

Executive Director's Summary Report

to the Board of Trustees
of the
Efficiency Maine Trust

June 24, 2020

1. Public Information and Outreach

A) Awareness and Press

- Press
 - Greentech Media quoted the Executive Director in an article about building electrification (<https://www.greentechmedia.com/articles/read/so-what-exactly-is-building-electrification>).
 - Energy News Network interviewed the Executive Director about Efficiency Maine's Electric Vehicle Program.
- Website and Outreach
 - 27,424 website visits (compared to 8,955 visits in April)
 - 16,876 unique visits
 - 5,852 visits website driven through digital ads
 - Facebook
 - 3,609 fans
- Call Center (May)
 - 1,120 inbound phone calls received; volume has dropped from record highs in January/February to record lows in April/May
 - 98% answered within 20 seconds (vs. a goal of 90%)
 - 745 inbound emails
 - 1,002 pieces of inbound mail
 - Most agents are working from home following the emergency standard operating procedure (SOP) used for snowstorms. All their resources (phone system, documentation, call logging system, customer enrollment, etc.) are cloud-based. Only literature fulfillment is done from the call center office.

B) Government Relations

- Maine Public Utilities Commission (PUC)
 - The Trust received approval for its Request for 2021 Procurement for Electric and Natural Gas Funds in the Triennial Plan Docket.
 - PUC staff recommended approval of Summit Natural Gas's request to administer their rebate program.
 - The Trust continued its work with the Office of the Public Advocate (OPA) on various Non-Wires Coordinator tasks including:
 - Development of a benefit-cost analysis and investigation process;
 - Development of a report on Section 31 (Brunswick/Topsham) Docket; and
 - Monitoring of the Section 80 docket.
- Maine Climate Council

- On June 17 and 18, the Maine Climate Council convened to receive reports from the working groups that had been meeting since October. The Working Groups presented summaries of the strategies they had developed for the Council to consider. The Trust's Executive Director shared duties as the co-chair and rapporteur of the Buildings Working Group, and also served as a member of the Energy Working Group. Efficiency Maine Staff also participated on the Transportation Working Group. Reports and schedules are provided on the Maine Climate Council website.

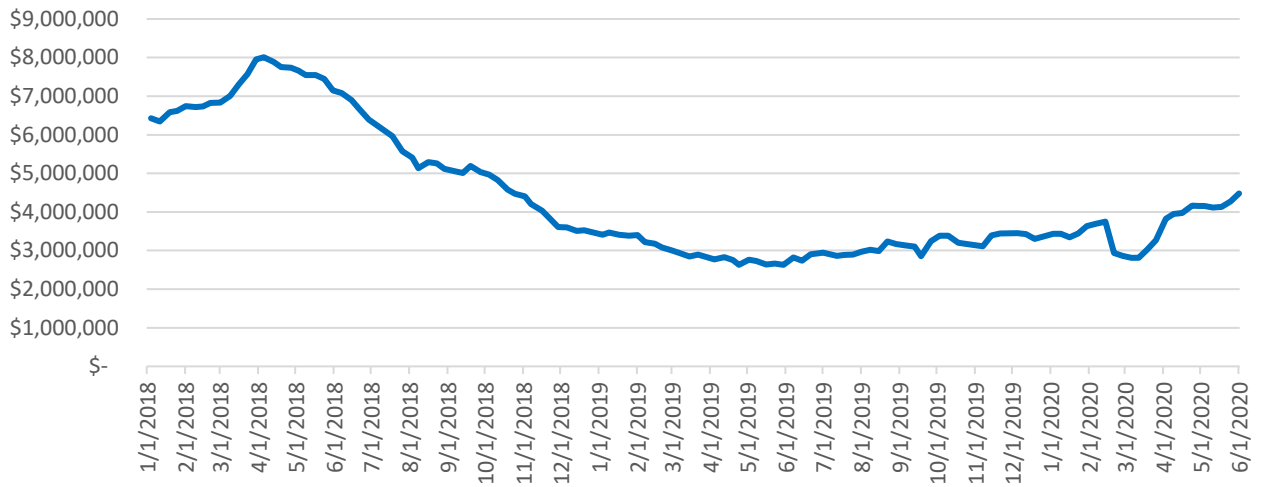
2. Program Highlights¹

A) C&I Prescriptive (CIP) Program

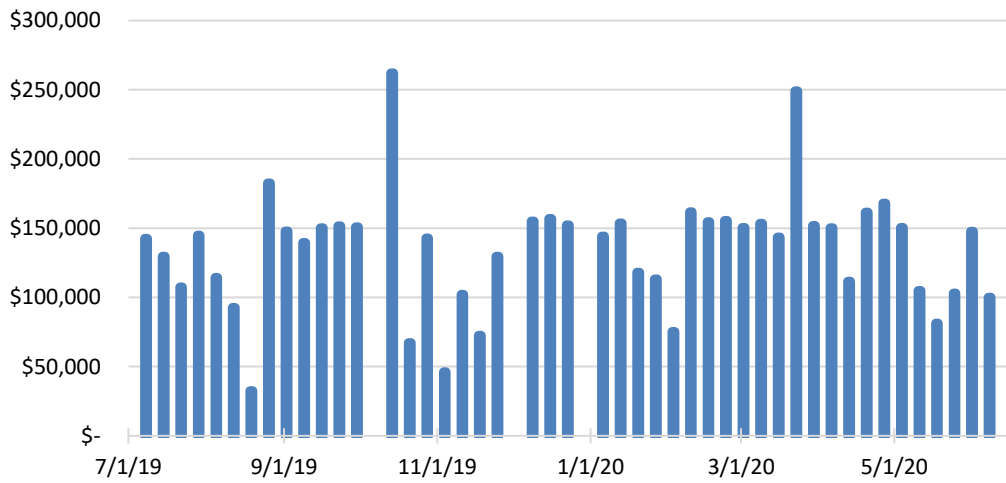
- The current pipeline of pending projects represents nearly \$4.5 million in new commitments, a \$360,000 increase over the last month.
- Lighting activity has declined, likely due to the COVID pandemic. That said, to date almost 1,500 lighting projects have been submitted.
- Several Funding Opportunity Notices (FONs) are underway:
 - The deadline for submitting applications for school lighting retrofits was June 1 and is opportunity is closed to new entries. The program team has preapproved projects that represent over \$780,000 in incentives. The value of projects pending review represents an additional \$180,000 in incentives.
 - An FON for Parking and Pole Lighting Retrofits was issued in April and the due date for applications was extended to September 30. Projects that have received pre-approval and customer and contractor commitments represents over \$300,000 in incentives. The value of incentives for projects pending review represents an additional \$15,000.
 - The program team launched an FON for Packaged Terminal Heat Pump (PTHP) Retrofits in mid-May, including a marketing mailer sent to a targeted list of Maine lodging businesses to notify them of the opportunity. The team held two informational webinars in late May and early June.
- The CIP program team received 202 calls throughout the month of May (compared to 247 in April), including live transfers from the Call Center and direct calls from Qualified Partners.
- All on-site activity by program team staff continues to be on hold. Inspections will be handled by phone call where applicable. The team made 32 phone calls to verify post-installation inspections that were checked as self-installed. In lieu of on-site inspections, digital photos are being requested to help with verification.
- We have developed a new online platform for annual certifications whereby Qualified Partners can select the training they require and complete it at their convenience.

¹ 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 June 19, 2020, to capture the progress for the year through the most recent complete month of reported actual results (i.e., through the end of May 2020).

CIP - Pipeline



CIP Electric - Incentives Paid



Updated Financials	Program Investment
FY2020 Program Budget	\$17,184,059
7/1 to 5/31 Spending	\$7,228,244
Percent of Budget Spent to Date	42%
Percent of Year Passed	92%

Additional Details on FY2020 Financials	Program Investment
Expenditures	\$7,228,244
Committed Pipeline	\$4,501,863
Total (Expenditures and Committed Pipeline)	\$11,730,107
Percent of Current Budget	68%

Energy Savings (through 5/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	26,306,940	(13,591)
Thermal Programs	-	27,967

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

Project Type (through 5/31)	Projects
Prescriptive Lighting Solutions	1,312
Electric Heating and Cooling Solutions	371
Compressed Air Solutions and Other	49
Natural Gas Heating and Cooling Solutions	25
All Fuels Heating and Cooling Solutions	11

B) C&I Custom Program

- The C&I Custom Program Review Team met once and approved 1 project with a \$67,582 incentive offer. The Review Team has one more meeting scheduled before the end of FY2020.
- The pipeline grew modestly, adding 6 new projects. The total pipeline now consists of 10 projects worth roughly \$1,083,000 in incentive offers after adjusting for probability of completion. Of this, Staff expects to award 6 projects worth approximately \$972,000 before the end of FY2020. The remaining pipeline of projects will carry over into FY2021.
- Program staff did not receive any new scoping audit requests or Technical Assistance (TA) Study applications.
- Program staff reviewed 1 project proposal that did not meet the program requirements and was not advanced.

Updated Financials	Program Investment
FY2020 Program Budget	\$14,189,007
7/1 to 5/31 Spending	\$3,765,395
Percent of Budget Spent to Date	27%
Percent of Year Passed	92%

Additional Details on FY 2020 Financials	Program Investment
Expenditures	\$3,765,395
Committed	\$5,851,572
Pipeline*	\$972,276
Total (Expenditures, Committed, & Pipeline)	\$10,589,253
Percent of Current Budget	75%

*Only reflects portion of pipeline with high likelihood of being awarded in FY2020.

Energy Savings (through 5/31)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	1,269,810	-
Thermal Programs	(54,744)	17,398

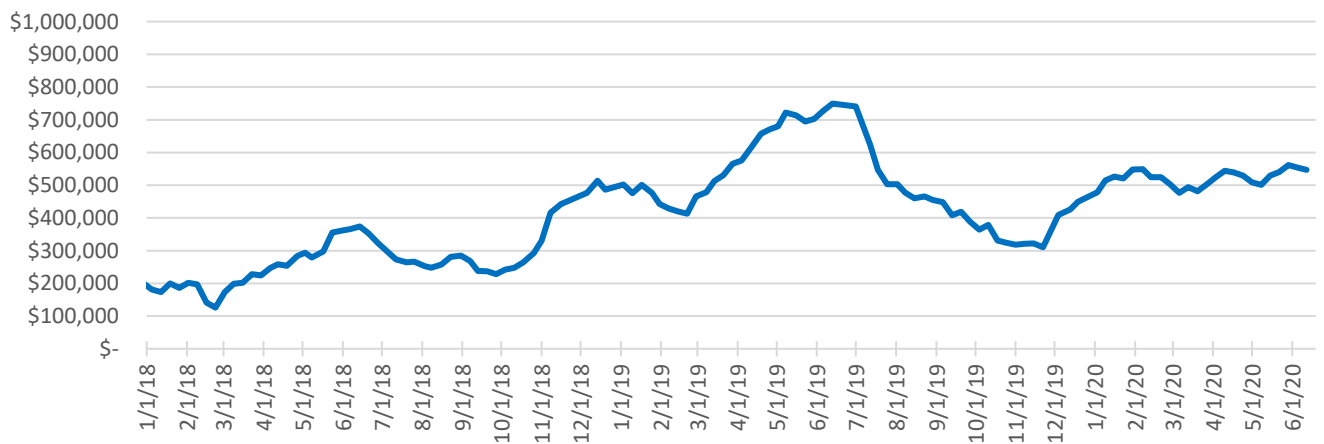
C) Small Business Initiative (SBI)

- The pipeline of pending projects has seen a slight increase indicating that businesses are beginning to receive lighting assessments.
- Contractors completed 33 projects since last month representing \$118,613 in customer incentives paid.

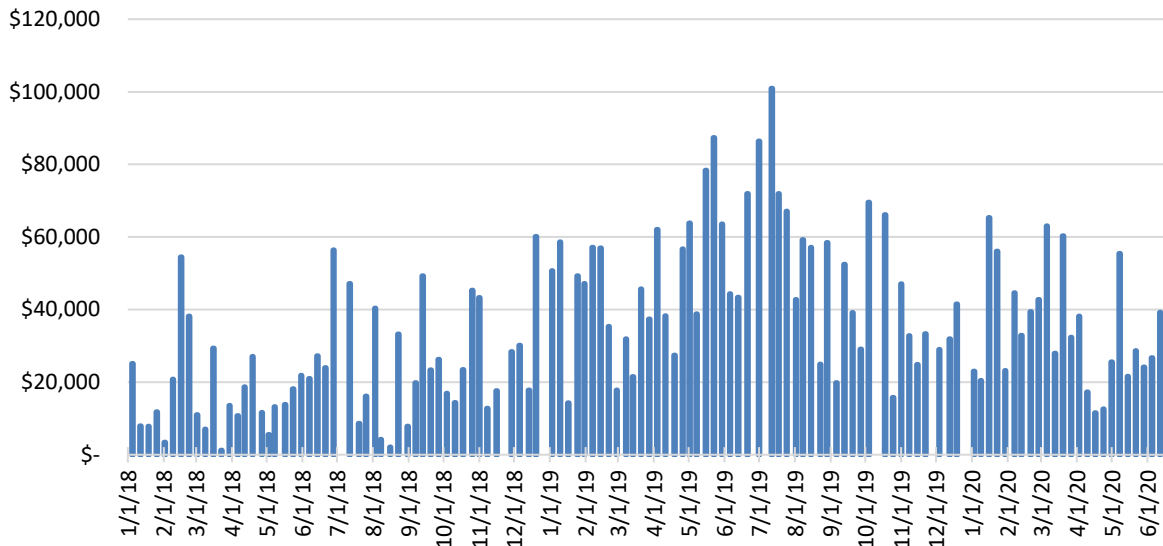
SBI Activities	Region 15	Region 16	Region 17	Region 18	Region 19
Launch Date	9/2019	10/2019	1/2020	2/2020	5/2020
Assessments Requested/Assigned	155	154	108	41	21
Assessments Completed	138	134	83	31	7
Pre-approved Projects	124	124	72	29	7
Signed SOWs	103	107	63	20	4
Installations Underway	6	8	18	1	0
Projects Completed	92	87	33	7	0

Region 15 covers the Augusta area; Region 16 covers Calais and eastern Washington County; Region 17 covers the Dover-Foxcroft area; Region 18 covers the Millinocket area; and Region 19 covers Brewer.

Small Business Initiative - Total Project Pipeline



SBI - Total Incentives Paid



Updated Financials	Program Investment
FY2020 Program Budget	\$3,442,187
7/1 to 5/31 Spending	\$2,094,219
Percent of Budget Spent to Date	61%
Percent of Year Passed	92%

Additional Details on FY2020 Financials	Program Investment
Expenditures	\$2,094,219
Committed Pipeline	\$546,946
Total (Expenditures & Committed Pipeline)	\$2,641,165
Percent of Current Budget	77%

Energy Savings (through 5/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	4,506,592	(4,142)

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

D) Home Energy Savings Program (HESP)

- The number of May rebates was down 14% compared to May 2019.
 - Heat pump rebates was down 1%.
 - Weatherization rebates was down 57%
- For the period July through April, the total number of rebates was up 1% over last year.
 - The number of heat pump rebates was up 9%.
 - The number of weatherization rebates was down 19%.

- In-home inspections have been replaced by video/phone inspections since Maine’s State of Emergency restrictions have been issued.
- Installations are increasingly limited to unoccupied homes: new construction, recent sales where owners have not yet moved it, and homes where owners can move out during the upgrade.

Updated Financials	Program Investment
FY2020 Program Budget	\$14,321,561
7/1 to 5/31 Spending	\$9,089,051
Percent of Budget Spent to Date	63%
Percent of Year Passed	92%

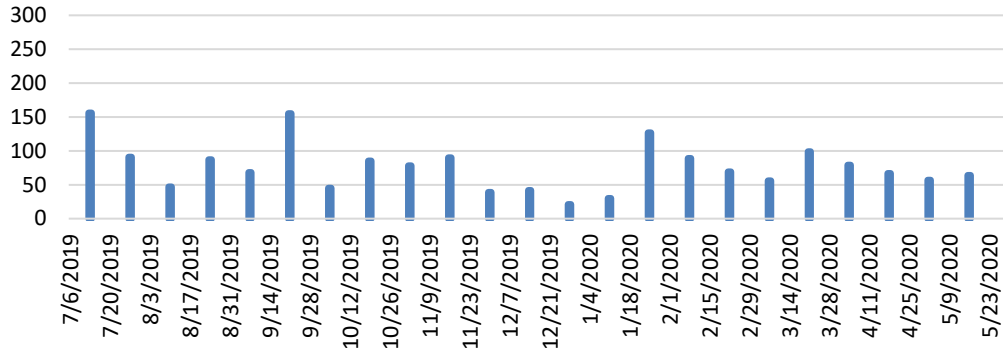
Energy Savings (through 5/31)	Annual kWh Savings	Annual MMBtu Savings
Electric Programs	(4,617,109)	84,193
Thermal Programs	240,193	31,373

Project Type (through 5/31)	Participating Households
Electric Measures	7,080
All Fuels Measures	1,612
Natural Gas Measures	18

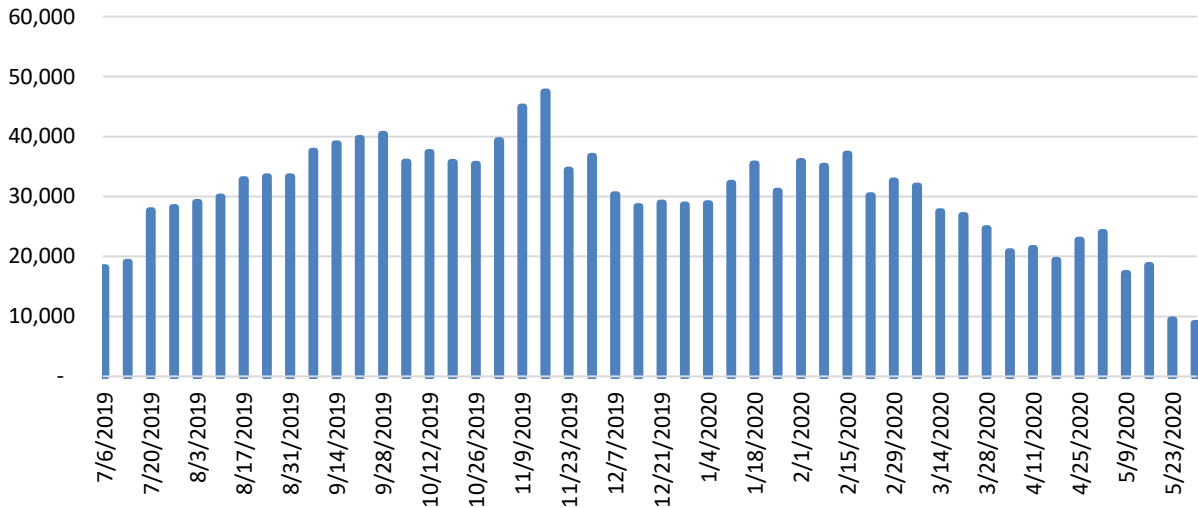
E) Retail Initiatives Program

- Though anticipated shortages of China-sourced LEDs have reduced the program forecast, discounted LEDs remain available in over 300 stores and the program team estimates that over 1.6 million LED bulbs will receive rebates this fiscal year, achieving a 4-year high.
- The program is piloting an instant rebate coupon for heat pump water heaters (HPWH) at Home Depot stores. Using their smartphones in the store, customers will be able to download a personal barcode that will get them a \$850 discount at the register. This will help address the first-cost barrier that inhibits customers from investing in efficient water heaters when their old one burns out and urgently needs to be replaced.
- Efficiency Maine continues to publish “Best Water Heater Prices in Maine” and shares this with retailers and manufacturers to highlight the value of competitive prices. Both Lowe’s and Home Depot have lowered their prices. The combination of manufacturer/retailer discounts and Efficiency Maine rebates/discounts are making heat pump water heaters less expensive than traditional electric water heaters and we’re seeing unprecedented sales.

Bi-Weekly Retail HPWH Sales (invoiced)



Weekly Retail Bulb Sales (invoiced)



Updated Financials	Program Investment
FY2020 Program Budget	\$8,211,793
7/1 to 5/31 Spending	\$6,869,229
Percent of Budget Spent to Date	84%
Percent of Year Passed	92%

Energy Savings (through 5/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	50,650,346	(44,594)
Thermal Programs	-	1,989

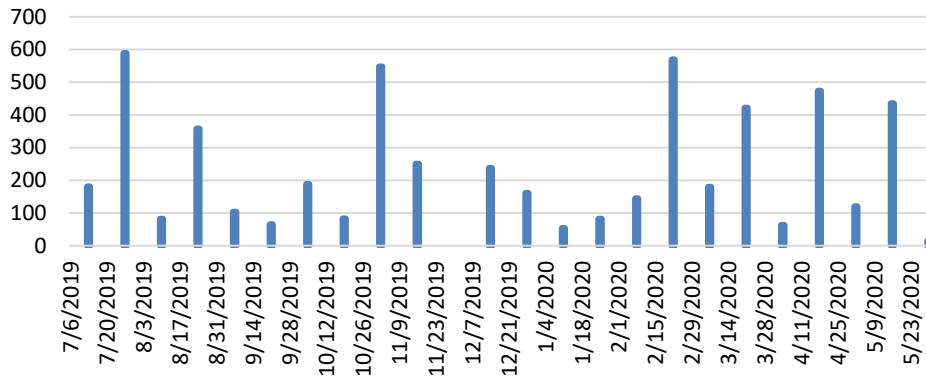
*Negative MMBtu savings indicates thermal interactive effects with lighting measures.

Rebate Type (through 5/31)	Projects
Light Bulbs	1,427,311
Appliance Rebates	9,763
Smart Thermostats	-

F) Distributor Initiatives Program

- Most distributors that had temporarily closed their counters and were only loading from their loading docks in response to the pandemic are now opening their counters again. This is allowing field staff to resume visiting most branches and promoting sales best practices.
- Field staff are collecting market share data for heat pump water heater and ECM (Electronically Commutated Motor) circulator pump sales by distributor branch. This has helped manufacturers focus their training efforts on the lowest performing branches and is yielding continuous increases in market share.
- The market share for ECM circulator pumps has improved in response to a January 1 increase in the incentive from \$50 to \$75 and the introduction of a \$3 per pump administrative fee. Though the increase came after the peak boiler replacement season, the forecast for the year has increased.

Bi-Weekly Distributor HPWH Sales (invoiced)



Updated Financials	Program Investment
FY2020 Program Budget	\$11,918,772
7/1 to 5/31 Spending	\$7,822,629
Percent of Budget Spent to Date	66%
Percent of Year Passed	92%

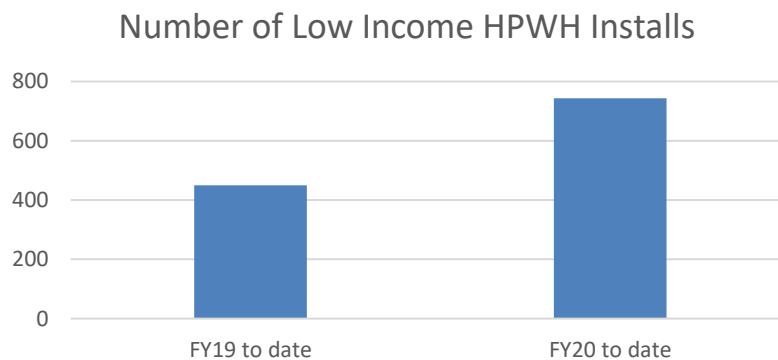
Energy Savings (through 5/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	22,539,621	(9,738)
Thermal Programs	-	11,711

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

Rebate Type (through 5/31)	Units	Projects
Distributor Lighting	110,730	-
Distributor HVAC (Oil)	-	2,546
Distributor HVAC (Electric)	-	4,183
Distributor Hot Water (Electric)	-	5,234

G) Low-Income Initiatives

- **Low Income Direct Mail:** The Trust is sunsetting this initiative for the year and has no new mailers scheduled. Staff saw a big drop off in activity in May and early June. To date, the Trust has sent 10,919 kits to low income households this year. The Trust will continue to fulfill incoming orders through the calendar year.
- **Low Income Heat Pump Water Heater Initiative:** The program team saw a slower installation pace per week in May compared to April. To date, the initiative has issued incentives for 744 water heaters in FY2020. The program is expanding its rebate to three more distributor locations throughout the state and reducing the total cost to \$889 per tank.



- **Arrearage Management Program (AMP):** The Trust will participate in a Quarterly AMP Stakeholders Group meeting in late June. Staff will suggest exploring enrollees' electricity usage changes in addition to payment behavior so that the Trust has a better understanding of program impacts.
- **Affordable Heat Initiative:** Heat pump marketing materials are being sent as part of municipal tax mailers to direct attention to offers for low- to moderate-income households that meet program thresholds based on assessed property values. The program team is also developing an initiative to increase weatherization projects at low-income homes.

AHI Reservation Status	All Measures	DHP	DHP	Weatherization (All Eligible)
		(Based on Assessed Property Value)	(Based on LIHEAP Participation)	
Requests Received	442	305	88	49
Active Reservations	72	54	12	6

- The program team is developing an initiative to supply MaineHousing’s CHIP (Central Heating Improvement Program) with smart thermostats. Our goal is to reach 75% of the 2,000 CHIP jobs annually performed by Community Action Agencies (CAPs).

Updated Financials	Program Investment
FY2020 Program Budget	\$7,587,733
7/1 to 5/31 Spending	\$2,794,198
Percent of Budget Spent to Date	37%
Percent of Year Passed	92%

Additional Details on FY2020 Financials	Program Investment
Expenditures	\$2,794,198
Committed Pipeline	\$487,400
Total (Expenditures & Committed Pipeline)	\$3,281,598
Percent of Current Budget	43%

Energy Savings (through 5/31)	Annual kWh Savings	Annual MMBtu Savings*
Electric Programs	4,578,884	(1,437)
Thermal Programs	(648,233)	8,063

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

Initiative (through 5/31)	Units
Direct Installs	1,596
Market-based Installs	200

H) Renewable Energy Demonstration Grants Program

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

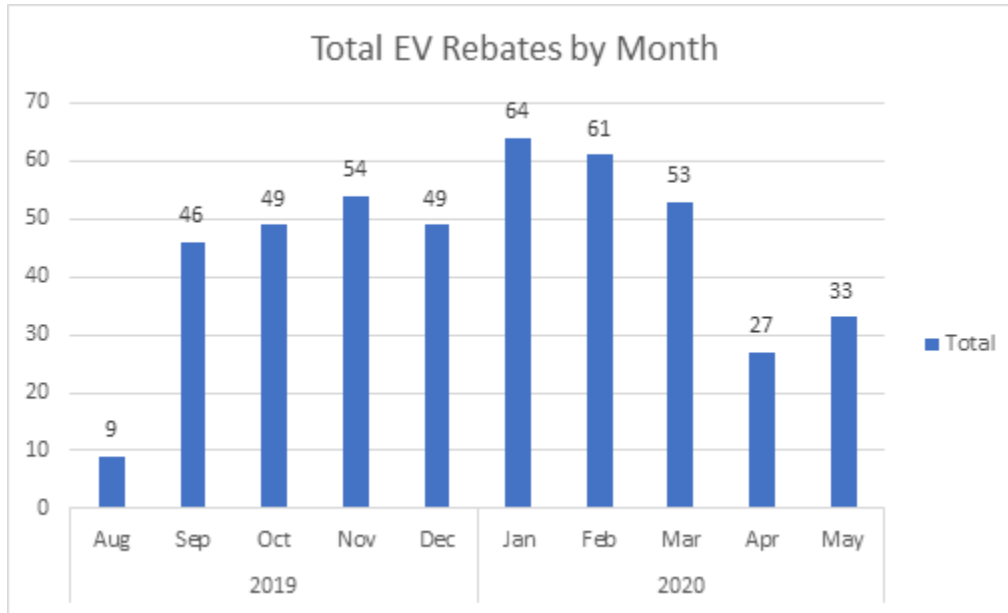
I) Electric Vehicle (EV) Initiatives

Electric Vehicle Supply Equipment (EVSE) Initiative

- Staff continues to review and close out the awarded Level 2 Charger grants. To date, six projects are completed and many more will be completed this summer. There have been some slight delays in implementation due to restrictions to curb the spread of COVID-19.
- The website added a new section to highlight the completed DC Fast Charger stations and Level 2 Charger projects.

EV Rebates

- To date, 414 EVs have been rebated through 48 participating car dealers. Forty-four additional rebates have been issued for vehicles without a dealer in the state (Tesla), making a total of 458. Ten of the rebates have gone to state governmental entities that include municipalities.
- Following is a brief summary of the number of rebates by technology:



Technology Type	Number of Rebates
BEV (Battery Electric Vehicle)	264
PHEV (Plug-in Hybrid Electric Vehicle)	194
Total	458

Updated Financials	Electric Vehicle Supply Equipment	EV Accelerator Program
FY2020 Program Budget	\$2,142,041	\$1,139,471
7/1 to 5/31 Spending	\$1,270,475	\$772,178
Percent of Budget Spent to Date	59%	68%
Percent of Year Passed		92%

EV Public Education and Outreach

- Staff continues to refine and implement the EV Public Education and Outreach plan. This month we completed the following:
 - Re-launched radio ads on five radio stations in the Portland, Brunswick, and Topsham areas and launched ads on two stations in Bangor about the benefits of EVs, their range, commuting and charging opportunities;
 - Followed up with participating car dealers about using our EV promotional marketing collateral;
 - Finalized more EV-related web content;

- Provided web content to nongovernmental organizations (NGOs) to drive consumers to our EV web pages; and
- Placed another round of EV program-related digital ads.

Strategic Initiatives

- **Innovation**

- The results of the Low-Income Behavioral Pilot are undergoing a final review by the Staff.
- The test year continues for the Residential Distributed Energy Resources (DER) aggregation and controls pilot. Staff does not anticipate any deviation from the current project schedule.
- Energy Solutions, collaborating with ERS, has completed preliminary customer acquisition efforts for phase-change material systems. Staff anticipates beginning the installation of the systems this summer.
- Isle au Haut Electric Power Company (IaHEPC) has continued its preparation of sites and installation of measures.

- **Evaluation, Measurement & Verification**

- A C&I Heat Pump Impact Evaluation was kicked off led by ERS along with Bruce Harley Engineering Consulting, Ridgeline Energy Analytics, Cadmus Group, and EcoMetric Consulting. The primary objectives of the evaluation are to quantify and verify electric energy and demand impacts (increases and decreases), verify non-electric energy impacts (increases and decreases), and analyze program cost-effectiveness.
- The Residential New Construction Baseline Assessment Study was kicked off led by Ridgeline Energy Analytics along with Advanced Building Analysis. The study will focus on energy code compliance and energy savings opportunity in homes built within the last three years.
- A review of our compliance with Forward Capacity Market (FCM) measurement and verification (M&V) requirements was recently completed. It found that the Trust's portfolio is fully compliant with ISO-NE M&V requirements.

3. Administration and Finance Highlights

A) Administration

- Staff signed a new lease for the office at 168 Capitol Street in Augusta.
- Staff has worked remotely for the past month while the offices were closed. The website carries a notice to all readers that the Trust's physical offices remain closed to the public.
- The independent auditor, RKO, commenced their annual audit; Staff fulfilled the auditor's preliminary requests for records.

B) Financial

Revenues

- The new revenues from state and regional sources through the end of May 2020 were \$60.47 million out of a revised total expected annual revenue of \$68.24 million. Approximately \$702,000 in additional revenue has been received year-to-date on interest from outstanding loans and other miscellaneous revenues. Year-to-date, the Trust has made interfund transfers of \$2.78 million.

Expenditures

- Total expenditures through the end of May 2020 were \$49.2 million of which approximately:
 - i. \$2.68 million was spent on Administration (excluding interfund transfers)
 - ii. \$120,000 was spent on Public Information
 - iii. \$479,000 was spent on Evaluation work
 - iv. \$73,000 was spent on Innovation pilots
 - v. \$2.79 million was spent on Low Income Initiatives
 - vi. \$6.87 million was spent on Retail Initiatives Program
 - vii. \$7.82 million was spent on the Distributor Initiatives Program
 - viii. \$9.09 million was spent through HESP
 - ix. \$7.23 million was spent through the C&I Prescriptive Program
 - x. \$3.77 million was spent on the C&I Custom Program
 - xi. \$2.09 million was spent on the Small Business Initiative
 - xii. \$1.36 million was spent in Inter-Agency Transfers
 - xiii. Another \$34.14 million is encumbered across all budget categories but is not yet spent.