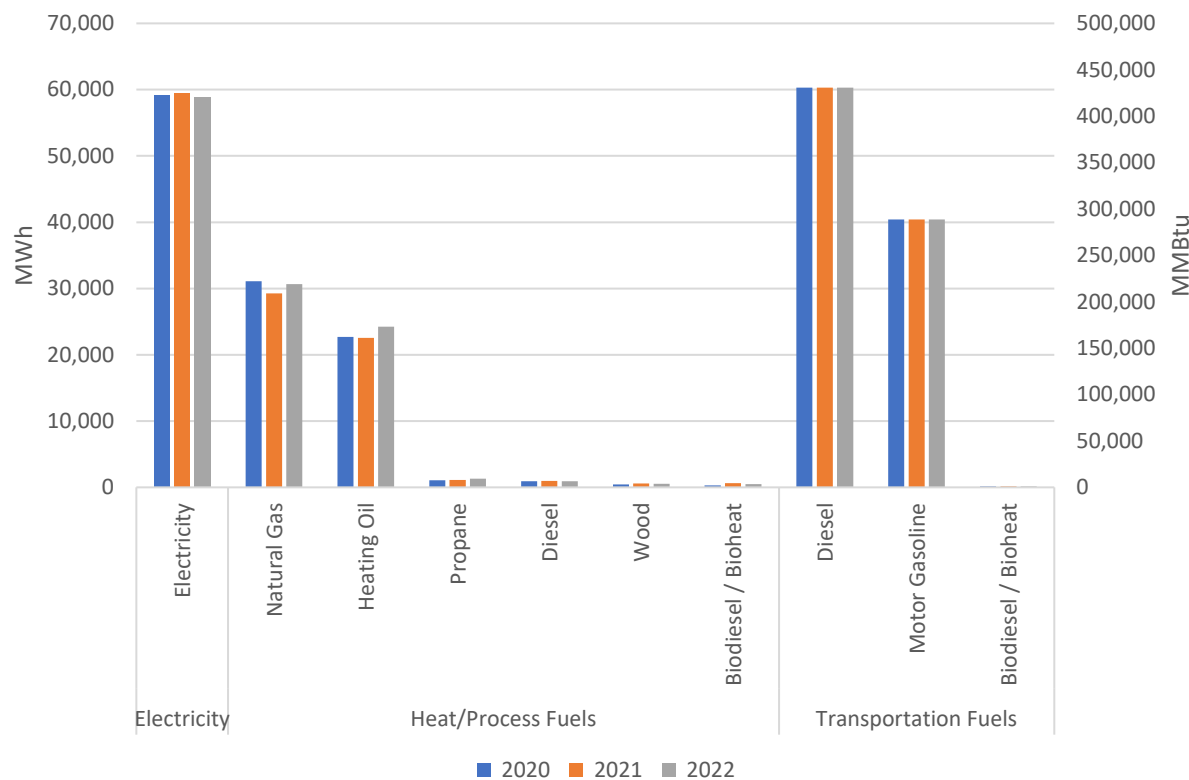


State Energy Consultant

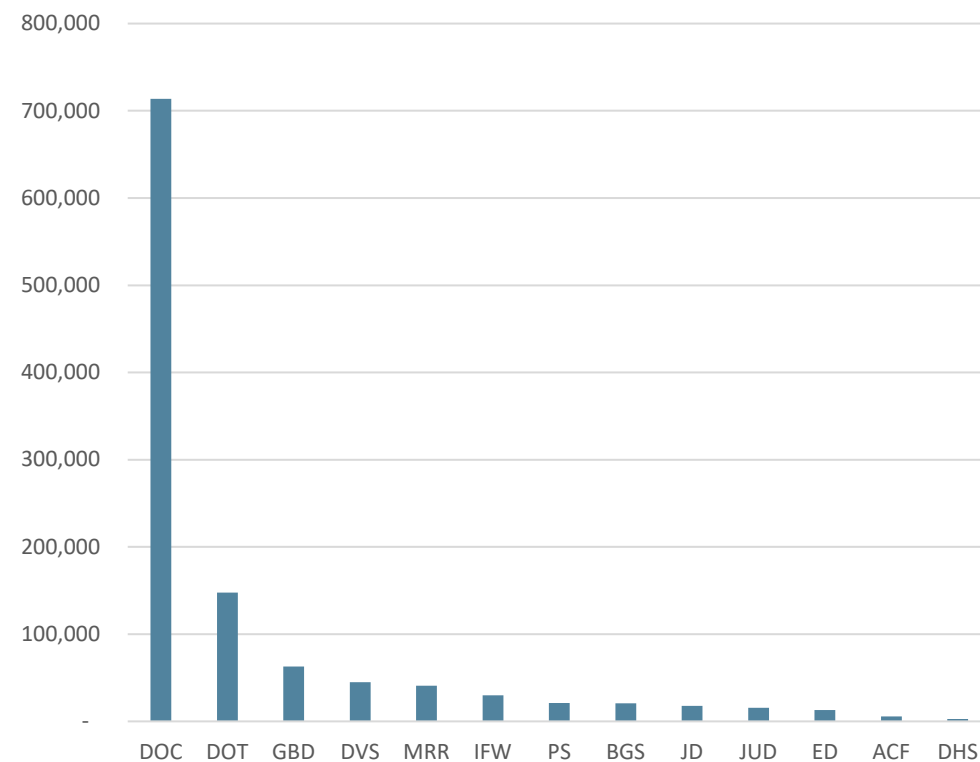
State Energy Consultant

- Through RFP process in 2022, EMT selected CollinsCEA to build a database of energy use in state buildings and provide additional energy efficiency consulting services.
- After EMT contract ended, BGS hired CollinsCEA to continue services.

Maine State Facilities Energy Usage, 2020-2022



Sum of 2022 Oil Use - Gallons by Agency





Financial Summary

LBE Initiative TA Awards

Agency	Facility	Provider	TA Award Amount	Completed Date
Department of Corrections	Mt View Correctional Facility	Haley Ward	\$12,250	9/25/2023
		Dubois & King	\$20,000	6/20/2024
Department Marine Resources	Rockland Watercraft Maintenance	Colby Engineering	\$20,000	3/26/2025
Inland Fisheries & Wildlife	Ashland, Greenville, Sidney Headquarters	Haley Ward	\$19,873	5/22/2023
Maine Forest Service	Southern Regional Headquarters (Augusta)	Armstrong Engineering	\$11,825	5/3/2024
Army National Guard	Norway Armory	Harriman Associates	\$9,800	12/8/2025
Department of Marine Resources	West Boothbay Facility	Oakpoint Associates	\$20,000	11/22/2024
Total			\$113,748	

LBE Initiative Project Awards

Agency	Facility	Installer	Incentive Award	Completed Date	Annual Fuel Savings (MMBtu)
Maine Department of Transportation	Lincolntonville and Vinalhaven Ferry Terminals	Fleet Services	\$27,150	5/16/2023	160
Maine Department of Transportation	Hampden I95 South Bound Visitor Center	Fleet Services	\$27,582	5/16/2023	180
Maine Forest Service	Southern Maine Regional Headquarters	ABM Mechanical	\$70,930	5/3/2024	400
Education in Unorganized Territories	Edmunds Consolidated School	Mechanical Services	\$191,652	3/4/2025	660
Maine Army National Guard	Norway Armory	Phelan Construction	\$150,334	12/8/2025	630
Department of Marine Resources	West Boothbay Facility	Bowmans Constructors	\$672,272	10/2/2025	1,670
Totals			\$1,139,920		3,710

Summary of Financials

Expenditure Type	Expended Funds
Incentive Awards	\$1,253,667.50
Project awards	\$1,139,920.00
TA study awards	\$113,747.50
State Energy Consultant (FY23 & FY24)	\$246,105.00
C&I Custom Team Delivery (FY22 - FY26)	\$295,089.47
EMT Administrative	36,353.96
Total EMT Expenditures	\$1,831,215.93
Total EMT Budget*	\$1,867,157.43
Remaining Funds**	\$35,941.50

*Excluding \$1,800,000 transferred to DAFS as part of 2/5/2024 MOU amendment

**4/22/2026 - EMT Board voted to authorize the Executive Director to amend the MOU once more to transfer remaining balance to DAFS.