



Leading the Way to a Brighter Future

Investing in Energy Efficiency for a Stronger Economy

Maine families and business spend more than \$7.5 billion, about 15% of Gross State Product (GSP), each year on **energy**—primarily electricity, oil, natural gas and propane—and most of this money ends up leaving Maine for multinational utilities and oil companies.

Maine families often face difficult choices between energy bills and such other essentials as rent, food, medical care and clothing.

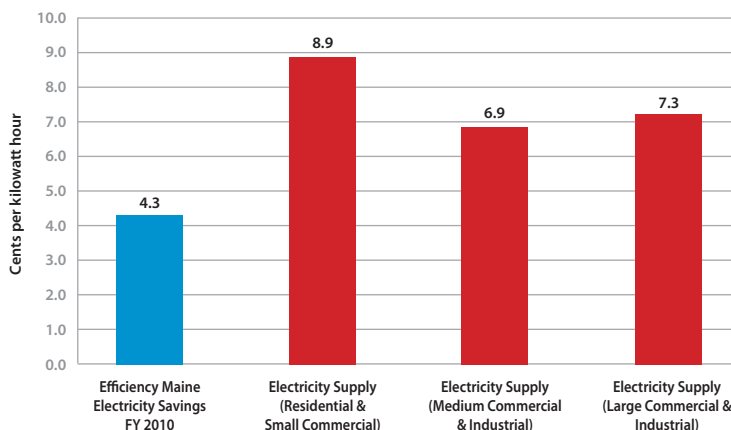
In *Maine businesses*, energy costs compete with wages, materials, equipment and production space.

Efficiency Maine plays a critical role in mitigating the impact of energy costs on the state's economy. Founded in 2004 and restructured last year, our programs now comprise a comprehensive, cost-effective resource to encourage the adoption of energy-efficient measures by Maine businesses and residents. We help them save energy and money right away...and ultimately drive down energy demand and costs for all.

Efficiency is Maine's best energy value

As shown by the graphs below, it costs a lot less to **save** a given unit of energy than it would cost to **supply** the same amount:

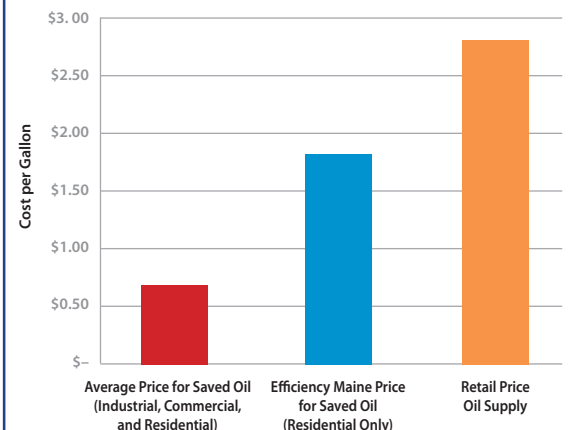
Cost of Electricity Saved vs. Supplied



Source: U.S. Energy Information Administration; Maine PUC

Efficiency Maine spends only 4.3¢ per kilowatt hour (kWh) of electricity saved, less than half the 8.9¢/kWh cost that Maine households and small businesses pay for electricity supplied, and even less than the rates paid by medium and large commercial users.

Cost of Heating Oil Saved vs. Supplied



Efficiency Maine spends only \$1.82 per gallon of fuel oil saved, almost a dollar less than the \$2.80 retail price. Savings from improving the efficiency of industrial and commercial oil use are even more cost-effective.

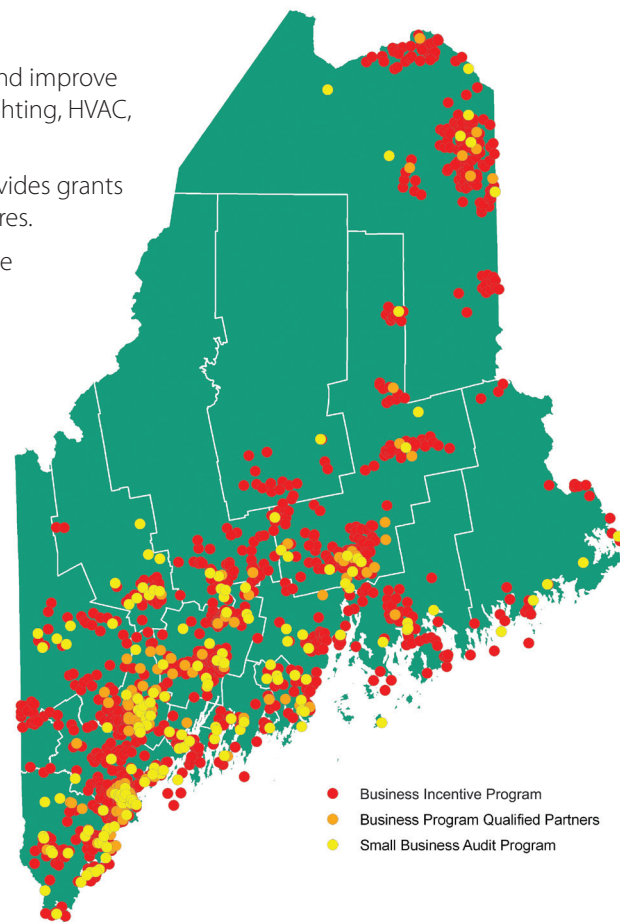
What does Efficiency Maine do?

Efficiency Maine offers a range of programs within four broad areas:

1. Business

- Cash incentives help employers save money and improve productivity by upgrading to more efficient lighting, HVAC, refrigeration and other equipment.
- A special fund for large energy consumers provides grants and incentives for innovative efficiency measures.
- Special energy audits and low-interest loans are available to help small businesses cut costs.

Connecting the dots: As the map at right shows, Efficiency Maine's Business Program involves participants throughout Maine. In FY 2010, over 1,000 businesses took advantage of cash incentives to install energy-efficient lighting, HVAC and other equipment...with assistance from over 300 contractors and suppliers that have trained to become Qualified Partners. Another 200 small businesses took advantage of a special energy audit program.



2. Residential

- The Home Energy Savings Program helps homeowners with insulation, more efficient heating and other energy-saving upgrades.
- EM works with retailers statewide to offer reduced prices and rebates, respectively, on energy-efficient lighting and appliances.
- Special programs help bring the benefits of energy-efficiency to low-income households.

3. Education and Training

- Over 300 contractors and suppliers of energy-efficient equipment have received rigorous training to become "Efficiency Maine Qualified Partners."
- Programs in Maine schools introduced the issues of electricity production, consumption and efficiency to more than 12,000 4th–12th graders.

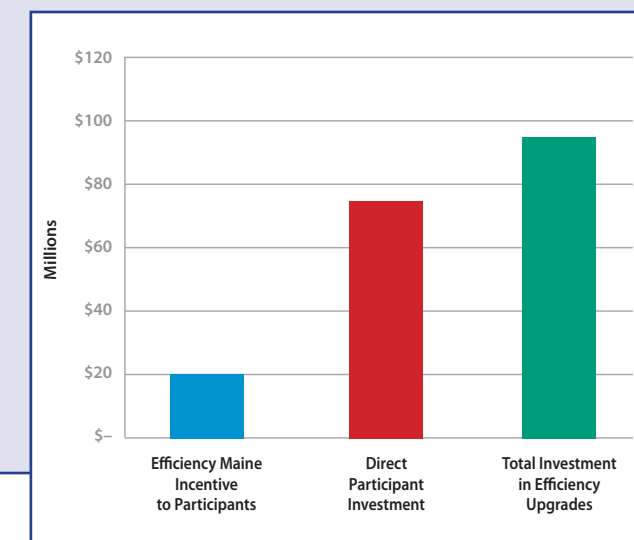
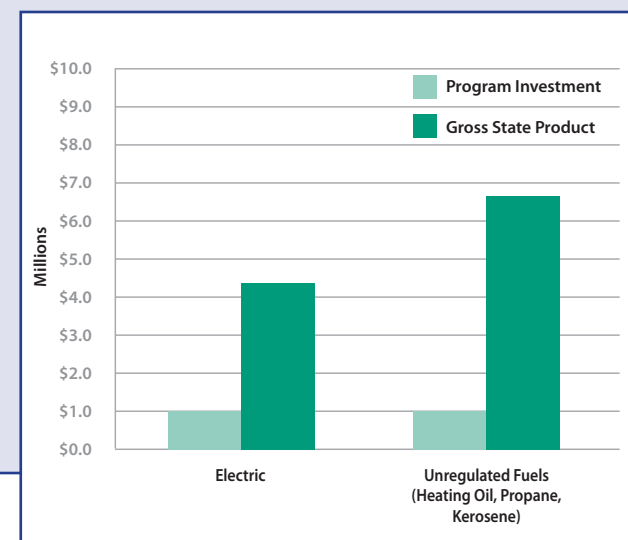
- 4. **Renewable Energy Programs** provide incentives to help Mainers install thermal solar, photovoltaic and wind power.

See the back page of this flyer for a few case studies of how Efficiency Maine worked for businesses and residents in FY 2010.

Efficiency Maine programs yield measurable results

We carefully track the benefits and costs of our programs, which yielded the following results in FY 2010 (ending June 30, 2010):

- Produced lifetime **economic benefits** (mainly in energy savings) **of \$95.8 million.**
- Generated **841,027 MWh in savings of electricity** alone, at a cost of only 4.3¢ per kWh—far below the cost of 6.9¢ to 8.9¢ per kWh for utilities to supply power.
- Leveraged \$20 million in public funding to attract \$75 million in private energy-efficiency investment, generating a total of **\$95 million in efficiency upgrades:**
- Achieved a **benefit to cost ratio of 2.92 to 1.**
- Stimulated job production at the rate of **75 job years per \$1 million invested.**
- Because of the multiplier effect, every **\$1 invested in projects by Efficiency Maine raises Maine's Gross State Product (GSP) by at least four times that amount** (\$4.20 if the investment saves electricity and \$6.60 if the investment saves heating oil):



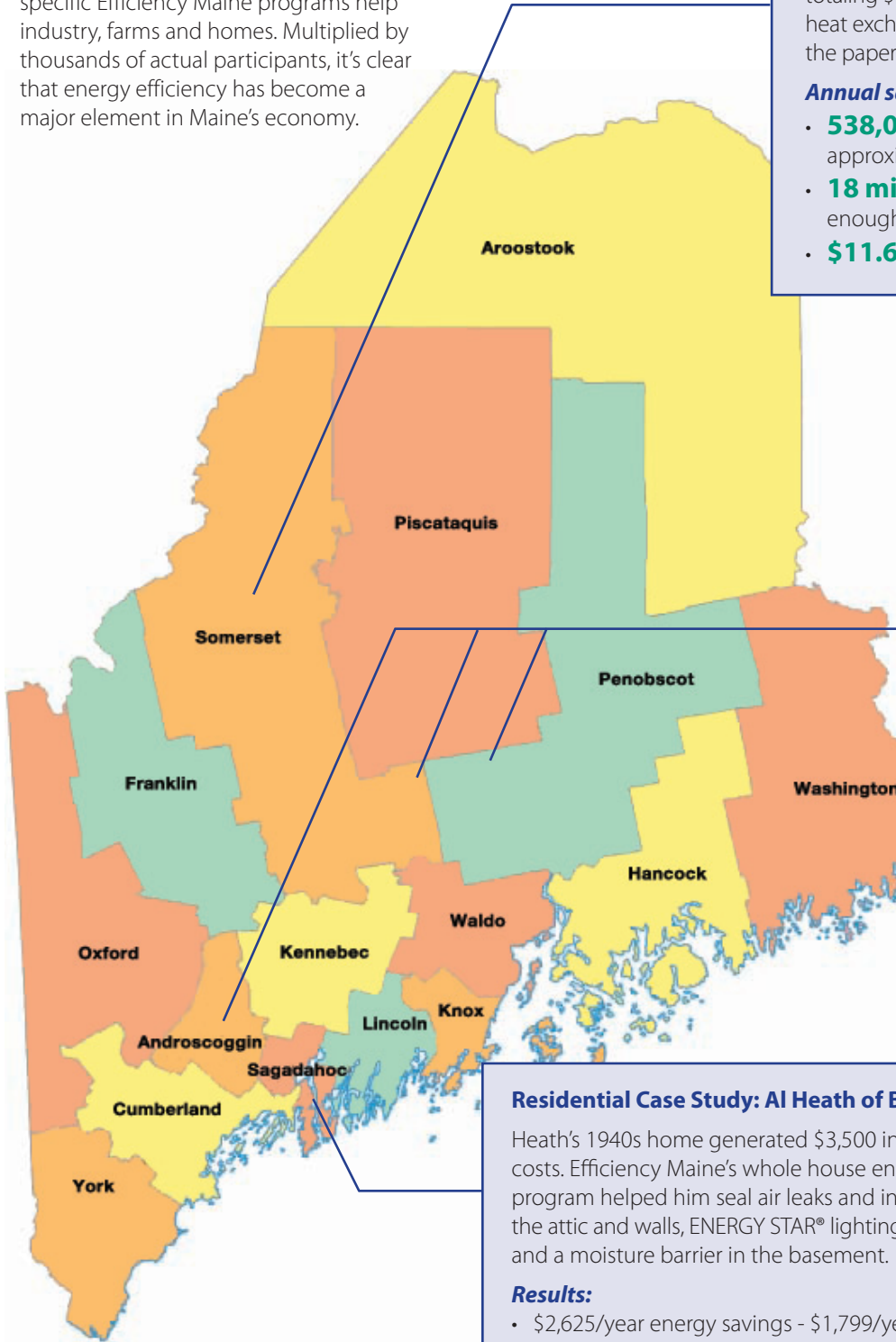
How is Efficiency Maine funded and administered?

In FY 2011, more than \$40 million in one-time funds from ARRA supplement \$8 million in recurring revenues from the Regional Greenhouse Gas Initiative and approximately \$13 million from the System Benefits Charge on all electric bills. Efficiency Maine gets no General Fund dollars.

Efficiency Maine is an independent trust governed by a nine-member Board of Trustees representing energy consumers (industrial, commercial, residential) and those with related expertise. While it was formerly part of the PUC, and thus focused almost exclusively on electrical efficiency, Efficiency Maine now provides one-stop efficiency shopping for consumers of all types of energy except transportation.

Efficiency Maine: saving energy and cutting costs statewide

Here are three detailed examples of how specific Efficiency Maine programs help industry, farms and homes. Multiplied by thousands of actual participants, it's clear that energy efficiency has become a major element in Maine's economy.



Industrial Case Study: Madison Paper

Plant employing 240 people in Somerset County won two highly competitive Efficiency Maine grants in 2010 totaling \$1.1 million, which helped them install new heat exchangers to capture heat from wastewater and the papermaking process.

Annual savings:

- **538,000 gallons** of fuel oil—enough to heat approximately 550 homes
- **18 million kilowatt hours** of electricity—enough to power approximately 2,500 homes
- **\$11.6 million** in costs

Agricultural Case Study: Maine Dairy Farms

(Alfa Slopes in Charleston, Brigeen in Turner, Lakeview in St. Albans, R.E. Hemond in Minot)

Efficiency Maine expedited the agriculture application process to help farmers reduce their energy costs and improve margins by replacing energy-intensive equipment, including lighting, vacuum pumps, compressors, fans and motors.

Results:

- **More than 18 Maine dairy farms** have participated, **saving more than \$125,000 annually**

Residential Case Study: Al Heath of Bath

Heath's 1940s home generated \$3,500 in annual energy costs. Efficiency Maine's whole house energy upgrade program helped him seal air leaks and install insulation in the attic and walls, ENERGY STAR® lighting and appliances, and a moisture barrier in the basement.

Results:

- \$2,625/year energy savings - \$1,799/year loan costs = **\$826/year net savings**
- **Even heat and comfort** throughout the house, including formerly unusable basement
- **Home stays warmer** in the winter **and cooler** in the summer