



# Triennial Plan VI (FY 2026- FY 2028)

## Legal Framework and Process Overview

*Board Meeting  
August 23, 2023*



# Legal Framework

# Function of the Triennial Plan

- Provides integrated planning, program design and implementation strategies for all energy efficiency, alternative energy, conservation and beneficial electrification\* programs administered by EMT
- Authorizes and governs implementation of EMT programs
- For programs that will be implemented pursuant to sections 10110 [Electric Efficiency Fund] and 10111 [Natural Gas Conservation Fund]
  - Identifies maximum achievable cost-effective energy efficiency savings (“MACE”)
  - Identifies programs to achieve these savings
  - Describes the costs and benefits of such programs
  - Provides the basis and support for the costs and benefits

35-A MRS Sec. 10104(4)

*\* LD 1724 requires EMT to develop a 3-year beneficial electrification plan as part of the Triennial Plan*

# Statutory Purposes of the Trust

- The Efficiency Maine Trust is established for the purposes of developing, planning, coordinating and implementing energy efficiency and alternative energy resources programs in the State.
- It shall provide uniform, integrated planning, program design and administration of programs
- The Trust shall administer programs consistent with the requirements of the EMT Act to help consumers meet their energy needs at the lowest cost and improve the economy of the State by:
  - Reducing energy costs ...;
  - Increasing jobs and new development to deliver energy efficiency products and services;
  - Simplifying and enhancing consumer access to technical assistance and financial incentives ... by merging or coordinating dispersed programs under a single administrative unit possessing independent management and expertise; and
  - Using cost-effective energy and energy efficiency investments to reduce greenhouse gas emissions;

# Statutory Principles for EMT Programs

The Trust shall plan, design and administer programs using the following principles:

- Programs are consumer-oriented;
- Manage programs efficiently and effectively
  - Build up and centralize expertise,
  - Address conflicts of interest,
  - Mitigate the influence of politics,
  - Promote flexible, timely program management, and
  - Provide a champion for funding energy efficiency
- Provide checks and balances to ensure consistency with public policy and accountability so that energy efficiency programs in the State are sustainable for the long term; and
- *Programs are planned and implemented to advance the policy of beneficial electrification as described in Title 35-A, MRS ch. 38.*

# Statutory Goals for Triennial Plans

The Plan should design, coordinate, and integrate programs that advance the following long-term goals:

1. **Reducing energy costs;**
2. From January 1, 2020 - January 1, 2030, **weatherizing 35,000 homes and businesses**, with at least **10,000** of such weatherization projects completed **in low-income households** through the combined efforts of the Trust and the MaineHousing;
3. **Reducing peak-load demand** for electricity by the maximum achievable cost-effective amount;
4. **Achieving the maximum achievable cost-effective** electricity and natural gas program savings;
5. **Creating stable private sector jobs** providing alternative energy and energy efficiency products and services;
6. Contributing to the effort to **reduce GHG emissions** by the amounts consistent with the State's GHG reduction requirements, and in a manner consistent with the State's climate action plan;
7. Promoting the purchase of high-efficiency heat pump systems to achieve by 2030 the goal of 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**; and
8. Promoting the purchase of battery electric vehicles and plug-in hybrid vehicles to achieve by 2030 the goal of at least **220,000** such **vehicles** registered in the State.

# Major Program Funds

Fund	Statute	Revenue Source(s)
Electric Efficiency and Conservation Fund	35-A MRS Sec. 10110	Electric Efficiency Procurement
Natural Gas Conservation Fund	35-A MRSA Sec. 10111	Natural Gas Efficiency Procurement
Regional Greenhouse Gas Initiative (RGGI) Trust Fund	35-A MRSA Sec. 10109	RGGI auction proceeds
Heating Fuels Efficiency and Weatherization Fund	35-A MRSA Sec. 10119	Forward Capacity Market (FCM) Federal & Settlements
Electric Vehicle (EV) Fund and EV Charging Infrastructure Fund	35-A MRSA Sec. 10125 35-A MRSA Sec. 10126	Federal, State, & Other (e.g., VW Settlement, NECEC, PUC, NEVI, )

# Electric Efficiency and Conservation Fund – Uses (1 of 2)

- **“Conservation Programs”** means programs developed by the Trust designed to reduce inefficient electricity use or to increase the efficiency with which electricity is used.
- **Goal:** Help reduce energy costs for electricity consumers by the maximum amount possible.
- **Objectives:**
  - Increase consumer awareness of cost-effective options;
  - Create favorable market conditions for increased use of energy efficiency;
  - Promote sustainable economic development and reduce environmental damage;
  - Reduce the price of electricity over time for all consumers by reducing or shifting demand for electricity or balancing load, including by the implementation of beneficial electrification and energy storage systems; ...



# Electric Efficiency and Conservation Fund – Uses (2 of 2)

## *...Objectives continued:*

- Reduce total energy costs for electricity consumers by increasing the efficiency with which electricity is consumed; and
- Seek to implement delivery of programs in all regions of the state on an equitable basis and to citizens at all income levels.\*
  - Target to **low-income** residential customers the greater of **\$2.6M or 10%** of electricity funding.
  - Target to **small business customers** the greater of **\$2.6M or 10%** of electricity funding.
  - Apportion the remaining electricity conservation funds among customer groups and geographic areas in a manner that “allows all other customers to have a reasonable opportunity to participate” in programs.

35-A MRS Sec. 10110(2)

\*Customers receiving service at transmission and subtransmission voltage levels are not eligible for conservation programs and are not required to pay electric assessment. – 35-A MRS Sec. 10110(6)

# Electric Efficiency and Conservation Fund – MACE Funding

- PUC shall ensure that the **maximum achievable cost-effective** electric energy efficiency and conservation resources shall be procured.
  - But may not require the inclusion in rates under this subsection more than 4% of total retail electricity and transmission and distribution sales in the State as determined by the PUC.
- When determining the electric MACE resources to be procured, the PUC shall:
  - Consider energy efficiency resources that are reasonably foreseeable to be acquired by the Trust using all other sources of revenue.
  - Apply the discount rate adopted by the Trust and ensure that the calculations of avoided energy costs are consistent with rules adopted by the Trust and are supported by evidence in the record.
  - Maximize total electricity savings for all ratepayers; and
  - *Include all beneficial electrification measures that are cost-effective and reliably reduce electricity rates over the life of the measures.*

# Natural Gas Conservation Fund – Uses

- Establish a cost-effective conservation program to promote the efficient use of natural gas.
- Apportion funds such that:
  - Reasonable percentage is directed to low-income residential customers;
  - Reasonable percentage is directed to small business customers; and
  - Remaining funds “allow all other consumers to have a reasonable opportunity to participate” in programs.

35-A MRSA Sec. 10111(1)

# Natural Gas Conservation Fund – MACE Funding

PUC shall ensure that the **maximum achievable cost-effective** natural gas energy efficiency and conservation resources shall be procured.

Exceptions:

- Wholesale electricity-generating facility with nameplate capacity of 3 megawatts or greater is exempt from assessments and not eligible to participate in programs.
- For a large-volume user engaged in manufacturing or commercial growing or harvesting of plants or aquaculture, utilities shall collect the assessment only on the first 1,000,000 ccf of natural gas used annually.

35-A MRSA Sec. 10111(2)

# Regional Greenhouse Gas Initiative (RGGI) Fund

- Established to support the goals and implementation of the RGGI program.
- Use of funds
  - Commercial and industrial projects that reduce electricity consumption, increase energy efficiency or reduce GHG emissions and lower energy costs;
  - Residential projects that lower heating demand and reduce GHG emissions; and
  - Up to \$800,000 for EMT Administration plus additional funds for PUC oversight and certain DEP costs;
- Recent statutory changes
  - No more “rate relief” or “affected customer disbursements”; and
  - No more prescribed sector allocations.

35-A MRSA Sec. 10109

# Heating Fuels Efficiency and Weatherization Fund

- May receive funds from assessments on heating fuels, federal funds, bonds, public or private sources in support of the purpose of this section, the forward capacity market
- Funds may be used for programs that provide cost-effective energy efficiency, weatherization and heat pumps
- Programs may include incentives, financing, training, audits

35-A MRSA Sec. 10119(2)

# EV Fund and EV Charging Infrastructure Fund

- Established to -
  - transform markets toward the adoption of EVs and to support the purchase of EVs and
  - increase availability and effectiveness of EV charging infrastructure
- The Trust may deposit federal funds or any other funds from public or private sources received in support of the purposes for which the funds are established.
- Specific to promoting EVs, the funds may be used to:
  - Provide rebates for the purchase or lease of EVs; and
  - The Trust may establish different rebate amounts for the purpose of providing reasonable opportunity for participation in the program across different customer groups and geographic areas.

35-A MRSA Secs. 10125-10126



# Process Overview



# Triennial Plan – Process Requirements (1)

- Develop the plan in consultation with
  - Board of Trustees; and
  - Entities and agencies involved in delivering energy efficiency;
- Offer to provide briefing and take input from Legislature's Energy, Utilities and Technology Committee (EUT);
- Secure adoption by 2/3 vote of Board; and
- Seek review and approval by the Maine PUC (process open to the public).

35-A MRS Sec. 10104(4)

# Triennial Plan – Process Requirements (2)

The PUC shall:

- Review the plan to determine whether it will capture MACE energy efficiency savings.
- Defer to EMT's calculations as long as they were conducted consistent with rules of the Trust and are supported by evidence in the record and the Trust used a reasonable and transparent process to make the technical determinations necessary to make those calculations.
- Issue the appropriate orders to transmission and distribution utilities and natural gas utilities for the procurement of MACE.

Title 35-A, Sec. 10104(4)

# Draft Timeline

