Buildings, Infrastructure & Housing (BIH) Working Group Meeting Maine Climate Council (MCC) January 22, 2024, 2-5pm In-person & Virtual via Zoom

In attendance:

Working group members: Kathleen Meil, Michael Stoddard, Tom Twist, Pat Stanton, Don McGilvery, Eben Perkins, Jesse Thompson, Ania Wright, Todd Rothstein, Ellen Belknap, Greg Payne, Gary Fearon, Rozanna Patane, Dan Burgess, Dale Basher, Chris Kessler, Matt Pitzer, Richard Bradstreet, Safiya Khalid, Dan Dixon, Sharon Klein, Andrew Barrowman, Elaine Clark

Staff: David Plumb, Molly Siegel

Review of existing programs and stakeholder processes related to buildings

Molly presented an overview of the document "<u>Existing Building and Energy Efficiency Initiatives</u>." The group discussed the role of this working group (WG) in relation to other ongoing stakeholder processes.

Comments:

- The process by which we adopt building codes is very slow- there is room for improving the process.
- What is the altitude for Buildings WG conversations? Higher level
- Different issues have different levels of engagement, we don't want to replicate anything that is happening anywhere else.
- Who is looking over the entire landscape to see what is happening and what the gaps are
- Some processes have a huge barrier such as the Public Utilities Commission (PUC). Let others know when you hear about a process that is happening somewhere else.
- This group sets the targets and agencies figure out how to meet those targets.

Priority Conversations

David presented the <u>Proposed Work Plan/Meeting Schedule</u> document and asked for feedback on the priority conversations outlined in this document.

Comments on planning document:

- Embodied carbon in materials
 - And bridging the financing gap for materials
- Need to see the words "renewable energy" and "energy storage" in buildings.
 - E.g. in Filling the financing gap...renewal energy and storage; and in bullet 3
- Opportunities for Maine to leverage new federal standards (voluntary certifications for DOE Heather Clark's office in DOE codification of what words means) and implications for tax credits. There have been Maine advisors to that committee.

- Movement to draw down refrigerant use. Implications for heat pumps. If you're looking ahead 10-15 years...(Maybe in point 5)
- First bullet
 - Add "carbon reduction"
 - \circ issue of housing stock not being ready for efficiency improvements
 - include the word community-driven or non-profits. Will need to break into sections about financing and funding
- How are we building energy literacy what new technologies are and aren't. Public education piece. Seeing a lot of misinformation out there.
- Radon and other indoor air quality issues. How to handle unrelated costs if we're not doing it right.
- Resilience many definitions. Setting it up is important. Get the definitions.
- Make sure we have "leading by example" for public building

Public Comments

- Do some communications work for the public to know what this group is doing- e.g., realtors. We have built 100s of buildings that only use heat pumps. Putting labels on buildings that make invisible improvements visible
- Where did the weatherization goal come from and when does it start? 35,000 vs. 40,000. The targets were set based on the modeling scenarios. Refine that in the targets discussion.
- Maine's Home Energy Assistance Program (HEAP) is insufficient and continues to support fossil fuels. Need solutions for low and moderate income (LMI) households that do not rely on older heating systems.

UMaine Mitchell Center Engagement

- Linda Silka from the University of Maine Mitchell Center gave a <u>presentation</u> on how they will select priority populations to engage with, and what questions they will seek to answer through this outreach. They requested feedback from the WG on the proposed themes/questions, populations, and methods of engagement.
- In particular, they requested suggestions for organizations that work with building professionals and code enforcement officers in smaller and rural communities. WG members provided several suggestions.

James Neal, Efficiency Maine Green Bank

One of the recommendations from Maine Won't Wait (MWW) was to provide more financing mechanisms for energy efficiency and green buildings. The Green Bank was one of the programs that came out of that recommendation.

James gave an overview of existing and new finance offerings, funding sources, and next steps for the <u>Efficiency Maine Green Bank</u> (EMGB).

- Existing (older) programs now under the EMGB include:
 - o Home Energy Loans

- Small Business Energy Loans
- Newly designed initiatives include:
 - Commercial Property Assessed Clean Energy (C-PACE)
 - Municipal and school project financing
 - Manufactured Home Heat Pump Lease
- Next Steps
 - Expand offerings beyond Efficiency Maine incentives, such as energy storage and solar PV
 - Improve/adjust loan terms
 - Provide "one-stop-shop" for financing so Residential Registered Vendors (RRVs) can offer many different financing products under one application

Pat Stanton, E4TheFuture

IRS Zero Energy Ready Homes tax credit (Section 45L)

US Department of Energy (DOE) Zero Energy Ready Homes certification program

- Manufactured homes matter in Maine 5,000 new homes a year in Maine, and in 2022 963 homes were shipped to Maine- nationally, 20% of homes shipped were EnergyStar (assuming Maine is similar)
- Zero Energy Ready homes are wired for solar, wired for heat pumps or efficient propane, better insulation, better windows
- Clayton (one of the largest manufactured home builders in the country) announced that they were going to manufacture 100% of their homes to meet ZER.
- 10-year \$5,000/unit rebate that goes to the manufacturer, certification is on the factory that they are set up to meet the standards. That is around the profit margin on one of these houses.
- How do we leverage the work that has gone into this standard? These incentives are not capped. Would be interested in thinking about policies, pair with Solar for All for qualified buyers.

Discussion

- Looking for solution for lowest income who don't borrow.
- How to do volume and target lowest income?
- There is subsidized affordable housing and there is non-subsidized affordable housing- how can we make it more likely that they will get ZER homes. Is it a big enough piece of the housing problem to warrant focusing on in the climate plan?
- 60,000 manufactured homes in Maine ("mobile homes"), there are no HUD code homes built in Maine- help some of the manufacturers become net zero certified
- What percentage of the population are the current programs working for, where are they not, how can we fill the gaps?