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2025 Triennial Plan Update

An update on Efficiency Vermont's 2024-2026 plan

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TriPlan changes

Performance to date

EEMA & FLM Underspend

C&I Underspend

Evolving to Meet Vermont's energy needs

- Layered approaches to overcome barriers
- Deeper Outreach & Engagement
- Heat Pump Market Assessment
- Transmission Planning
- Manufactured homes & the housing crisis

2025-2026 challenges

Agenda

2024 Key Takeaways

1

Efficiency Vermont is reliable statewide partner for delivering ratepayer & system benefits—with a plan to deploy full budgets and programs for 3-year Performance Period.

2

3rd party funding unlocks new savings opportunities, especially in “hard to reach” communities

3

Uncertainty & increased costs present a challenging landscape for efficiency investments by Vermont residents and businesses

TriPlan Updates for 2025-26

TEPF Updates per PUC Approved DRP Amendment #2

- TEPF budget/program changes as per approved DRP amendment
- 24-26 TEPF RA budget increased by ~\$2.2M
- Including, \$600k workforce development (25-26) in coordination with DPS WFD RFP

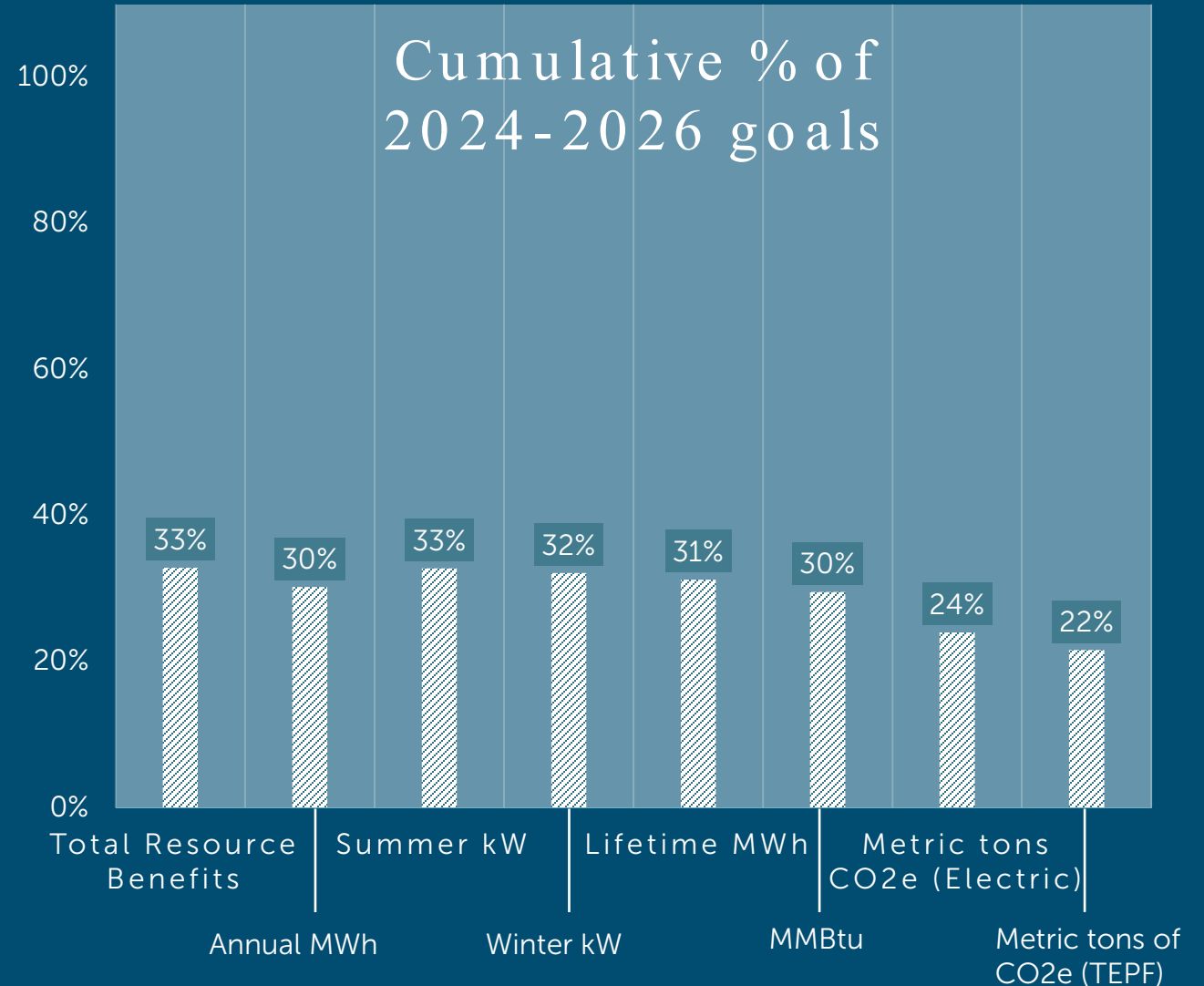
Other Program Updates

- LI Targeted High-Use eligibility increased from 5,000 to 10,000 kwh (7,500 for single occupancy)
- Appliance Replacement Voucher expanded to renters (plus retailer delivery in NEK)
- Launched Window Heat Pump Pilot for renters
- *Project-level* technical support (and incentives to EEN builders) for above code new construction
- Talent pipeline support for EEN members
- Expand Cost Coverage Plan (developed for flood recovery) to support add'l programs
- Among other measures, increase install of hybrid heat pump roof top units

Performance to date

2024 Unspent Funds

- \$1.9M for Residential EEC
 - Primarily EEMA & FLM
- \$1.6M C&I EEC
- \$480k C&I TEPF
- \$130k DSS



EEMA & FLM Underspend

EEMA Underspend: \$865k

- 6-month delay of EEMA programs
 - Significant 62% EEMA underspend in Existing Homes (EH)

FLM Underspend: \$248k

- C&I FLM - \$56k
 - FLM 3.0 Pilot launch later than expected
- Res FLM - \$192k
 - No vendor selected for multi-DU telematics offer after competitive RFP



A family plugs in their EV to their home charger in Essex, VT



FLM-enrolled HVAC infrastructure at Landmark College

Dimmable LEDs and controls at Blue Seal Animal Feed

C&I Underspend \$1.6M EEC + \$480k TEPF

- DRP modeling shows a savings gap of about 33% around C&I projects
- Projects/savings much lower than anticipated due to increased costs, especially for C&I Lighting Retrofits
- Further challenged by economic uncertainty, increased costs, and workforce limitations

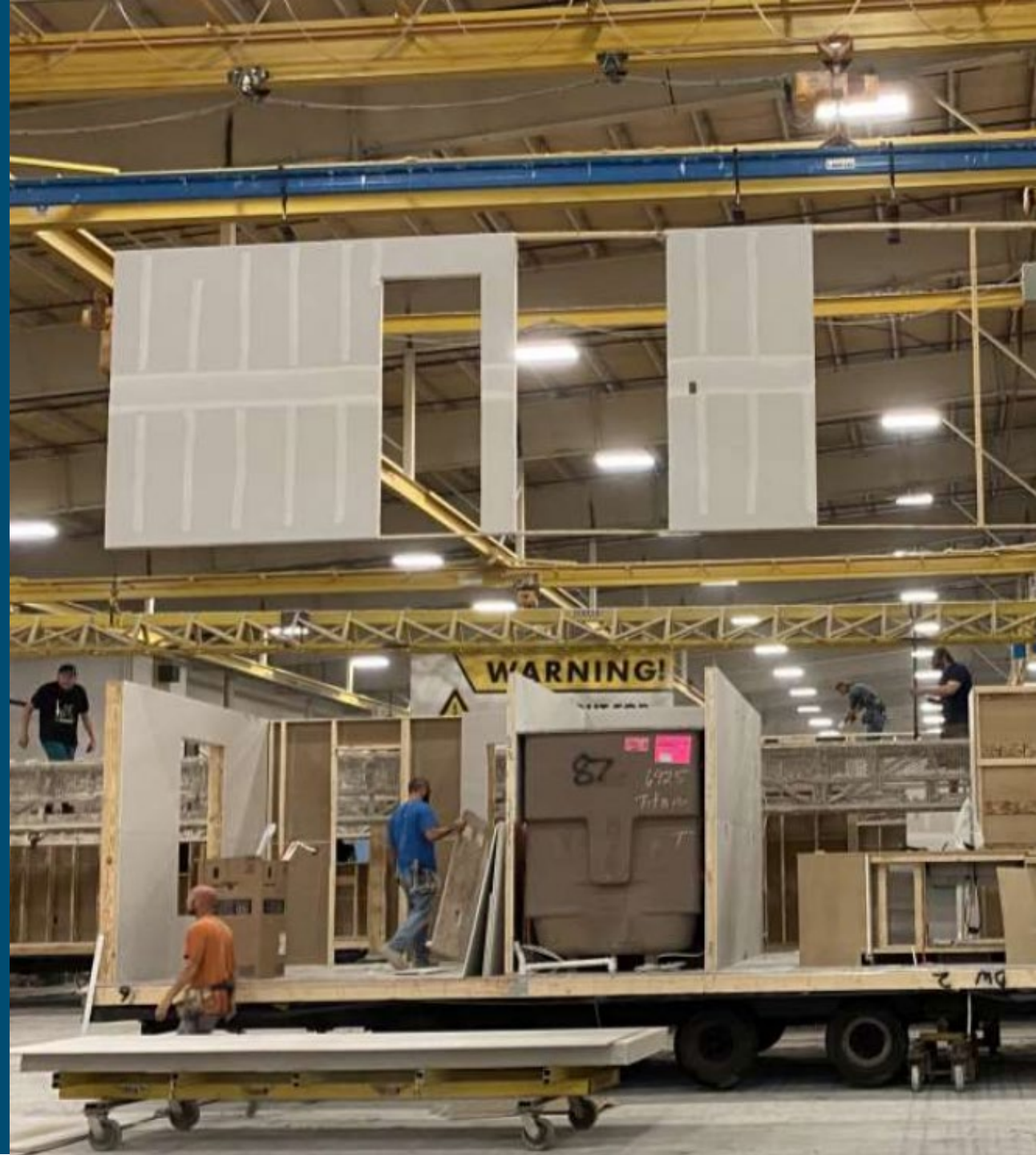
“Proof of concept”

Refrigeration + FLM at Against the Grain bakery

- Innovative approach uses thermal mass of frozen products to maintain temperatures—turning freezers into demand response assets
- Advanced controls & FLM integration allows shedding up to 20% of load during peak events
- \$55,000 in annual efficiency savings + from \$3k-\$5k in annual FLM savings
- Under FLM 3.0 billing structure, annual FLM savings expected to be significantly higher



Evolving to meet Vermont's energy needs



Reaching underserved Vermonters requires layered resources & approaches

Creative allocation of program funding overcomes key barriers

- Home Repair program removes non-EE project barriers to weatherization
- Home Electric Panel Upgrade enables electrification measures with 200-amp electric panel
- “Cost Coverage” Program allows customers to pay for projects, without carrying the upfront cost
- New Workforce Development Manager hired to implement Talent Pipeline Management framework

Dedicated Equity budget enables deeper outreach & engagement

- On-Demand Video Interpretation Services for non-English speakers, individuals who are hard-of-hearing or have communication disabilities
- Community Based Organization (CBO) Strategy focused on new partners serving frontline and impacted populations

New Partnerships

Missisquoi Abenaki Nation
Rainbow Bridge
CIDER
Winston Purdy
Springfield Supportive Housing
Roots Social Justice Center

Winooski Parents & Students Project
Center for an Agricultural Economy
Vermont Center for Independent Living
Hardwick Area Food Bank
Rutland County Pride



Heat Pump Market Assessment

Assessing market opportunity and future challenges

Key Takeaways

- Many Vermonters can still benefit from HPs
- HP owners may not be using them to their full potential
- New technology makes a “whole home” approach with HPs more affordable & accessible for more Vermonters
- Workforce constraints hinder Vermont’s HP deployment
- More electrified heating could see future grid constraints



Insights: Transmission planning

Anticipating load growth over the next decade

Will support non-transmission alternatives

- FLM projects
- multi-DU advanced telematics

Advancing individual customer measures for peak electricity use management such as:

- Real time metering, submetering, and data analysis
- custom analytics tools & efficiency projects

Outcomes reduce electricity costs/use & reduces urgency for transmission upgrades





Insight: Low-emissions solutions to Vermont's housing crisis

- Factory-built housing meets Dept. of Energy & Efficiency Vermont high efficiency specifications
 - Low energy consumption
 - Fossil fuel free
 - Higher standards for durability, comfort, and indoor air quality.
- Advanced Manufactured Homes pilot creates new, highly-efficient housing for \$143 per square foot (\$173/sq. foot with rooftop solar)
 - Other affordable housing \$350-\$550/square ft.

2025-2026 Challenges

- Uncertainty causing customer hesitation and re-evaluation of risk
- Vermont's housing & affordability crises have few short-term solutions
- Inflation and other cost impacts have already materialized in construction, dairy, maple & ag sectors
- Potential tariffs on imports from Canada, Mexico & China could compound cost pressures
- Awards from Federal agencies under review by new administration

Better Building By Design

2030 on the Horizon: Assessing Vermont's Vision Versus Reality

Wednesday, April 2 & Thursday, April 3

DoubleTree Hotel & Conference Center
South Burlington, VT

Up to 1,000 of the region's most innovative
builders, suppliers, contractors, design
professionals & more

Meet the "Best of the Best" award winners

Offsite Tours: OnLogic & Winooski School District

Keynote speaker

Dr. Diana Hernández
Columbia University's Mailman
School of Public Health

Insights on energy insecurity & promising
interventions to achieve energy equity and justice



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Questions?



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