Efficiency Maine Trust – Star of Energy Efficiency



Nomination to Alliance to Save Energy

June 2020

Acadia Center respectfully nominates Efficiency Maine Trust (EMT) for the Alliance to Save Energy **Star of Energy Efficiency Award** for its leadership in advancing beneficial electrification, weatherization, LED lighting and other successful programs in Maine's homes and businesses. EMT is a unique, independent quasi-state agency with a board of trustees and a fiduciary duty to energy ratepayers, providing a one-stop shop for uniform energy services across all utility territories and across all fuel types. This nomination is particularly timely, as "2020" marks EMT's 10th Anniversary as the State's provider of effective energy efficiency and alternative energy programs in the residential, commercial, and industrial sectors.

Since 2013, 45,000 heat pumps have been installed in all regions of the State, offsetting the equivalent of 1,400,364 gallons of oil per year, with an additional 32,000 heat pump water heaters. In 2020, EMT increased its rebates for high-performance heat pumps to up to \$2,500/unit, with enhanced rebates for low-income homes and plans for 100,000 more units by 2025. Maine has emerged as a leader in heat pump space and water heater penetration and is the first state in the country to bring to scale beneficial electrification of heating in buildings.

EMT's charter has guided this work. With oil as the primary heating fuel used by Maine households and businesses (62%) and propane, kerosene, and natural gas bringing the State to 80 percent dependence on fossil fuels for heating, the impact of EMT's programs cannot be overstated. Maine has no fossil fuel deposits and must import all it uses; therefore, most of the dollars spent on heating leaves the State. Maine's housing and building stock is old and poorly weatherized. Low-income households and small businesses are particularly vulnerable to oil pricing shocks. The residential and commercial sectors account for 30 percent of the State's greenhouse gas emissions, with combustion of fossil fuels for heating responsible for most carbon emissions. EMT's robust beneficial electrification strategies have resulted in tangible progress toward decreasing oil consumption, advancing aggressive climate goals, and boosting the market for heat pumps, and, in turn, helping contribute to lower monthly heating bills.

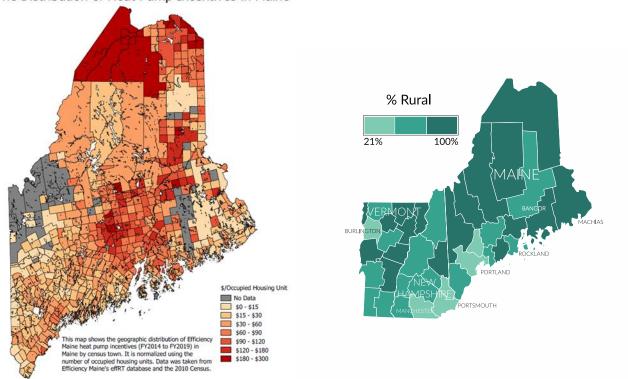
EMT's heat pump story is impressive enough to make it an energy efficiency "Star!" Its targeted displacement and replacement of fossil fuel equipment used for space heating and cooling and hot water with high-efficiency heat pump technologies is a constructive model for other states to emulate. EMT rapidly made an impact on Maine's heating markets. Recent performance advances and cost reductions for heat pumps, as well as expansions to EMT's charge to include beneficial electrification, has accelerated Maine's quest to electrify its buildings and helped cement Maine's leadership in the region in converting to modern electric technologies that offer highly efficient performance and zero on-site emissions.

However, "heat pumps" are neither the beginning nor end of EMT's story! The State also has aggressive programs to weatherize homes and businesses, and EMT maximizes cost-effective energy efficiency programs to drive improvements to HVAC equipment, windows, insulation, air sealing, and thermostat controls. In 2018-19 alone, EMT programs avoided more than \$209 million in unnecessary lifetime energy costs; prompted more than \$51 million of incremental private investment with \$48 million of program investment; supported 11,262 projects to

install air sealing, insulation, high performance heat pumps, or heating systems through the Home Energy Savings Program (HESP); added more than 27.3 MW of new peak summer demand reductions to the grid; and avoided an estimated 105,274 tons of annual greenhouse gas (GHG) emissions. EMT is not only leading the way on beneficial electrification, it is lighting the way with its tremendously successful LED lighting program, providing incentives to customers who installed approximately 7 million bulbs, or 18% of all residential sockets.

In a State where the home energy burden for low-income households is at 19 percent, EMT is focused on ensuring that our most vulnerable citizens are warm, safe, and healthy. Significant barriers exist for low-income residents and participation in residential energy efficiency programs is severely limited by high upfront cost (even with incentives), split incentive between owners and renters, and inadequate informational outreach about efficiency programs. EMT is helping low-income customers receive enhanced incentives and directly installing conservation measures, covering up to 100% of the cost of equipment and installation and ensuring contractors are supporting them through the entire process. The organization has significantly extended program benefits in hard-to-reach sectors and successfully used market-based programs to benefit hard-to-reach communities, including rural parts of the State.





Over its 10 years, EMT has helped Mainers receive enormous economic and emissions benefits of high-efficiency electric heat pumps, LED lighting, and weatherization, and has ensured that consumers reduce their energy burden, no matter who they are or where they live.

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