

# Executive Director's Summary Report

to the Board of Trustees  
of the  
Efficiency Maine Trust

July 24, 2019

## 1. Public Information and Outreach

### A) Awareness and Press

- Press
  - The *Bangor Daily News* and WGME13 covered the impact of the Maine Public Utility Commission's (PUC's) approval of newly legislated methodology and assumptions on the low income heat pump water heater program and Triennial Plan IV (<https://bangordailynews.com/2019/07/02/business/low-income-mainers-can-get-help-lowering-water-heater-bills-after-regulator-reverses-ruling/>) and (<https://wgme.com/news/local/low-income-mainers-can-get-help-lowering-water-heater-bills-after-regulator-reverses-ruling>)
  - Efficiency Maine was mentioned in coverage of the Legislative Session by the *Sun Journal* (<https://www.sunjournal.com/2019/06/30/maine-lawmakers-give-environmental-efforts-big-green-light/>) and the *Maine Wire* (<https://www.themainewire.com/2019/07/what-did-maine-lawmakers-accomplish-in-2019/>)
  - The new legislative goal to install 100,000 heat pumps over five fiscal years was covered by *Greentech Media* (<https://www.greentechmedia.com/articles/read/maine-wants-to-install-100000-heat-pumps-by-2025#gs.q1jsp4>)
  - Efficiency Maine was mentioned in reporting on Central Maine Power's (CMP's) rate increase by *News Center Maine* (<https://www.newscentermaine.com/article/money/cmp-bills-increase-by-nearly-1-additional-3-proposed/97-d838c1c7-ce7e-433c-a8f7-fe8760e948d5>), the *Penobscot Bay Pilot* (<https://www.penbaypilot.com/article/central-maine-power-bills-increase-effective-now/120719>), and *Maine Public* (<https://www.maine-public.org/post/cmp-seeks-10-percent-rate-hike-amid-billing-scrutiny>)
- Website and Outreach (June)
  - 19,575 website visits (compared to 21,314 visits in May)
    - 11,050 unique visits
    - 448 visits were driven through digital ads
  - Facebook
    - 3,421 fans
- Call Center (June)
  - 1,228 inbound phone calls received
    - 94% answered within 20 seconds (vs. a goal of 90%)
  - 757 inbound emails
  - 10,092 pieces of inbound mail

## B) Government Relations

- Maine Public Utilities Commission (PUC)
  - Staff sought and received approval for new methodologies and assumptions, consistent with LD 1757, to screen measures for cost effectiveness.
  - Staff requested a protective order to enable the transfer of customer data from utilities to the Trust.
  - The Trust participated in a stakeholder process regarding the non-wires alternative coordinator.

## C) Other

- High Usage Utility Customers
  - Trust Staff have discussed with Central Maine Power (CMP) administering a pilot project in which sub-contractors working for Efficiency Maine would work with certain of CMP's high usage (residential) customers to help the customers to analyze their usage and learn more about opportunities for conservation.

## 2. Program Highlights<sup>1</sup>

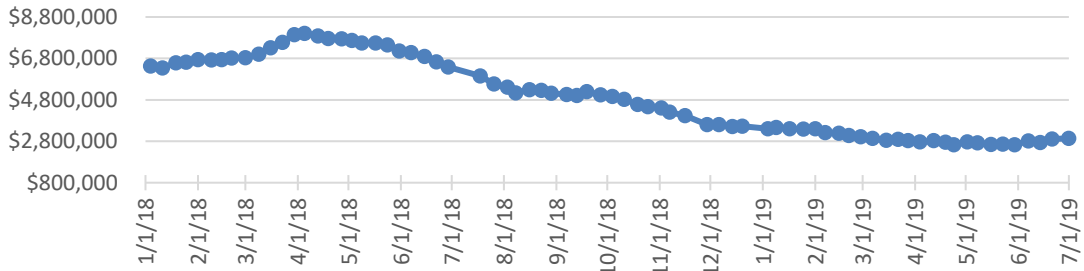
### A) C&I Prescriptive (CIP) Program

- In anticipation of investing all electric funds for FY2019 and to facilitate the transition to FY2020, the program was suspended and did not accept new projects as of June 13.
- Annual (Re)Certification sessions for Qualified Partners (QP) began in June. There were 10 on-site sessions and 4 webinars from Madawaska to York. There are currently 965 current QPs, with 822 (85%) that have attended a session or registered for the final 2 webinars. Twenty new QPs were recruited.
- The total volume for lighting sales through the “distributor channel” remained consistent through the end of May; all submittals for June have been received and will be reviewed and paid in July. Of the discounts through this channel:
  - 32% are screw-in bulbs (18% of discounts paid)
  - 68% are mogul and T8 linear replacement lamps (82% of discounts paid)
- Potential new measures were analyzed for FY2020, including new LED lighting (horticultural and pin-based CFL replacement lamps) and HVAC measures. The Variable Refrigerant Flow (VRF) measure will now offer tiered incentives for systems with and without heat recovery. Systems with heat recovery allow for simultaneous heating and cooling within a building.

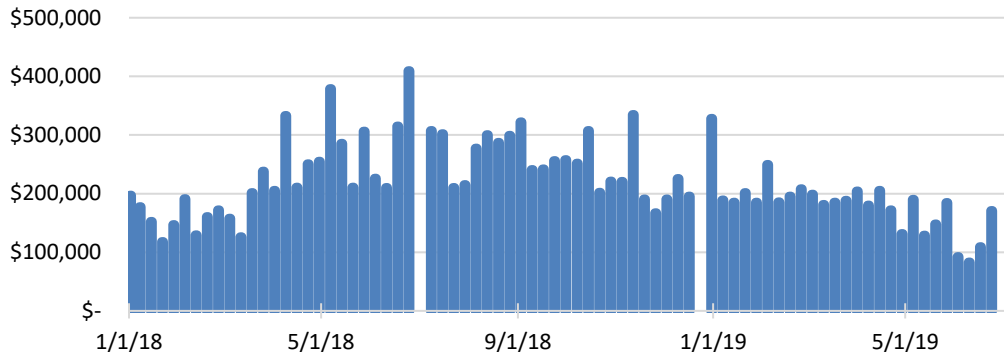
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<sup>1</sup> The Updated Financials table reported for each Program reflects data pulled from the Trust's financial management system mid-month; the Energy Savings table reflects data pulled from the Efficiency Maine project tracking database on July 15, 2019, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of June 2019).

### CIP - Pipeline



### CIP - Incentives Paid



Updated Financials	Program Investment
FY2019 Program Budget	\$18,316,592
7/1 to 6/30 Spending	\$13,000,659
Percent of Budget Spent to Date	71%
Percent of Year Passed	100%

Energy Savings (through 6/30)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	106,743,628	(103,128)
Thermal Programs	233,116	90,842

\*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Project Type (through 6/30)	Units	Projects
Distributor Lighting Solutions	192,676	-
Prescriptive Lighting Solutions	-	2,373
Electric Heating and Cooling Solutions	-	486
Compressed Air Solutions and Other	-	84
Natural Gas Heating and Cooling Solutions	-	93
All-Fuels Heating and Cooling Solutions	-	116

**B) C&I Custom Program**

- The C&I Custom Program Review Team met once and approved 4 projects worth approximately \$510,000 in incentive offers.
- The pipeline has grown modestly, adding 7 new projects. The total pipeline moving into FY2020 consists of 9 projects worth almost \$530,000 in incentive offers.
- Program staff reviewed 5 project proposals that did not meet the program requirements and were ultimately denied.

<b>Updated Financials</b>	<b>Program Investment</b>
FY2019 Program Budget	\$14,247,439
7/1 to 6/30 Spending	\$3,171,920
Percent of Budget Spent to Date	22%
Percent of Year Passed	100%

<b>Additional Details on FY2019 Financials</b>	<b>Program Investment</b>
Expenditures	\$3,171,920
Committed	\$8,640,105
Pipeline*	\$0
Total (Expenditures, Committed, & Pipeline)	\$11,812,025
Percent of Budget	83%

*\*Does not reflect current pipeline, as these projects will come out of FY2020 budget (vs. FY2019)*

<b>Energy Savings (through 6/30)</b>	<b>Annual kWh Savings</b>	<b>Annual MMBtu Savings</b>
Electric Programs	4,265,452	9,202
Thermal Programs	-	6,884

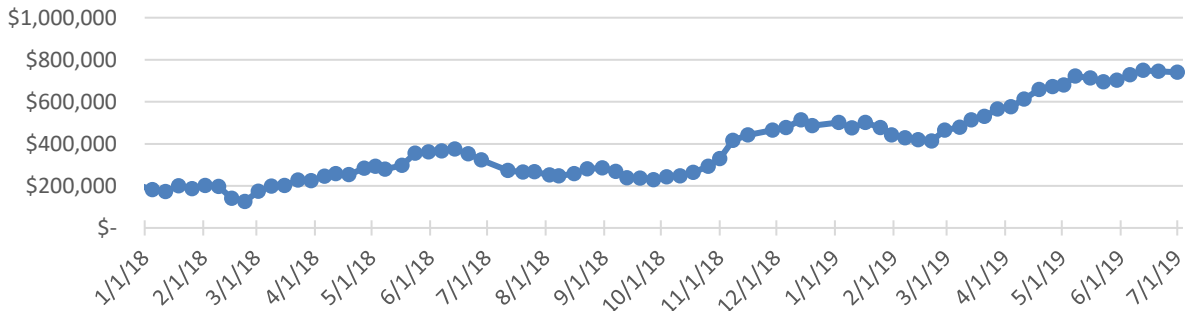
**C) Small Business Initiative (SBI)**

- Region 10 (Ellsworth area) is no longer accepting new customers (new customers were accepted through May 31). Remaining projects were pre-approved by June 30, and installations will be completed by the end of July.
- Remaining installations for Region 11 (Old Town and Orono) are underway. Nine projects participated in a promotion for apartment building owners that offered 90% incentives for lighting upgrades within exterior and common areas only. Final installations will be completed in July.
- The delivery team continued targeted customer outreach in Regions 12 and 13 (Hallowell, Gardiner, and Chelsea; Burnham to Hermon) utilizing the utility data, and new customers were accepted through June 30.
- The FY2020 lighting assessment and screening tool (SLIC) is being updates with new market data and cost-effectiveness methodologies and assumptions. No new lighting assessments are being conducted for the Bangor region until the updated tool is available.

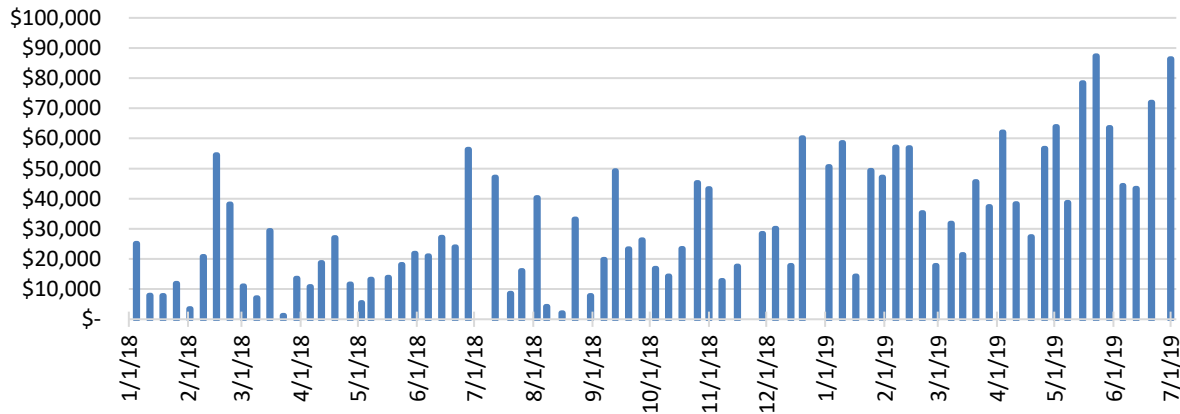
SBI Activities	Region 10	Region 11	Region 12	Region 13	Region 14
Launch Date	7/2018	8/2018	1/2019	2/2019	4/2019
Assessments Requested/Assigned	331	47	118	142	177
Assessments Completed	319	47	104	121	104
Pre-approved Projects	287	41	94	107	89
Signed SOWs	235	30	61	78	48
Installations Underway	20	1	13	14	12
Projects Completed	208	29	44	54	13

Region 10 covers the Ellsworth area; Region 11 covers Old Town and Orono; Region 12 covers Hallowell, Gardiner, and Chelsea; Region 13 covers Burnham to Hermon; and Region 14 covers Bangor and Hampden.

### SBI - Pipeline



### SBI - Incentives



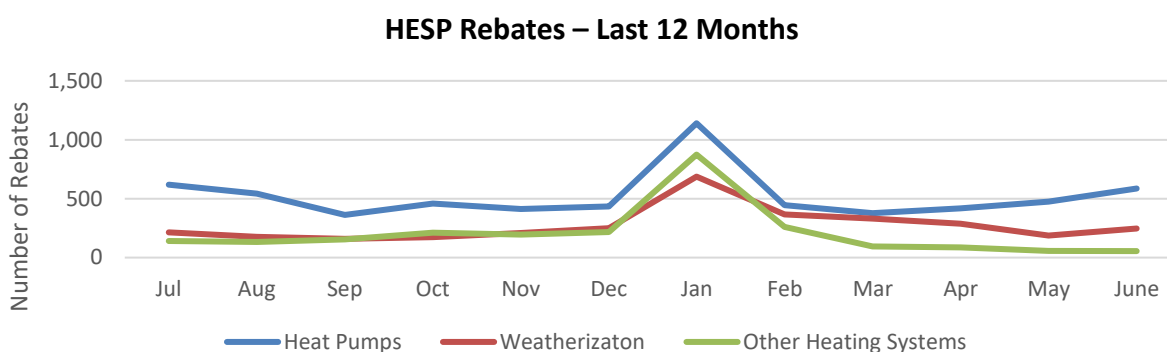
Updated Financials	Program Investment
FY2019 Program Budget	\$3,206,369
7/1 to 6/30 Spending	\$2,202,182
Percent of Budget Spent to Date	69%
Percent of Year Passed	100%

Energy Savings (through 6/30)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	4,247,958	(4,146)

\*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

#### D) Home Energy Savings Program (HESP)

- FY2019 was a record year for HESP. The number of rebates in June 2019 was up 15% compared to June 2018, and for the full year rebated measures were up 45% over last year.
- The peak of activity in January reflects the processing of a backlog of rebate requests that were received in the summer and fall.
- Note that up to \$1.35 million of the budget is RGGI funding that is planned to be carried forward into FY2020.



Updated Financials	Program Investment
FY2019 Program Budget	\$12,265,960
7/1 to 6/30 Spending	\$9,632,835
Percent of Budget Spent to Date	79%
Percent of Year Passed	100%

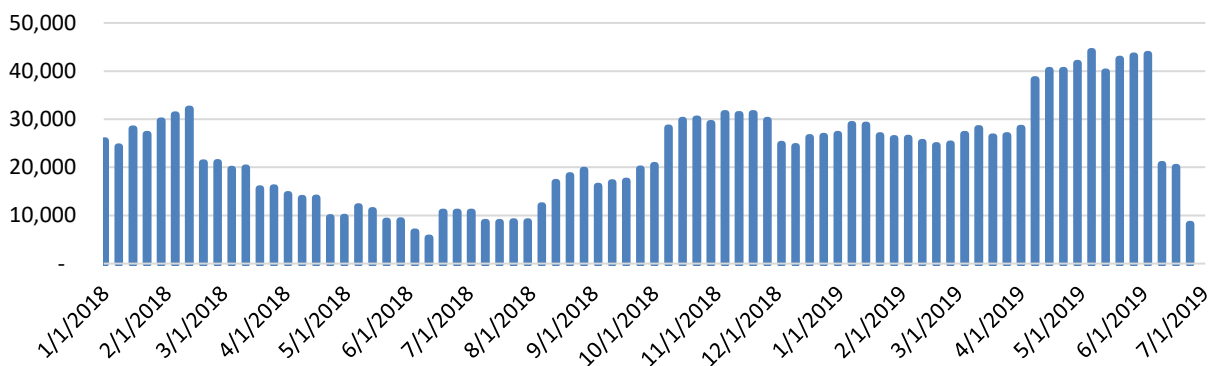
Energy Savings (through 6/30)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	15,981,000	-
Thermal Programs	629,677	92,873

Project Type (through 6/30)	Participating Households
Electric Measures	6,082
All Fuels Measures	3,795
Natural Gas Measures	454

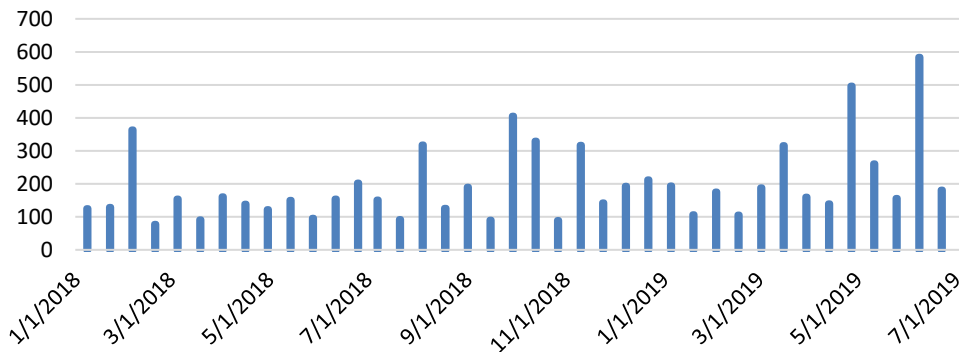
**E) Consumer Products Program**

- By offering rebates both through retail (a \$750 mail-in rebate) and distributors (instant rebate bringing prices as low as \$250), the program was able to incentivize a record 5,709 heat pump water heaters. One distributor reports selling four heat pump water heaters for every electric resistance water heater.
- More than 200 stores across the state have promotional displays featuring \$0.50 and \$1 LED bulbs discounted by Efficiency Maine. Best prices are posted on [efficiencymaine.com](http://efficiencymaine.com). The program incentivized nearly 1.3 LEDs in FY2019.

**Weekly Bulb Sales – Retail (including unaudited estimates)**



**Weekly HPWH Sales (including unaudited estimates)**



Updated Financials	Program Investment
FY2019 Program Budget	\$13,495,604
7/1 to 6/30 Spending	\$9,248,704
Percent of Budget Spent to Date	69%
Percent of Year Passed	100%

<b>Energy Savings (through 6/30)</b>	<b>Annual kWh Savings</b>	<b>Annual MMBtu Savings*</b>
Electric Programs	45,773,014	(33,146)
Thermal Programs	2,326	6,545

\*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

<b>Rebate Type (through 6/30)</b>	<b>Projects</b>
Light Bulbs	1,109,891
Appliance Rebates	13,243
Smart Thermostats	682

#### **F) Low-Income Initiatives**

- The Low Income Direct Mail (LIDM) Initiative continues to offer free Do-It-Yourself (DIY) kits to households that participate in state or federal low-income programs. Preliminary results indicate a 580% increase between FY2018 and FY2019 (21,222 compared to 3,610).
- The Trust participates in the electric utilities' Arrearage Management Program (AMP). Staff followed up with 773 AMP participants in FY2019, providing them with an electricity use information, energy-saving tips, offers of free LED bulbs and hot-water-saving devices, and links to Efficiency Maine programs.
- The Low Income Direct Install (LIDI) initiative offers free installations of heat pump water heaters (HPWHs) to eligible households. There were 493 installations in FY2019.
- The program contracted with two community action agencies to audit 60 low income homes with a high annual electricity consumption (13,000 kWh minimum), and to identify opportunities to install appropriate efficiency measures. Of the 60 homes, 14 were added to the list of homes to be served through the existing HPWH initiative. An additional 17 homes which were found to rely heavily on inefficient electric space heating and being served by a weatherization and heat pump pilot. Six installations have been completed so far. Vendors are instructed to place a high priority on homeowner education in operation of a high-performance heat pump, as well as explaining the impacts of their present behaviors in heating with inefficient electrical appliances. Another unique aspect of this pilot is that we will be metering not only the heat pump but the whole house electrical usage from approximately July to April.
- Earlier in the year, the program completed a natural gas project in a low-income multifamily housing complex in Unitil territory, successfully investing the budget. Staff is now looking to replicate the project in the Bangor Natural Gas and Maine Natural Gas territories.
- The market-based Affordable Heat Initiative (AHI), which offers enhanced rebates on ductless heat pumps and insulation to eligible homeowners, is currently suspended. All funds from RGGI and MPRP that were available for this initiative have been fully invested for this fiscal year.



<b>Updated Financials</b>	<b>Program Investment</b>
FY2019 Program Budget	\$9,134,120
7/1 to 6/30 Spending	\$4,821,257
Percent of Budget Spent to Date	53%
Percent of Year Passed	100%

<b>Energy Savings (through 6/30)</b>	<b>Annual kWh Savings</b>	<b>Annual MMBtu Savings*</b>
Electric Programs	9,519,687	(1,437)
Thermal Programs	(2,689,811)	48,131

\*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

<b>Initiative (through 6/30)</b>	<b>Units</b>
Direct Installs	426
Market-based Installs	1,917

#### **G) Renewable Energy Demonstration Grants Program**

- The Trust has no new information to report on this initiative this month.

#### **H) Electric Vehicle (EV) Initiatives**

- EV Charging Initiative
  - Staff held biweekly check-in calls with ChargePoint Inc. to review the status of each host site in Phase 1. Staff is working with ChargePoint to explore additional charger locations on Route 302 between Portland and the New Hampshire border. Construction has begun on chargers in Jackman and Kennebunk Plaza (Southbound).
  - In Phase 2, Staff received over 30 applications for Level II charging stations to be at public sites, workplaces, and multifamily apartment complexes.
- EV Accelerator
  - Staff met with and recruited numerous car dealers to become Participating Dealers for the EV car rebate program. Staff prepared draft agreements to be used with car dealers and EV purchasers.
  - Staff has begun designing and drafting the “EV Accelerator” program website and on-line forms.
  - Staff presented at the June Drive Electric Maine meeting and provided updates on all EV-related programs.
  - Staff met with the State’s Central Fleet management and other state agencies to discuss central fleet EV and Efficiency Maine rebates and on-going state efforts related to EVs.

## I) Strategic Initiatives

- **Innovation**
  - Staff and TRC are working on drafting up and reviewing the results of the Low Income Behavioral Pilot.
  - Staff is working with Revision Energy to adjust the scope of the Commercial Demand Response pilot in order to increase participation.
  - All final measures were installed in the Residential Distributed Energy Resources (DER) aggregation and controls pilot and the test year has started.
  - Staff awarded three projects through the Innovation RFP for Load Management. The awardees were Isle au Haut Electric Power Company, EnSave, and Energy Solutions.
- **Evaluation, Measurement & Verification**
  - The Trust has no new information to report this month.

## 3. Administration and Finance Highlights

### A) Administration

- Nothing new to report.

### B) Financial

#### Revenues

- The new revenues from state and regional sources through the end of June 2019 were \$60.8 million (up from \$54.9 million through the end of May) out of a revised total expected annual revenue of \$60.6 million. Approximately \$1.37 million in additional revenue has been received year-to-date on interest from outstanding loans and other miscellaneous revenues. Year-to-date, we have made interfund transfers of \$2.09 million.

#### Expenditures

- Total expenditures through the end of June 2019 were \$51.5 million (up from \$47.3 in the last report), of which approximately:
  - i. \$2.8 million was spent on Administration (excluding interfund transfers)
  - ii. \$200,000 was spent on Public Information
  - iii. \$474,000 was spent on Evaluation work
  - iv. \$238,000 was spent on Innovation pilots
  - v. \$4.8 million was spent on Low Income Initiatives
  - vi. \$9.2 million was spent on the Consumer Products Program
  - vii. \$9.6 million was spent through HESP
  - viii. \$13 million was spent through the C&I Prescriptive Program
  - ix. \$3.1 million was spent on the C&I Custom Program
  - x. \$2.2 million was spent on the Small Business Initiative
  - xi. \$3.2 million was spent in Inter-Agency Transfers
  - xii. Another \$2.7 million has been awarded through competitive solicitations but the contracts are not yet finalized
  - xiii. Another \$25 million is encumbered across all budget categories but is not yet spent.