

**Efficiency Maine Trust
Board Meeting Minutes
October 28, 2020**

BECAUSE OF LIMITATIONS ON TRAVEL AND GATHERINGS DUE TO THE CORONAVIRUS, THIS MEETING WAS NOT CONDUCTED AT A PHYSICAL LOCATION AND DID NOT INVOLVE ANYONE MEETING IN PERSON. INSTEAD, THE MEETING WAS CONDUCTED BY PHONE AND VIDEO CONFERENCING.

Trustees:

- Dan Brennan
- Dan Burgess
- Ken Fletcher, Secretary
- Al Hodsdon, Chair
- Suzanne MacDonald, Vice Chair
- David Stapp
- Glen Poole, Treasurer
- Joan Welsh

Efficiency Maine Trust (EMT) Staff:

- Ian Burnes
- Emily Cushman
- Peter Eglinton
- Monte Haynes
- Anastasia Hediger
- Greg Leclair
- Kate Rankin
- Tim Reed
- Michael Stoddard
- Satchel Toole

Other Attendees:

- Clifford Babkirk, WindowDressers Inc.
- Kim Ferenc, MaineHousing
- Chris Lubeck, CG Lubeck Consulting
- Larry Simpson, Enervee
- Steve Ward, Maine Climate Table

1. Welcome and Introductions

Mr. Hodsdon called the meeting to order at 9:33 a.m.

2. Approve Agenda and Minutes

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Ms. Welsh), the Board voted unanimously to approve the agenda and the October 7, 2020 Board Meeting Minutes.

3. Public Comment on Agenda Items

None.

4. Executive Director's Report

Mr. Stoddard summarized the Executive Director's Report. Following are items highlighted during his presentation:

- Call Center's inbound call volume is up 86% from a year ago. This could indicate increased interest in EMT's programs, despite the economic slowdown from the COVID-19 pandemic.
- The Public Utilities Commission (PUC) approved the budget adjustment that the Board approved in September. EMT will now work to redeploy these funds for heat pumps.

- The Maine Climate Council (MCC) is working to finalize an action plan due December 1. Mr. Stoddard noted that there has been a focus on decarbonization through electrification of heating and transportation. Mr. Stapp pointed to the importance of energy storage in supporting widespread electrification. Mr. Burgess noted that the MCC Energy workgroup had discussed this challenge in depth, as well as issues around grid congestion and strengthening. Ms. MacDonald suggested it might be helpful for the Board to review the MCC’s “draft implementation chart” to understand EMT’s role in executing the recommendations.
- The Commercial and Industrial (C&I) Prescriptive (CIP) Program is seeing an uptick in the number of variable refrigerant flow (VRF) projects. These measures are funded by Regional Greenhouse Gas Initiative (RGGI) funds and not electric procurement funds.
- Since the Board’s decision to allow cannabis-related businesses to participate in EMT programs, the C&I Custom Program fielded a total of 13 related inquiries.
- The Small Business Initiative is keeping the contractor community busy in eight active regions. The program is now offering incentives for both heat pumps and lighting upgrades.
- With unprecedented demand for heat pump incentives through the Home Energy Savings Program (HESP), the program hired temporary contractor staff to process rebates. Weatherization rebates, however, are down compared to this time last year. HESP is increasing marketing efforts for weatherization to drive interest. Remote inspections have continued into the fall and the team has been working to add more education and training materials for the contractor community.
- After a pandemic-related slowdown, Low-Income Initiatives is now busy with heat pump water heater installations. These projects have had an even geographical distribution around the state. The program launched its direct-install weatherization initiative in October and has identified 40 potential homes so far.
- Electric Vehicle (EV) Initiatives program is seeing a growing interest in plug-in hybrid EVs, in part because manufacturers are offering more models. Staff is working on a request for proposals (RFP) for the PUC with the purpose of installing more charging equipment throughout the state.
- Staff filed a provisional draft of the completed audit with the State prior to the deadline on October 15 while awaiting publication of the final “Yellow Book” standards.

5. Planned Business

(a) UPDATE on Monthly Financial Reports

Mr. LeClair reported that the first RGGI auction of the year generated more revenue than anticipated. EMT is also ahead on natural gas revenue collections because Summit Natural Gas remitted its full annual payment in July. Mr. Leclair noted that EMT would be meeting with its bank to review interest income options in light of low interest rates.

Mr. Stoddard explained that EMT requires Board approval to accept new funding streams. Should the New England Clean Energy Connect transmission line project be approved, EMT may be asked to administer the portion of the settlement funds earmarked for heat pumps, EVs, and EV chargers.

(b) APPROVE FY2021 Budget Adjustments

Mr. Eglinton explained the Staff's proposal to adjust the FY2021 budget. The proposal adds prior year carryforward to the FY2021 budget across multiple programs. The carryforward will be used to support projects that were previously committed in FY2020 as well as new opportunities forecasted for FY2021. Staff also requested approval of adding to the FY2021 budget new revenue, ordered by the PUC, for the Agricultural Fair Assistance Program. Regarding carryforward funds from the natural gas local distribution companies (LDCs), EMT will need to request a Significant Change to the Triennial Plan from the PUC to spend the portion of the funding that exceeds one-sixth of the natural gas expenditure budgets.

ACTION: Upon a motion duly made (Mr. Stapp) and seconded (by Mr. Poole) the Board voted unanimously to adjust the FY2021 source of funding (revenue) and expenditure budgets as described in Mr. Leclair's October 28 memo, resulting in a total FY2021 source of funding (revenue) and expenditure budgets of \$99,399,046 and \$98,947,526, respectively; and to authorize a Significant Change to the Triennial Plan to incorporate the natural gas fund balance in excess of one-sixth of the natural gas expenditure budgets.

(c) APPROVE FY2020 Annual Report

Mr. Eglinton provided an overview of the FY2020 Annual Report. He highlighted that program investment avoided \$237 million in lifetime energy costs. Mr. Stapp asked for clarification on the makeup of "delivery" costs in each program. Mr. Eglinton explained that delivery costs cover rebate processing, field staff, marketing materials, and other expenses specifically related to running the programs. "Administration" costs, on the other hand, cover EMT's more generic organizational overhead items. Mr. Stoddard suggested that the EV charger contract costs, currently captured in that program's "delivery" line, should be shifted over to the "incentive" line.

When Mr. Eglinton asked the Board if they had any legislative recommendations to include in the final report, Mr. Stapp asked if EMT could suggest language to facilitate incentives for energy storage. Mr. Stoddard stated that there were no existing statutory barriers per se. He noted that the Legislature's recent blue-ribbon commission on energy storage recommended that EMT add such incentives to its portfolio of offerings. Mr. Burgess recollected that the group suggested adding more explicit authorizing language to EMT's statute. Mr. Stoddard agreed to get clarification on this point.

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Ms. Welsh) the Board voted unanimously to approve the FY2020 Annual Report, with any changes discussed and adopted at the October 28, 2020 Board meeting, as well as any non-substantive typographical edits or computational corrections as may be required prior to submission to the PUC and Legislature.

Without objection, the Board decided to move to Agenda item E, Presentation of MaineHousing 2021 Weatherization Assistance Program State Plan, before moving on to item D.

(d) APPROVE Amendment to EMT By-Laws.

Mr. Stoddard reminded the Board that EMT amended its bylaws in April to enable EMT to continue conducting business during the effective period of the pandemic-related restrictions on

travel and gatherings. Specifically, EMT authorized establishing a quorum by means of remote participation, such as by phone or live-streaming video, but only in the event of a state of emergency. Staff seeks added predictability and flexibility by expanding the applicability of remote participation to times when other types of orders or guidance are issued.

ACTION: Upon a motion duly made (Ms. Welsh) and seconded (Mr. Poole.) the Board voted unanimously to amend Section 4.5 of the EMT bylaws for the limited purpose of allowing Trustees to establish a quorum by means of remote participation during the pendency of any state or federal restrictions on travel or gatherings, as indicated by underlined additions and strikethrough deletions in Mr. Stoddard's October 28 memo.

- (e) **PRESENTATION of MaineHousing 2021 Weatherization Assistance Program State Plan**
Ms. Ferenc presented an overview of the 2021 Weatherization Assistance Program (WAP) State Plan and a preview of MaineHousing's plan for the 2020 weatherization program. She explained that the goals of WAP are to reduce energy costs for low-income families by improving the energy efficiency of their homes, while also ensuring their health and safety. Ms. Ferenc reported that this year MaineHousing plans to weatherize 352 homes and meet its annual benchmarks despite the pandemic-related slowdown in activity. She also reported that MaineHousing will hold a public hearing for its annual plan on December 15, 2020 and that the final plan is due to the federal Department of Energy (DOE) in March 2021.

Ms. MacDonald said that she appreciated the work done by MaineHousing and asked if there are any key takeaways that they would like to share with EMT. Ms. Ferenc and Mr. Brennan replied that communication with other agencies like EMT has been the most helpful tool for them. They hope to continue to collaborate in the future.

6. New Business

Mr. Stoddard noted that the Board will need to discuss its RGGI funding priorities in the near future. At the moment, EMT leverages some of these funds for incentives on efficient oil and propane equipment. (Unlike electric and natural gas, unregulated fuels do not have an associated conservation charge; RGGI is the only funding stream available for unregulated fuels projects, and it is funded by electric ratepayers.) In light of the state's decarbonization goals and the various recommendations coming out of the MCC, it may be time to reconsider whether EMT continues to deploy finite RGGI funds for this purpose.

7. Next Meeting Agenda and Scheduling

The next Board meeting is scheduled for December 9, 2020.

8. Adjourn

ACTION: Upon a motion duly made (Mr. Poole) and seconded (Ms. MacDonald), the Board voted unanimously to adjourn the Board Meeting at 11:55 a.m.